



Hawai'i Convention Center
1801 Kalākaua Avenue, Honolulu, Hawai'i 96815
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David Y. Ige
Governor

Chris Tatum
President and Chief Executive Officer

**HĀLĀWAI PAPA ALAKA'I KŪMAU
KE'ENA KULEANA HO'OKIPA O HAWAII'**

**REGULAR BOARD MEETING
HAWAII' TOURISM AUTHORITY**

Po'ahā, 27 Pepeluali 2020, 9:30 a.m.
Thursday, February 27, 2020 at 9:30 a.m.

***Kikowaena Hālāwai O Hawai'i
Lumi Papa Ho'okō A
1801 Alaākea Kalākaua
Honolulu, Hawai'i 96815***

**Hawai'i Convention Center
Executive Board Room A
1801 Kalākaua Avenue
Honolulu, Hawai'i 96815**

Papa Kumumana'o
AGENDA

1. *Ho'omaka A Pule*
Call to Order and Pule
2. *'Āpono I Ka Mo'o'olelo Hālāwai*
Approval of Minutes of the January 30, 2020 Board Meeting
3. *Hō'ike Lālā*
Report of Permitted Interactions at an Informational Meeting or Presentation Not Organized by the Board Under HRS section 92-2.5(c)
4. *Hō'ike A Ka Luna Ho'okele*
Report of the CEO Relating to Staff's Implementation of HTA's Programs During January 2020:
 - Major Market Management including Destination Marketing Management Services, Global Meetings, Conventions and Incentives (MCI) Program Management Services, Responsible Tourism
5. *Hō'ike A Ka Visitor Aloha Society of Hawai'i*
Presentation by the Visitor Aloha Society of Hawaii (VASH) of their Services to Visitors in Need



6. *Hō'ike No Nā Hopena Anamana'o Kama'āina*
Presentation on the Resident Sentiment Survey Results
7. *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, Other Asia, Europe, and Cruise
8. *Hō'ike, Kūkākūkā A Ho'oholo No Nā Mo'okālā*
Presentation, Discussion and Action on HTA's Financial Reports for January 2020
9. *Hō'ike No Ka Papahana Ho'oponopono*
Update on the Status of the 2018 Audit Action Plan
10. *Hō'ike No Ke Kau 'Aha'ōlelo 2020*
Update Relating to the 2020 Legislative Session and Related Bills Relevant to HTA
11. *Hō'ike a AEG me HVCB No Nā Hanana Kikowaena Hālāwai O Hawai'i*
Presentation by AEG and HVCB Regarding an Update of the Hawai'i Convention Center Recent Operational Activities and Sales Initiatives
12. *Ho'oku'u*
Adjournment

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

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



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Kono 'ia ka lehulehu i ka hālāwai no ka ho'olohe a hāpai mana'o waha paha no nā kumuhana i helu 'ia ma ka papa kumumana'o. Inā hoihoi i ka hāpai mana'o kākau, hiki ke ho'ouna 'ia i ke Ke'ena Kuleana Ho'okipa O Hawai'i ma mua o ka hālāwai ma o ka leka uila iā carole@gohta.net; ma o ka leka i ka helu wahi o luna; a i 'ole ma o ke kelepa'i i ka helu o luna. Inā pono ke kōkua ma muli o kekahi kīnānā, e ho'omaopopo aku iā Carole Hagihara (973-2255 a i 'ole carole@gohta.net), he 'ekolu lā ma mua o ka hālāwai ka lohi loa.

Members of the public are invited to attend the public meeting and provide oral testimony on any agenda item. Written testimony may also be provided by submitting the testimony prior to the meeting to by email to carole@gohta.net; by mail at the above address; or by facsimile transmission. Any person requiring an auxiliary aid/service or other accommodation due to a disability, please contact Carole Hagihara (973-2255) no later than 3 days prior to the meeting so arrangements can be made.

Agenda Item

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Approval of Minutes of the
January 30, 2020 Board Meeting



REGULAR BOARD MEETING
HAWAII TOURISM AUTHORITY
Thursday, January 30, 2020
Hawaii'i Convention Center
1801 Kalākaua Avenue, Honolulu, Hawaii'i 96815

MINUTES OF REGULAR BOARD MEETING

MEMBERS PRESENT:

Rick Fried (Chair), Micah Alameda, David Arakawa, Daniel Chun, George Kam, Kyoko Kimura, Kimi Yuen, Fred Atkins, Ku'uiipo Kumukahi, Benjamin Rafter, and Kelly Sanders

MEMBER NOT PRESENT:

Sherry Menor-McNamara

HTA STAFF PRESENT:

Chris Tatum, Keith Regan, Pattie Herman, Marc Togashi, Kalani Ka'anā'anā, Marisa Yamane, Jadie Goo, Jennifer Chun, Caroline Anderson, Carole Hagihara, Chris Sadayasu, Joseph Patoskie, Minami Aoki, Laci Goshi, Lawrence Liu, Maile Carvalho, Cynthia Morita, Maka Casson-Fisher, Minh Chau Chun, Isabella Dance, Kristen Andres, and Ronald Rodriguez

GUESTS:

Representative Richard Onishi, Senator Kalani English, Councilmember Kymberly Pine, Alexander Wong, John Monahan, Stephanie Donoho, Malia Sanders, Summer Thatcher, Nathan Kam, Erin Khan, Christine Ulandez, Jacob Aki, Branden Askew, Jason Paloma, Frank Haas, Yvonne Pee Wee Ryan, Eric Takahata, John DeFries, Teri Orton, Mari Tait, Noelle Liew, John Knox, Michael Carr, Tony Vericella, and Elissa Lines

LEGAL COUNSEL:

Gregg Kinkley

1. Call to Order and Pule

Chair Rick Fried called the meeting to order at 9:32 AM. Kalani Ka'anā'anā opened the meeting with a moment of silence to honor the lives of the two police officers who were killed in the line of duty, Tiffany Enriquez and Kaulike Kalama, followed by a pule. Mr. Ka'anā'anā shared the concept of "one heartbeat together" encouraging those in attendance to keep everyone affected in their thoughts and prayers. He added that January 17th marked the 127th anniversary of the overthrow of the Hawaiian Kingdom. He further added that despite the painful memory, Hawai'i's people still have a responsibility to nurture these islands, and in return, Hawai'i will nurture its people. Mr. Ka'anā'anā introduced Ku'uipo Kumukahi and Haulani Aiu to perform Kaulana Nā Pua ("Famous are the Flowers").

2. Approval of Minutes of the December 19, 2019 Board Meeting

Chair Fried requested a motion to approve the meeting minutes from the December board meeting. George Kam made a motion, which was seconded by Ms. Kumukahi. The motion was unanimously approved. Chair Fried welcomed Representative Richard Onishi, Senator Kalani English, and Councilmember Kymberly Pine to the meeting.

3. Report of Permitted Interactions at an Informational Meeting or Presentation Not Organized by the Board under H.R.S. § 92-2.5(c)

Chair Fried asked the Board whether there were any permitted interactions to report, and there were none. Chair Fried shared a copy of an article from the New York Times titled "36 Hours in Honolulu."

4. Report of the CEO Relating to Staff's Implementation of HTA's Programs during December 2019

Chief Executive Officer Chris Tatum discussed issues relating to the coronavirus. HTA has suspended promotional activities towards China and have shifted their resources from promotion to education, communication, and support, particularly for visitors that are already in Hawai'i.

Mr. Tatum discussed the Polynesian Hall of Fame Football Game and the events of that week. He highlighted community participation and commended the success of the student clinics. He added that three students who played in the game have received Division I football scholarships. Events were held at Campbell High School and Kaimuki High School, including visits by Tua Tagovailoa, who Mr. Tatum said is a positive representative for the state of Hawai'i.

Mr. Tatum introduced Chief Administrative Officer Keith Regan. Mr. Regan then welcomed the newest member of the HTA team, Kristen Andres, who will serve as an administrative assistant for HTA.

Micah Alameda applauded the student clinics and shared how these clinics lift the community.

Kyoko Kimura asked whether Honolulu airport has begun screening for the coronavirus, and Mr. Tatum responded in the affirmative. Chair Fried added that Hawai'i has been proactive and is one of twenty cities actively screening visitors for the virus.

5. Presentation on Support for the 13th Festival of Pacific Arts & Culture

Chair Fried introduced Sen. Kalani English and Rep. Richard Onishi to discuss the Festival of Pacific Arts & Culture ("FESTPAC"). Senator English is the chair of the FESTPAC Commission, which was created by the Hawai'i State Legislature. The festival includes 28 countries and has met once every four years since 1972, and this year, Hawai'i is hosting FESTPAC for the first time. One hundred delegates from each participating country will be in attendance. The festival theme will be "E Kū i Ka Hoe Uli," which means take hold of the steering paddle.

FESTPAC is requesting \$500,000 in financial support for the festival. Sen. English noted that this festival will bring in many heads of states for the island nations represented, which marks this as a high-level event. He then added that the festival will allow Hawai'i to reintegrate into the region and show that Hawai'i is culturally part of the region and not merely a part of North America. He noted that there will also be other events being held in conjunction with FESTPAC, like the Council of Indigenous Peoples, Association of Pacific Island Legislatures (APIL) General Assembly, the Pacific Philosophers Conference, and many others. He said that the participant countries are paying for their delegates to travel to Hawai'i, but the host country must provide food, lodging, and transportation. Chair Fried commented that there are numerous ancillary events that hosting FESTPAC will bring to the islands.

Fred Atkins asked whether any events will take place on the neighbor islands, and whether they will require any support from the neighbor islands. Sen. English replied that, at this time, there are no plans to hold any events outside of O'ahu, but that they are looking for ways to involve the other islands should funding be available.

Mr. Tatum complimented the event as a great opportunity for Hawai'i to show support for their cultures. Sen. English said that the opening ceremony, closing ceremony, and nightly reports will be broadcast in the region, which will be an opportunity to showcase Hawai'i.

David Arakawa asked whether there were any particular events that would be good for the Board or for the public to attend, and whether Sen. English would provide such a list. Sen. English responded that all events are free for the public, and the full schedule, once finalized, will be published online on the FESTPAC website. Rep. Onishi added that they plan to set aside specific seating areas for VIPs like visiting heads of state and sponsors.

Chair Fried noted that the funds will have to be reallocated from one area of the HTA budget to another if the Board approves funding.

Mr. Atkins asked whether Samoa will bring one or two delegations. Sen. English replied that there will be two: one from American Samoa and one from independent Samoa. He noted that a number of heads of state have expressed interest in attending, so there will be heads of governments, royal families, and ruling chiefs attending.

6. Requesting Board Approval for Resolution No. 2020-1-1 Authorizing the Transfer of an Unencumbered Appropriation within the Sports Main Budget Category to the Perpetuation of Hawaii Culture Main Budget Category Fiscal Year 2020 Budget in Support of the 13th Festival of Pacific Arts & Culture

Chair Fried recognized Mr. Regan to present the resolution. Mr. Regan read aloud the resolution as contained in the board packet. The Sports Programs budget has an unallocated appropriation and unencumbered balance of approximately \$4.1 million. The resolution would reallocate an unencumbered appropriation of \$500,000 from the Sports Programs unallocated, unencumbered balance to the Perpetuating Hawaiian Culture - FESTPAC category budget. Chair Fried requested a motion to pass the resolution. Mr. Kam made a motion, which was seconded by Ms. Kumukahi. Chair Fried opened the matter for discussion. Kelly Sanders stated that the Marketing Committee voted unanimously to recommend that the Board fund FESTPAC. The Board voted to approve the resolution unanimously.

7. Presentation on Support for the 75th Commemoration of the End of World War II

Chair Fried introduced Michael Carr, President & CEO of the Battleship Missouri Memorial, Elissa Lines, Executive Director of the Pacific Aviation Museum, and Tony Vericella, Executive Director of the Governor's 75th Anniversary Commemoration Committee. The committee's goal is to raise \$2.4 million for events to be held in Hawai'i. Mr. Carr introduced Ms. Lines who highlighted Hawai'i's historical significance in World War II. Ms. Lines then introduced Mr. Vericella, who discussed plans to find and encourage participation from veterans and civilians to provide oral history for exhibits and presentations. Mr. Vericella also discussed the educational and marketing opportunities for Hawai'i provided by the event. The committee is requesting \$500,000 for content creation, community engagement, and assisting WWII veterans to participate and attend, which is in line with what was requested for the Pearl Harbor 75th anniversary.

Mr. Vericella noted that a question arose in the Marketing Committee meeting, whether the committee is pursuing money at the state level. He said that Rep. Onishi and Sen. Wakai are members of the Commemoration Committee, and Rep. Onishi indicated that he is requesting a \$250,000 appropriation from the State Legislature. The legislature had allocated the same amount four years ago for the 75th anniversary of the bombing of Pearl Harbor. He then added that the committee is pursuing sponsorships from national and local

sources and is reaching out to local travel industry partners for assistance with air, accommodation, and transportation.

Chair Fried shared that he attended the 75th Anniversary of the Liberation of Bruyères, France, an event that honors the 442nd Regimental Combat Team, and noted that a number of people from Hawai'i and California attended.

Ms. Kumukahi asked if it was possible to change the September 2nd date for the main event. Mr. Vericella responded that that is not possible as September 2nd is the anniversary of the Japanese surrender at Tokyo Harbor on the U.S.S. Missouri. Ms. Kumukahi noted that September 2nd is also Queen Lili'uokalani's birthday and that an 'onipa'a is held on her birthday. Ms. Kumukahi added that the celebration happens either the weekend before or after, but September 2nd is her actual birthday. Mr. Vericelli asked to meet with Mr. Ka'anā'anā after the board meeting to discuss how to proceed as respectfully as possible.

Mr. Atkins commended the presenters for both FESTPAC and the Commemoration for their presentations and offered the Board's support if they require additional support beyond funding.

8. Requesting Board Approval for Resolution No. 2020-1-2 Authorizing the Transfer of an Encumbered Appropriation Balance within the Sports Main Category to the Community Main Category, Fiscal Year 2020 Budget in Support of the 75th Commemoration of the End of World War II

Chair Fried recognized Mr. Regan to present the resolution. Chair Fried asked if the Board could forego reading the entire resolution aloud. Mr. Regan asked Gregg Kinkley if this would be acceptable, to which Mr. Kinkley responded in the affirmative. Mr. Kam asked how this resolution differed from the FESTPAC resolution. Mr. Regan responded that the only difference is that the funds will be allocated to the Community Engagement budget as opposed to the Perpetuating Hawaiian Culture budget. Chair Fried requested a motion to pass the resolution. Mr. Kam made a motion, which was seconded by Ms. Kumukahi. The Board voted to approve the resolution unanimously.

Chair Fried announced a break in the meeting at 10:55 AM. The meeting reconvened at 11:04 AM.

9. 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, Other Asia, Europe, and Cruise

Chair Fried introduced Jennifer Chun to discuss market insights and conditions. Ms. Chun discussed the statistics as contained in the board packet. She pointed out that the TAT collection numbers have not been updated for the past several publications, to which Chair

Fried asked when the Board would receive those updated numbers. Ms. Chun replied that she has inquired with the Department of Tax, but has not yet received a response.

Ms. Kimura noted that the number of vacation rentals on O'ahu has decreased while the number on Maui has increased significantly. Mr. Kam suggested that this increase might be the result of Maui County not having the same enforcement laws as there are on O'ahu. Mr. Sanders said that it may be beneficial to understand where they derive these statistics. Ms. Chun replied that the statistics for vacation rentals come from an independent contractor called Transparent Inc. She added that this vendor draws statistics from a number of websites including Airbnb and Booking.com. The vendor is also working to draw statistics directly from the property managers.

Mr. Tatum invited Councilmember Kymberly Pine to speak. Councilmember Pine said that the vacation rental issue is not over, and many vacation rental owners on O'ahu have moved to the neighbor islands, primarily Maui and Hawai'i Island. She recommended the Board to encourage city councilmembers from the neighbor islands to take action if this is a concern. Chair Fried asked if Corp. Counsel has provided an update on the police power legality regarding the enforcement of vacation rentals on O'ahu, and Councilmember Pine responded that there have been no issues.

Mr. Regan added that there are many factors that contribute to these statistics, but the planning departments on neighbor islands are receiving data to help. Mr. Sanders noted that when the law was passed, O'ahu was separated into zones where there were vacation rentals. He asked whether the data shows if there have been declines by specific zones. Ms. Chun responded that the vendor only delineates it by Waikiki (96815) and other zip codes.

Mr. Tatum asked if the law itself has changed or just the enforcement mechanisms. Councilmember Pine replied that the law is the same, but that it is now legal for enforcement teams to use what is on the internet as cause to investigate and enforce violations. Chair Fried asked if they are adequately staffed and what more is needed. Councilmember Pine replied that they are looking into changing their hiring practices.

10. Presentation, Discussion and Action on HTA's Financial Reports for December 2019

Chair Fried recognized Mr. Regan and Marc Togashi to present the financial reports. Mr. Regan said that HTA is on track with its expenditures, noting that HTA is utilizing about 74% of its budget. He then discussed in more detail each specific category as contained in the board packet. Mr. Regan then discussed the Budget Reallocation Summary as detailed in the board packet, noting that the two positions currently held by contractors would transition into full-time staff after completing the appropriate governmental procedures. Mr. Arakawa asked if the two spots held by independent contractors would be considered for the full-time positions. Mr. Regan responded in the affirmative, but HTA would still go through a recruiting process. He then said it is a good sign that HTA's programs are closing

their contracts and that the prior year encumbrances have dropped to \$21.7 million. He explained that closed contracts with unspent funds can then be reallocated elsewhere.

Chair Fried asked which department the two contractor positions are in, to which Mr. Regan responded that one is in Hawaiian Culture and the other in Community Enrichment.

Mr. Atkins asked if something was added to the Perpetuating Hawaiian Culture budget as the programs comprise approximately \$7.8 million while the final line item is for \$8.093 million. Mr. Togashi replied that the \$7.8 million is a subcategory within the larger category, and the difference is from salaries.

Chair Fried requested a motion to approve the financial report. Mr. Kam made a motion, which was seconded by Ms. Kumukahi. The Board voted to approve the financial report unanimously.

11. Update on the Status of the 2018 Audit Action Plan

Chair Fried recognized Mr. Regan to provide an update on the status of the 2018 Audit Action Plan. Mr. Regan said that they have circulated a draft letter to the Attorney General's office relating to administrative costs and are close to finishing the last pieces of the audit action plan. Chair Fried asked why line item six has a completion date for September 2019, to which Mr. Regan replied that it was a typographical error. Mr. Regan added that positive developments have come from the audit such as moving its internal policies and procedures to a single access point, among other things.

12. Update Relating to the 2020 Legislative Session and Related Bills Relevant to HTA

Chair Fried recognized Mr. Regan to provide an update on the 2020 legislative session. Mr. Regan said that their office has identified approximately 80 bills of interest in the House and the Senate related to TAT, home rule issues related to transient accommodations and hosting platforms, ocean safety, and funding appropriations. He added that HTA is currently tracking these bills and developing testimony as it presents itself. HTA has met with Rep. Onishi and Sen. Wakai for their input, and has also attended briefings held by the Finance Committee and the Ways and Means Committee, respectively. He noted that it is still early in the session.

Mr. Alameda asked what HTA's primary legislative goal is this session. Mr. Tatum responded that HTA did not sponsor any bills this session, but wants to ensure a consistent message from the tourist industry. He added that if a bill does not impact any of HTA's four pillars, it will not engage with it unless a representative or senator approaches HTA for its support. Mr. Tatum further added that there are a number of bills addressing TAT and environmental protection and will provide testimony if these bills get to hearing. Chair Fried said that he has received positive feedback from legislators that Mr. Tatum and not a hired lobbyist has been appearing at the legislature.

Mr. Arakawa raised four points. First, if there is legislation that affects the tourist industry, to please be aware of any intended or unintended consequences impacting the people who work in the industry and the industry itself. Second, keep lines of communication open. Third, HTA must remain independent of elected legislators. HTA's voice should align with the chairs of the Senate and House tourism committees, but they do not run the tourist industry or HTA. Fourth, if HTA's industry partners or stakeholders raise issues that the legislature can address, bring them to the attention of the HTA team. Chair Fried noted that things are changing with the new team in place, and that the Administrative Committee would address Mr. Arakawa's third point at its upcoming meeting.

Mr. Tatum said that if the need arises, the team may call upon the board members to see if they have connections to specific councilmembers or legislators.

13. Presentation and Approval of the Updated Emergency Operations Plan Policy #500-01

Chair Fried recognized Mr. Regan to present the policy. Mr. Regan explained that an emergency operation plan (EOP) guides the agency when it is dealing with a critical issue or crisis, and then discussed the policy contained in the board packet.

Chair Fried requested a motion to accept the policy. Mr. Kam made a motion, which was seconded by Ms. Kumukahi. The motion passed with unanimous approval.

Chair Fried announced a break in the meeting at 11:40 AM. The meeting reconvened at 12:06 PM.

14. Presentation, Discussion and Approval of the Hawaii Tourism Authority 5-Year Strategic Plan 2020-2025

Chair Fried recognized Kimi Yuen to present the 5-Year Strategic Plan. Daniel Chun raised three thoughts. First, the plan makes it clear that HTA is committed to sustainable tourism, and he would like it to be an aspiration that people think of Hawai'i as a role model for sustainable tourism. Second, he thinks there is a good opportunity to connect tourists with Hawai'i residents through "voluntourism" which is specifically listed. Third, he discussed the plan's goal in regards to the Hawaiian Culture pillar and recommended rewording the provision that reads "and their significance in differentiating the destination" to emphasize that supporting Native Hawaiian culture and community is the right thing to do for Hawai'i's people, as opposed to marketing reasons.

Chair Fried suggested deleting the clause altogether. Ms. Kumukahi, Mr. Kam, and Mr. Ka'anā'anā all expressed their support with deleting the subject provision.

Mr. Arakawa highlighted several sections relating to technology that he thought were a positive inclusion because emerging technology can be used to educate the tourism

industry workforce and to distinguish Hawai'i as a modern destination. Mr. Tatum noted that Mr. Regan meets with DBEDT weekly, and that one of the issues is how to integrate the different departments. He added that the plan is to have technology professionals from the state and the private sector meet to discuss what funding is needed from the legislature for infrastructure in the future.

Chair Fried requested a motion to adopt the 5-Year Plan, with a deletion on page 21 to now read "Ho'oulu (grow) the uniqueness and integrity of the Native Hawaiian culture and community through genuine experiences for both visitors and residents." The motion was made by Mr. Kam, which was seconded by Mr. Sanders. The plan was unanimously approved by the Board.

Mr. Atkins then asked if the Board can share the plan with the public. Mr. Tatum responded that HTA has already begun sharing the plan with stakeholders and legislators. Mr. Kinkley added that from a legal standpoint it may be shared.

Ms. Yuen noted that will she defer to the staff for layout and visuals assuming that everything is represented correctly. Mr. Tatum thanked John Knox and Frank Haas for their contributions to the plan.

15. Report of the Marketing Standing Committee with the Committee's Recommendations to Support Various Marketing Proposals, for Discussion and Action by the Board

Chair Fried recognized Marketing Committee Chair Sanders to discuss the most recent Marketing Committee meeting. He said that the committee unanimously approved recommending funding for both FESTPAC and the Commemoration. He added that the committee was introduced to John Reyes, who will serve as SVP, Chief of MCI Sales. The committee received an update on the Davis Cup and the Hula Bowl. Lastly, Mr. Sanders said that the committee discussed issues related to marketing to China and supporting visitors that are currently in Hawai'i.

Chair Fried noted that sales for the Davis Cup have been disappointing and encouraged the Board to spread the word to improve sales. He added that the poor sales may be due to fallout from the Hawaii Champions Cup, where a number of the top players dropped out, and that he would not support funding the Hawaii Champions Cup moving forward.

16. Presentation by AEG and HVCB Regarding an Update of the Hawai'i Convention Center Recent Operational Activities and Sales Initiatives

Chair Fried introduced Teri Orton to provide an update on the Hawai'i Convention Center (HCC). Ms. Orton discussed the information contained in the board packet. Ms. Orton also discussed HCC's year-end financials. She introduced Mari Tait to provide updates for the Capital Improvement Projects. Ms. Tait said that RFPs have been issued for ten projects, and that they have hit the execution phase for every project. Mr. Regan commended Ms.

Tait and her team for their creative approach for addressing the CIPs.

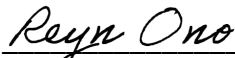
Ms. Orton then discussed city-wide sales. HCC did not meet the year-end city-wide goals. The year-end close was 88,537 room nights. She said that 2020 is a busy year, with ten groups scheduled with more than 4,000 delegates each. The goal is to fill the gap years of 2021-2025. Ms. Orton also discussed sales and marketing initiative updates and public relations efforts as contained in the board packet.

Chair Fried introduced John Monahan to discuss the transition as HVCB takes over the global citywide and single property bookings for HCC. Mr. Monahan discussed the steps HVCB has been taking to develop a Citywide Sales Strategic Plan. The Citywide Sales Strategic Plan is nearly complete and will soon be ready for deployment and execution. HVCB has hired John Reyes as SVP, Chief of MCI Sales.

17. Adjournment

The meeting ended at 12:50 PM.

Respectfully submitted,



Reyn S. P. Ono

Recorder

Agenda Item

4

Report of the CEO Relating to Staff's
Implementation of HTA's Programs
During January 2020: Major Market
Management Including Destination
Marketing Management Services,
Global Meetings, Conventions and
Incentives (MCI)
Program Management Services,
Responsible Tourism



MEMORANDUM

TO: HTA Board of Directors

FROM: Chris Tatum, President and CEO

DATE: February 27, 2020

RE: Report of the CEO

The following narrative utilizes the Hawai'i Tourism Authority's (HTA) 2025 Tourism Strategic Plan and its four pillars (Natural Resources, Hawaiian Culture, Community, and Brand Marketing), in addition to Tourism Research, to outline the various matters the staff is currently working on or has completed since the last CEO Report dated January 30, 2020. The narrative also describes the actions conducted by the staff to implement the HTA budget previously approved by the Board.

I. NATURAL RESOURCES PILLAR

1. Aloha 'Āina (Natural Resources) Program

HTA program staff and contracting have sent out contracts to all 2020 awardees. Pending those being sent for execution, program staff is working on following up with contractors who were granted no cost extensions to complete their work and final reporting for the 2019 cycle. HTA staff are also processing encumbrances for the signed and returned contracts for Q1 first payments in the contract period.

2. DLNR Partnership

HTA staff continues to work in partnership with DLNR to protect natural and cultural resources on state lands through various initiatives underway. HTA staff is also working on the final closeout of the current MOA with DLNR.

3. Hawai'i State Park Survey

HTA's contracting staff is working to finalize the draft request for proposals (RFPs). The project is expected to survey all state parks over a one-year period. The data and insights collected by the survey will help HTA and DLNR manage resources better to protect natural and cultural assets. HTA staff is awaiting the Uber media project's first data set to assess where gaps in the data exist. Based on this information, the park survey RFP will be adjusted to ensure maximum coverage for future data collection.

4. Hawai'i Ecotourism Association

The Hawai'i Ecotourism Association is continuing to make progress with the implementation of Sustainable Tourism Programs: 1) Certified Sustainable Tour Operator Program, 2) Tour Operator/Tour Guide Training Program, and 3) Sustainable Travel Education & Outreach Program. In addition, the organization has recently undergone rebranding to better reflect its overall efforts, which are focused on sustainable tourism instead of ecotourism. As a result, the organization has been renamed as the Sustainable Tourism Association of Hawai'i.

5. Hawai'i Green Business Program

The Hawai'i Green Business Program's primary focus of work is to assist and recognize businesses that strive to operate in an environmentally, culturally and socially responsible manner. The program has a proven record of reducing energy consumption, water savings and waste diversion, which are three key metrics in HTA's strategic plan.

6. Hawai'i Green Growth

Hawai'i's sustainable future is dependent upon our ability to measure and define what sustainable tourism is moving forward. In partnership with Green Growth, HTA staff is in discussions regarding the current-year contract to support the convening of a diverse group of stakeholders toward this goal and others. HTA staff is also considering a comprehensive survey of the visitor industry's efforts to "green" itself.

II. HAWAIIAN CULTURE PILLAR

1. Kūkulu Ola Program

HTA program staff and contracting are currently working to send out a contract to the final remaining 2020 awardee. Pending those being sent for execution, program staff is working on following up with contractors who were granted no cost extensions to complete their work and final reporting for the 2019 cycle. HTA staff are also processing encumbrances for the signed and returned contracts for Q1 and working on first payments in the contract period.

2. Native Hawaiian Hospitality Association

HTA and the Native Hawaiian Hospitality Association (NaHHA) continue to build stronger ties between the Hawaiian community and the tourism industry. Cultural industry resource meetings are held to bring together many of the industry's Hawaiian cultural advisors to discuss items of interest. HTA received great feedback from the participants as to their value of collaboration in moving the needle on culture in the industry.

3. Native Hawaiian Festivals and Events

2020 Prince Kūhiō Festival

HTA staff is in the process of finalizing revisions to the proposal submitted by the Council for Native Hawaiian Advancement (CNHA) for the 2020 Prince Kūhiō Festival. The statewide celebration will take place March 1, 2020 thru April 30, 2020 to include Ali'i Sunday services on March 22 at Kawaiaha'o Church, Prince Kūhiō Festival Mauna'ala services on March 24, and the Prince Kūhiō Festival Commemorative Parade and Hō'ike'ike on O'ahu in Kapolei on March 28.

4. Kāhea Program

Harbors

HTA staff is currently processing year-end reports for the 2019 contracts and reviewing the 2020 proposals for contract renewals. Ports include Nāwiliwili, Lahaina, Hilo and Kona. Work will include, but is not limited to, hula, mele, lei making, maps and other collateral, as well as lei greeting with fresh flower lei. DOT Harbors division is in the process of completing the FY 2018 MOA to include wall-mounted maps of the Hawaiian Islands and more art /other improvements to enhance the harbor and port user experience.

5. Resort Area Hawaiian Culture Initiative

HTA staff is currently processing year-end reports for the 2019 contracts and reviewing the 2020 proposals for contract renewals. Resort areas include Waikīkī, Hilo, Lahaina, and Kailua-Kona. Work will include, but is not limited to, Hawaiian music and hula.

6. Hawai'i Investment Ready 2019 Cohort

The HTA and Hawai'i Investment Ready (HIR) contract supports a cohort of social enterprises with a tourism focus, all which previously received funding through the Community Enrichment, Kūkulu Ola or Aloha 'Āina programs. The intent is to elevate these social enterprises to seek other forms of capital to enhance and improve its programs. HIR has completed Modules 1-5 and will be implementing Module 6 in February 2020. HIR is now working to prepare for Module 7 in March 2020 and post-cohort mentoring for April-December 2020.

7. Center for Hawaiian Music and Dance

HTA staff is preparing the appropriate PPWs and other work to issue the solicitation.

8. 'Ōlelo Hawai'i

HTA staff is preparing the appropriate PPWs to contract with Bishop Museum for the project "He Aupuni Palapala: Preserving and Digitizing the Hawaiian Language Newspapers." The goal of this project is to digitize all Hawaiian language newspapers (in all repositories and personal collections) for free online access.

III. COMMUNITY PILLAR

1. Community Enrichment

Community Enrichment Program

The 2020 Community Enrichment program (CEP) supports 94 projects awarded statewide totaling \$2,639,700. There is just one 2020 CEP recipient which has yet to receive its contract due to noncompliance. Staff is currently reviewing and processing deliverables/first payments for the 2020 contracts, in addition to closing out 2019 CEP contracts.

FEBRUARY 2020 CEP EVENTS

Event Date (Start)	Event Date (End)	Project Title	Organization	County
2/1/2020	2/29/2020	40th Maui Whale Festival	Pacific Whale Foundation	Maui
2/3/2020	2/3/2020	E Kanikapila Kākou 2020 – "Mele, Hula & Mo'olelo"	Garden Island Arts Council	Kaua'i
2/7/2020	2/15/2020	POW! WOW! Hawai'i 2020	Hawai'i Alliance For Arts Education	O'ahu
2/8/2020	2/8/2020	Hawaiian Makahiki Series	MC Events LLC	O'ahu
2/8/2020	2/8/2020	Ka Moku O Manokalanipō Pā'ani Makahiki	'Ahahui Kiwila Hawai'i O Mo'ikeha	Kaua'i
2/10/2020	2/10/2020	E Kanikapila Kākou 2020 – "Mele, Hula & Mo'olelo"	Garden Island Arts Council	Kaua'i
2/15/2020	2/23/2020	Waimea Town Celebration: Heritage of Aloha 2020	Historic Waimea Theater & Cultural Arts Center	Kaua'i
2/16/2020	2/17/2020	Ho'ike'ike Pili Kai	University of Hawai'i - Waikīkī Aquarium	O'ahu
2/17/2020	2/17/2020	E Kanikapila Kākou 2020 – "Mele, Hula & Mo'olelo"	Garden Island Arts Council	Kaua'i
2/21/2020	2/22/2020	He Inoa No Kaumuali'i – Na Makana Poina'ole	Friends of King Kaumuali'i	Kaua'i

2/23/2020	2/23/2020	Maui Pops Orchestra 2020 Concerts	Maui Pops Orchestra	Maui
2/24/2020	2/24/2020	E Kanikapila Kākou 2020 – “Mele, Hula & Mo’olelo”	Garden Island Arts Council	Kaua’i

MARCH 2020 CEP EVENTS

Event Date (Start)	Event Date (End)	Project Title	Organization	County
3/1/2020	12/31/2020	Kaua’i Museum Cultural Exhibit Program	Kaua’i Museum Association, Limited	Kaua’i
3/2/2020	3/2/2020	E Kanikapila Kākou 2020 – “Mele, Hula & Mo’olelo”	Garden Island Arts Council	Kaua’i
3/6/2020	3/8/2020	26th Annual Honolulu Festival	Honolulu Festival Foundation	O’ahu
3/8/2020	3/8/2020	Maui Pops Orchestra 2020 Concerts	Maui Pops Orchestra	Maui
3/9/2020	3/9/2020	E Kanikapila Kākou 2020 – “Mele, Hula & Mo’olelo”	Garden Island Arts Council	Kaua’i
3/16/2020	3/16/2020	E Kanikapila Kākou 2020 – “Mele, Hula & Mo’olelo”	Garden Island Arts Council	Kaua’i
3/16/2020	3/20/2020	Public Relations, Training, Camps, Special Events and Supporting Equipment	Equine Therapy, Inc.	Kaua’i
3/20/2020	3/31/2020	He Inoa No Kaumuali’i – Na Makana Poina’ole	Friends of King Kaumuali’i	Kaua’i
3/23/2020	3/23/2020	E Kanikapila Kākou 2020 – “Mele, Hula & Mo’olelo”	Garden Island Arts Council	Kaua’i
3/28/2020	3/29/2020	Hawai’i Scottish Festival and Highland Games	Hawaiian Scottish Association	O’ahu
Last Wednesday of the month: March	Last Wednesday of the month: March	Hanohano ‘O Kona: Wahi Pana Lecture Series	Kona Historical Society	Hawai’i Island

Festival & Event “Make-Over” Consultation Project

HTA is partnering with the International Festivals & Events Association (IFEA World) to present a unique, professional and educational ‘Make-Over’ consulting opportunity to one special Hawai‘i event/festival.

A team of two broadly-experienced, festival and event industry-recognized professionals will work with the staff and stakeholders of a selected event/festival, to complete an intense, one-week, on-site review and analysis of that event’s management structure, business and operating plans, programs, procedures, budgets, marketing and sponsorship materials, et al., as time and priorities allow. At the end of the on-site portion of the project, the IFEA World consulting team will prepare and present a final report/presentation to the event’s leadership team and HTA. This report/presentation is to include overall impressions, as well as suggested modifications and recommendations for consideration across all fronts, including plans, procedures, programs, materials; et al. as deemed necessary/appropriate/feasible.

Following the ‘Make-Over’ Consulting Project, representatives of the selected event agree to participate, together with members of the IFEA World consulting team, in an educational HTA workshop series on all of the islands, where their own event will be used as the Case Study to help other Hawai‘i peer events raise the bar for everyone.

Based upon review of all applications received by the deadline date of February 14, 2020, HTA and IFEA World will select one event for this targeted ‘Make-Over’ Consulting Project. Applications will be evaluated based upon the event’s benefit to the organization and community. Selection will be made by the week of March 2.

Good Grantsmanship, Proposal Writing & Financial Management Training Series 2020

HTA is partnering with the Hawai‘i Alliance of Nonprofit Organizations (HANO) to conduct educational training on good grantsmanship, proposal writing and financial management. The trainings will take place the week of May 11 on the islands of Kaua‘i, O‘ahu, Maui, Moloka‘i, and Hawai‘i. More details to come.

James Campbell High School (JCHS) Marching Band

The James Campbell High School Marching Band was invited by the National Independence Day Parade and the National Park Service to be a representative of Hawai‘i and perform at the National Independence Day Parade on July 4, 2020 in Washington, D.C. The annual parade is a national event consisting of invited bands, fife and drum corps, floats, military and specialty units, giant balloons, equestrian groups, drill teams, VIPs, national dignitaries, and celebrity participants. The parade occurs on Constitution Avenue before a street audience of several hundred thousands of spectators, and will be livestreamed on Facebook at 11:45 am EDT and also shown on the National Independence Day Parade’s Youtube channel at 5:00 pm EDT. HTA will be supporting JCHS Marching Band in this endeavor. The marching band will carry a banner featuring “The Hawaiian Islands.”

2. Workforce Development

Ho‘oilina Scholarship

The Hawai‘i Tourism Ho‘oilina Scholarship program provides a total of ten 4-year scholarships to the University of Hawai‘i at Mānoa, Shidler College of Business, School of Travel Industry Management (UHTIM) and University of Hawai‘i at West O‘ahu (UHWO). Students must demonstrate academic achievement, leadership skills and an expressed interest in pursuing a hospitality, tourism or culinary education and career. In addition, the program also provides two 2-year scholarships to community college graduates with an associate degree in hospitality,

tourism or culinary studies.

The online applications for the Hawai'i Tourism Ho'oilina Scholarship for UHWO were made available on February 6. The deadline to apply is March 2 at 8:00 a.m. HST.

The UHWO 2020 Freshman Cohort Admissions application is available at <https://www.surveymonkey.com/r/BD637C5> and the UHWO 2020 Transfer Cohort Admissions application is available at <https://www.surveymonkey.com/r/BDYR2C9>.

UHTIM has extended its application deadline to March 2. The TIM 2020 Freshman Cohort Admissions application is available at <http://bit.ly/hooilina2020> and the TIM 2020 Transfer Cohort Admissions application is available at <http://bit.ly/hooilina2020-transfer>.

Hospitality Service Training Certificate and Certification of Tour Guides

O'ahu and Maui Spring semester trainings in customer service and tour guides certifications were postponed due to low or no enrollment. Below is the revised schedule:

Kapi'olani Community College

Session I Dates: April 21 to June 27

Session I Days and Times: Tuesdays; 6:00 – 8:00 pm; online course work included Session

II Dates: April 23 to June 27

Session II Days and Times: Thursdays; 6:00 – 8:00 pm; online course work included

For registration information: Eva Hubbard; ehubbard@hawaii.edu or 808-974-9153

Kaua'i Community College

Dates: March 19 to May 19

Days and Times: Tuesdays/Thursdays; 5:30 – 7:30 pm

For registration information: Peggy Lake; OCET Coordinator; lakemr@hawaii.edu or 808-245-8319

Maui College

Dates: March 2 to May 2

Days and Times: Mondays/Thursdays; 6:00 – 8:00 pm

For registration information: Dean Louie; edvmaui@hawaii.edu or 808-984-3231

Hawai'i Community College

Dates: April 25 to May 30

Days and Times: Saturdays; 9:00 am to 2:00 pm

For registration information: Tiana Hirota; hirotat@hawaii.edu or 808-934-2696

3. Communication and Outreach: January 2020

News Releases/Reports Issued

- News Release in partnership with the Davis Cup: The Davis Cup is Coming to Hawai'i in March 2020 (Jan. 14)
- News Release in partnership with the Polynesian Bowl: Polynesian Football Stars to Visit Students at Kaimukī and Campbell High Schools (Jan. 16)
- Report: HTA 2019 Hawai'i Hotel Performance Report (Jan. 23)
- Report: HTA Hawai'i Vacation Rental Performance Report for December 2019 (Jan. 24)
- News Release: Hawai'i Visitor Statistics Released for 2019 (Jan. 29)

Media Relations

- **Media Interviews:** Coordinated and/or assisted with the following interviews:
 - Skift: Chris Tatum (CT) did a telephone interview with reporter Maria Lenhart about how Hawai'i's tourism industry is addressing sustainability. (Jan. 6)
 - KWHE: Marisa Yamane (MY) did an interview on "Inspire You and Me" to talk about HTA's new pillars and funding for nonprofits that support the community, natural resources and Hawaiian culture. (Jan. 11)
 - KHON: Reached out to KHON2 News on KHII at 7pm producer Tina DeMello regarding the Ho'oilina Scholarship. Caroline Anderson (CA) and a scholarship recipient from last year did a live interview. (Jan. 15)
 - KXPA AM1540 in Seattle: Responded to request for an interview from Stephen Gomes, host of the Hawai'i Radio Connection, regarding the Kuleana Campaign. Connected him with HVCB. Jay Talwar plans to do an interview the first week of February. (Jan. 26)
 - 2019 Novel Coronavirus
 - Honolulu Star-Advertiser: Responded to request for comment from reporter Leila Fujimori regarding potential coronavirus impact on tourism in Hawai'i. Sent her a written statement from CT. (Jan. 28)
 - Hawai'i News Now: Responded to request for comment from reporter Lisa Kubota regarding potential coronavirus impact on tourism in Hawai'i. Sent her a written statement from CT. (Jan. 28)
 - CT spoke at the Department of Health's (DOH) press conference regarding the coronavirus. Governor Ige and Department of Transportation (DOT) officials also spoke at the press conference, which the DOH streamed live on its Facebook page. (Jan. 28)
 - Honolulu Civil Beat: Responded to request for information from reporter Marcel Honore regarding parking at the Hawai'i Convention Center. Reached out to general manager Teri Orton for comment and forwarded her responses to him. (Jan. 29)
 - The Maui News: Responded to request for an interview from reporter Kehaulani Cerizo regarding Maui's visitor industry numbers and what HTA is doing to curb overtourism impacts on the environment and infrastructure. Sent her funding data from the HTA's Community Enrichment (CEP), Aloha 'Āina (AA) and Kūkulu Ola (KO) programs, showing the funding increase in 2020. Keith Regan (KR) did an interview with her. (Jan. 31)
- **Publicity Support:** Provided the following information and/or assistance:
 - Hawai'i News Now: Responded to request for tourism numbers from senior digital producer Melanie Yamaguchi for a story about the history of Waikīkī. Referred her to the research section of HTA's website. (Jan. 3)
 - Honolulu Star-Advertiser: Responded to request for information from reporter

Allison Schaefer on any upcoming legislative bills HTA is following. (Jan. 8)

- CBS and Polynesian Bowl: Responded to request for HTA's logo in EPS form. Sent to Polynesian Bowl executive producer Jay Hoover. (Jan. 10)
- Living808: Responded to request from host Tannya Joaquin for funding support for an "Aloha Artist Reception" ahead of the Grammy Awards. Declined the opportunity. (Jan. 14)
- KHON: Responded to request from reporter Jenn Boneza for comment regarding HB1151, which is a bill carried over from last session regarding water safety. Deferred to DLNR, which is the agency mentioned in the bill. (Jan. 17)
- Pacific Business News: Responded to request from reporter Christina O'Connor for CT to participate in PBN's Annual Tourism Roundtable next month. CT declined but Pattie Herman (PH) will participate in his place. (Jan. 17)
- KHON: Responded to request from reporter Kimberlee Speakman for comment regarding SB2319, which would prohibit tour companies from doing business on Sundays. Suggested she contact the tour companies instead. (Jan. 29)
- 2019 Novel Coronavirus
 - Hawai'i Tribune-Herald: Responded to request from reporter Stephanie Salmons for an interview with CT regarding coronavirus impacts, and Hawai'i Island Chinese visitor numbers. Sent her the link to the China fact sheet with information about visitors from China to Hawai'i Island in 2019, and directed her to the Jan. 29 press conference that CT participated in. (Jan. 30)
 - Honolulu Star-Advertiser: Responded to request for information from reporter Allison Schaefer on China market insights, and details about China Eastern's flights. Gave her info and directed her to the livestream of the DOH's press conference to get CT quotes. (Jan. 31)

Community Initiatives and Public Outreach

- Sony Open: Coordinated with Lori Yip and Candice Kraughto regarding HTA's social media handles and hashtag. (Jan. 2)
- Responded to request from Maui resident Kimberlyn Scott regarding funding to help support searches for missing tourists. Explained what HTA does, and about its safety and security program, and suggested she reach out to KR, whom she knows. (Jan. 3)
- Te Ea O Te Turama: Responded to request from event coordinator Criste Ching for information on the RFPs for nonprofit funding. Referred her to the RFP and news release section of HTA's website and advised him to check for the RFPs in April/May. (Jan. 3)
- Responded to request for information by Val Seiber, who represents professional speaker Katrina Cravy, regarding how HTA selects speakers for its Global Tourism Summit. Advised her that the Global Tourism Summit has been replaced by the Fall Tourism Update, and that speakers are mainly people HTA works with throughout the year and are not provided a speakers' fee. (Jan. 7)

- Pu'ukoholā Heiau National Historic Site: Responded to request from park ranger Georgia Newton for more La Wahi Pana brochures. Advised him to contact DLNR, which produces the brochures with funding provided by HTA. (Jan. 8)
- Ho'oilina Scholarship
 - Compiled and distributed e-blast about the UH-TIM School scholarship applications via Constant Contact (Jan. 8)
 - Sent a personal e-mail to some lawmakers with a reminder to have their constituents apply. (Jan. 23)
- Responded to request for information about the Transient Accommodations Tax from economist Darius Hata. Provided him with data and referred him to DBEDT for his further questions. (Jan. 9)
- Hoopfest: Responded to request by vice president – general manager Joe Carter of Coca-Cola Bottling of Hawai'i to set up a meeting and discuss a Hoopfest partnership with HTA in 2021. Shared request with HTA's leadership team. (Jan. 9)
- Jing Travel: Responded to request by director of Chinese culture content Diana Cerqueria for a quote on Hawai'i's future plans for attracting the Chinese tourism market. (Jan. 8)
- Davis Cup/US Tennis Association
 - Responded to request from USTA's director of corporate partnerships Jim Tressler for a quote from CT for their press release announcing the upcoming Davis Cup in Hawai'i. CT declined opportunity but wanted the Davis Cup to emphasize the reach it'll have around the world, and community engagement opportunities. (Jan. 13)
 - Coordinated with corporate communications coordinator Pat Mitsch regarding a press release being sent out tomorrow. (Jan. 13)
- O'ahu Metropolitan Planning Organization: Responded to request from planner Nicole Cernohorsky to get more detailed research information for her travel forecast model. Forwarded to Jennifer Chun (JC). (Jan. 13)
- Hawai'i State Department of Education: Responded to request from communications specialist Krislyn Yano regarding the upcoming NFL players' visit to Campbell High School. Gave her Mufi Hannemann's contact information since he coordinated the school visits by the players, and was planning to attend the event. (Jan. 14)
- HTA/International Festivals & Events Association: Compiled and distributed e-blast about the 2020 "Make-Over Consulting Project" via Constant Contact. (Jan. 14)
- 4 Miles LLC: Responded to request from Ruben Carrillo for collaboration to promote a new Census 2020 video on GoHawaii.com. Connected him with HVCB, which declined the opportunity. (Jan. 14)
- Team Improvhi: Responded to request for funding from Kimee Balmilero for the Hawai'i Comedy Festival Junior 2020. Told her about the RFP process and how to apply for next year. (Jan. 17)
- Gov. Ige's Office: Responded to request from communications director Cindy McMillan

for examples of programs HTA is funding in 2020 for Gov. Ige's State of the State address. Gov. Ige used the information as part of his speech. (Jan. 17)

- University of Hawai'i Community Colleges: Compiled and distributed e-blast about the Certificate for Customer Service in Hawai'i and Certification for Hawai'i Professional Tour Guides programs via Constant Contact (Jan. 17)
- Responded to request for information from Ryozo Ariyoshi on getting a waiver from HTA for his nonprofit seminar for teens at the Hawai'i Convention Center. Sent him CT and Carole Hagihara's email address upon his request. (Jan. 21)
- Candela Strategy Group: Responded to request by co-founder Kira Dilonno to have a session at HTA's Fall Tourism Update on medical cannabis as it's related to the visitor industry. Advised her that the speakers and presenters are mainly the GMTs and programs funded by Hawai'i Tourism. (Jan. 22)
- Reached out to NYU student Laura S. Diaz, who interviewed CT for her school project, to offer any extra help she may need. (Jan. 22)
- Borders & Bucket Lists: Responded to request from Sarah Etinas to create content for HTA's future campaigns. Her audience includes mainly visitors to Hawai'i from the US. Recommended she reach out to HVCB. (Jan. 22)
- Attended meeting with writer Lacy Matsumoto, producer/photographer Brad Watanabe and Hawai'i News Now sales executive Lehua Watson regarding a proposal to sponsor their new "Eo" television show. (Jan. 23)
- Honolulu Mayor Kirk Caldwell's Office: Sent a courtesy advance copy of the December 2019 Vacation Rental Report. (Jan. 24)
- Responded to request from Betty Depolito, regarding Honolulu City Council resolution 20-12, which requests the city require more female opportunities in surfing competitions. She inquired about the HTA "grant being used for the Olympics." Advised her that HTA is providing money to WSL and to send a FOIA request if she wants the procurement team to send a copy of the contract. (Jan. 25)
- Made in Hawai'i Film Festival: Responded to request for information on community funding by executive director Zoe Eisenberg. Sent her information about the Community Enrichment, Aloha 'Āina and Kūkulu Ola programs, links to the information on HTA's website, and when the RFP will likely go out for 2021 funding. (Jan. 25)
- 2019 Novel Coronavirus
 - Spoke with O'ahu resident Diana Young, who inquired about coronavirus concerns. (Jan. 27)
 - Jing Travel: Responded to request from director of Chinese culture content Diana Cerqueira for information on the potential impact to tourism and HTA's marketing because of the coronavirus. (Jan. 30)
- Responded to request from Hawai'i executive coach Nina Cherry regarding how to reach visitors who might want coaching. Suggested she contact hotels, activities and businesses directly. (Jan. 27)

- Responded to request for stock photos from Honolulu architect Dean Sakamoto. Sent him information to access Barberstock/HTA's image library. (Jan. 28)
- HTA China Summit: Drafted and distributed e-blast about the China Summit being postponed via Constant Contact. (Jan. 28)

Public Outreach on Behalf of Governor Ige's Office

- Responded to request from the Governor's office to respond to an email from Kayla Gallow, an elementary student in Texas, who's researching Hawai'i for her school project. Sent her information about how to get an official tour planner and photos. (Jan. 8)
- Responded to a complaint to the Governor's office by San Francisco resident Francesca Giovenco, who visited Hawai'i in 2018 and stayed at the Royal Hawaiian Hotel during the Kyo-ya strike, and is still fighting charges with her credit card company over it. (Jan. 9)
- Responded to request from the Governor's office to respond to an email from Joseph Morton, an elementary student in Massachusetts, who picked Hawai'i for his State Fair Project and requested travel brochures. Provided him the link on GoHawaii.com and information on getting pictures on Barberstock. (Jan. 10)
- Responded to request from the Governor's office to respond to an email from elementary school student Aiden Acosta of California, who wanted information about Hawai'i for his school project. Sent him the links to the 50 Fun Facts about the 50th State brochure, GoHawaii.com and HVCB. (Jan. 14)
- Responded to request from the Governor's office to respond to an email from elementary school student Ramon Galeana, who wanted info about Hawai'i for his school project. Sent him the links to the 50 Fun Facts about the 50th State brochure and GoHawaii.com. (Jan. 15)
- Responded to request from the Governor's office to respond to an email from Missouri elementary school student Joshua Tribbey for more information about Hawai'i for his school's world's fair. Sent him the links to the 50 Fun Facts about the 50th State brochure and GoHawaii.com. (Jan. 21)
- Responded to request from the Governor's office to respond to an email from California elementary school teacher Nicole Weatherwax, who wanted info about Hawai'i for her students for their school project. Sent her the links to the 50 Fun Facts about the 50th State brochure and GoHawaii.com. (Jan. 29)

Monthly Statistics on Followers and Engagement on HTA's Facebook Page

Number of followers from January 2019 vs. January 2020: **+9.83%**

- January 31, 2019: 10,427
- January 31, 2020: 11,453

Engagement rate from January 2019 vs. January 2020: **+453.54%**

- January 2019: 226 daily page engaged users
- January 2020: 1251 daily page engaged users

Social Media Posts on HTA's Facebook Page

- Jan. 2: Post sharing the Hawai'i Open's post thanking its sponsors. **Total Reach 642 | Total Reactions 55**
- Jan. 2: Post on the Hawai'i Symphony Orchestra's annual Ode to Joy concert. **Total Reach 585 | Total Reactions 29**
- Jan. 3: Post on the Sony Open in Hawai'i. **Total Reach 627 | Total Reactions 24**
- Jan. 3: Post sharing the Sony Open in Hawai'i's post ahead of the tournament on O'ahu. **Total Reach 414 | Total Reactions 15**
- Jan. 6: Post sharing the Sony Open in Hawai'i's post ahead of the Pro-Junior Challenge, which HTA sponsors. **Total Reach 283 | Total Reactions 12**
- Jan. 6: Post sharing the Sony Open in Hawai'i's post about the Pro-Junior Challenge. **Total Reach 372 | Total Reactions 11**
- Jan. 7: Post about the Honolulu Festival. **Total Reach 420 | Total Reactions 21**
- Jan. 8: Post sharing the Sony Open in Hawai'i's new photos from the Pro-Junior Challenge. **Total Reach 384 | Total Reactions 33**
- Jan. 8: Post sharing KHON's post about the Pro-Junior Challenge. **Total Reach 348 | Total Reactions 16**
- Jan. 8: Post sharing Sen. Lorraine Inouye's post on the Ho'oilina Scholarship. **Total Reach 445 | Total Reactions 32**
- Jan. 8: Post on the Ho'oilina Scholarship. **Total Reach 565 | Total Reactions 52**
- Jan. 9: Post sharing video from the Polynesian Bowl ahead of the gameday. **Total Reach 380 | Total Reactions 18**
- Jan. 10: Post sharing the Council for Native Hawaiian Advancement's post on cultural and 'ike Hawai'i workshops, which HTA sponsors. **Total Reach 682 | Total Reactions 21**
- Jan. 10: Video post of travel2change. **Total Reach 3,036 | Total Reactions 267**
- Jan. 10: Post sharing the Sony Open in Hawai'i's post promoting First Responders Day. **Total Reach 524 | Total Reactions 26**
- Jan. 10: Post sharing the Sony Open in Hawai'i's post promoting College Day. **Total Reach 314 | Total Reactions 2**
- Jan. 11: Post sharing the Sony Open in Hawai'i's post on recycling at the tournament. **Total Reach 474 | Total Reactions 31**
- Jan. 13: Post on the Polynesian Bowl. **Total Reach 917 | Total Reactions 73**
- Jan. 13: Post sharing the Japanese Cultural Center of Hawai'i's post thanking the

sponsors of the 'Ohana Festival. **Total Reach** 392 | **Total Reactions** 16

- Jan. 14: Post sharing the Honolulu Star-Advertiser's story on the Davis Cup coming to Hawai'i in March. **Total Reach** 365 | **Total Reactions** 21
- Jan. 14: Post on HTA's 2020 Hawai'i Festival Make-Over Consulting Project. **Total Reach** 291 | **Total Reactions** 13
- Jan 14: Video post of the Polynesian Voyaging Society. **Total Reach** 16,582 | **Total Reactions** 1,805
- Jan. 15: Post sharing KHON2's story on the Ho'oilina Scholarship. **Total Reach** 430 | **Total Reactions** 32
- Jan. 17: Post sharing Hawai'i News Now's story on Tua Tagovailoa and other football stars visiting schools ahead of the Polynesian Bowl. **Total Reach** 530 | **Total Reactions** 116
- Jan. 17: Post sharing KHON2's story on Tua Tagovailoa and other football stars visiting schools ahead of the Polynesian Bowl. **Total Reach** 386 | **Total Reactions** 46
- Jan. 17: Post sharing the Department of Education's post on Tua Tagovailoa and other football stars visiting schools ahead of the Polynesian Bowl. **Total Reach** 483 | **Total Reactions** 40
- Jan. 17: Post sharing the XTERRA Hawai'i Island's post on discounted entry fees. **Total Reach** 393 | **Total Reactions** 14
- Jan. 17: Post sharing the XTERRA Hawai'i Island's post on its first free bike practice session. **Total Reach** 384 | **Total Reactions** 17
- Jan. 21: Post on the new Service Excellence Certificate of Achievement program for some DOE students with support from ClimbHI and HTA. **Total Reach** 1,236 | **Total Reactions** 155
- Jan. 21: Post sharing Duke's OceanFest's post thanking HTA. **Total Reach** 384 | **Total Reactions** 16
- Jan. 22: Video post on the Japanese Cultural Center of Hawai'i's New Year's 'Ohana Festival. **Total Reach** 4,408 | **Total Reactions** 486
- Jan. 24: Post sharing Alaska Airlines' blog about embracing safe, responsible and mindful travel in Hawai'i. **Total Reach** 534 | **Total Reactions** 19
- Jan. 24: Post sharing Biki Hawai'i's post on the Biki Street Art Audio tours, thanking HTA for its support. **Total Reach** 459 | **Total Reactions** 44
- Jan. 27: Post sharing a video from Mālama Loko 'Eā about its fishpond Hololea Tours. **Total Reach** 216 | **Total Reactions** 6
- Jan. 29: Post sharing the Department of Health's Facebook Live press conference on the 2019 Novel Coronavirus outbreak. **Total Reach** 589 | **Total Reactions** 56

- Jan. 29: Post sharing KHON2's livestream of the coronavirus press conference. **Total Reach 425 | Total Reactions 34**
- Jan. 30: Post sharing Sen. Kalani English's post on his presentation to the HTA Board with Rep. Richard Onishi requesting funding support for the 13th Festival of Pacific Arts and Culture. Total Reach 396 | Total Reactions 30
- Jan. 30. Post sharing Hawai'i News Now's story about the Hula Bowl. **Total Reach 132 | Total Reactions 3**
- Jan. 30. Post sharing the Bishop Museum's post about its Living Culture presentations and workshops, supported by HTA. **Total Reach 463 | Total Reactions 26**

Monthly Statistics on Followers and Engagement on HTA's Instagram Page

Number of followers from January 2019 – January 2020: **+34.65%**

- January 31, 2019: 2,000
- January 31, 2020: 2,693

Engagement rate for January 2019 vs. January 2020 cannot be compared due to no posts in January 2019.

Social Media Posts on HTA's Instagram Page

- Jan. 2: Post on the Hawai'i Symphony Orchestra's annual Ode to Joy concert. **Total Reactions 9**
- Jan. 3: Post on the Sony Open in Hawai'i. **Total Reactions 18**
- Jan. 10: Video post of travel2change. **Total Reactions 22**
- Jan. 13: Post on the Polynesian Bowl. **Total Reactions 12**
- Jan 14: Video post of the Polynesian Voyaging Society. **Total Reactions 34**
- Jan. 22: Video post on the Japanese Cultural Center of Hawai'i's New Year's 'Ohana Festival. **Total Reactions 23**

Monthly Statistics on Followers and Engagement on HTA's Twitter Page

Number of followers from January 2019 – January 2020: **+2.08%**

- January 31, 2019: 35,958
- January 31, 2020: 36,708

Engagement rate for January 2019 vs. January 2020 cannot be compared due to a limited amount of tweets in January 2019: One (1) re-tweet on January 3, 2019.

Social Media Posts on HTA's Twitter Page

- Jan. 2: Post on the Hawai'i Symphony Orchestra's annual Ode to Joy concert.
- Jan. 3: Post on the Sony Open in Hawai'i.
- Jan. 13: Post on the Polynesian Bowl.
- Jan. 22: Video post on the Japanese Cultural Center of Hawai'i's New Year's 'Ohana Festival.

Communications Strategy

- MY attended a crisis communications seminar organized by NOAA: "Hi-Touch Communications in a Hi-Tech Era: Crisis Communications & Media Response Training for Today's Leaders." (Jan. 7)
- Worked with CA to get the HTA funding to boost social media posts – mainly HTA's original videos and posts featuring photos of Community Enrichment, Kūkulu Ola and Aloha 'Āina programs HTA funds. (Jan. 13)
- HTA Social Media Videos (featuring programs HTA funds):
 - travel2change (Jan. 10)
 - Polynesian Voyaging Society (Jan. 14)
 - Japanese Cultural Center of Hawai'i's 'Ohana New Year's Festival (Jan. 22)

Internal Communications

- Sent Pattie Herman's bio to Minami Aoki for use by Hawai'i Tourism Japan. (Jan. 10)
- HTA Social Media Videos
 - Coordinated with Chael Kekona and Leslie Centeno to reach out to the nonprofits featured in HTA's social media videos to have them share the videos on their social media pages to increase the reach and engagement.
 - Sent email to HTA staff, GMTs, HTA board members, Sen. Wakai and Rep. Onishi regarding the new HTA social media video featuring travel2change and asked them to share the video. (Jan. 10)
 - Sent email to HTA staff, GMTs, HTA board members, Sen. Wakai and Rep. Onishi regarding the new HTA social media video featuring Polynesian Voyaging

Society and asked them to share the video. (Jan. 14)

- Sent email to HTA staff, GMTs, HTA board members, Sen. Wakai and Rep. Onishi regarding the new HTA social media video featuring JCCH's 'Ohana New Year's Festival and asked them to share the video. (Jan. 21)
- Sent a notice to HTA staff, board members, Sen. Wakai and Rep. Onishi about CA on KHON/KHII to talk about the Ho'oilina Scholarship. (Jan. 14)
- Revised and updated HTA's media protocol for reception desk and sent to Tracey Fermahin (TF). (Jan. 15)
- Hawai'i Tourism Japan: Responded to request for bios of CT, KR and PH. Formatted the bios and sent to Kimiko Quan. (Jan. 16)
- Hawai'i Tourism Korea: Sent Caitlin Cho a video link to be uploaded on their YouTube channel. (Jan. 16)
- Monitored the officer shooting in the Diamond Head area and updated CT, Kalani Ka'anā'anā (KK) and KR. (Jan. 19)
- Recorded Gov. Ige's State of the State address, specifically the part where he spoke about HTA. Sent the video to HTA staff and board members. (Jan. 21)
- Worked with Ariana Kwan (AK) and JC to update HTA's website to include Kuleana videos, Aloha 'Āina, Kūkulu Ola and Community Enrichment programs, and social media videos at the top of the home page. (Jan. 22)

Crisis Communications

- 2019 Novel Coronavirus
 - Sent HTA staff, GMTs and HLTA daily updates from the CDC, Hawai'i Department of Health, Hawai'i Department of Transportation and other newsworthy information starting on January 21.
 - Sent HTA board members, Sen. Wakai and Rep. Onishi information about the coronavirus.
 - Worked with several of the state's PIOs on a daily basis to get updates on the coronavirus.
 - Worked with AK to create an informational page on the coronavirus on HTA's website under the Alerts section and coordinated daily updates.
 - Wrote a statement on behalf of CT regarding the coronavirus in case the media asks for a statement from HTA. (Jan. 22)
 - Coordinated with Darlene Morikawa regarding HVCB's coronavirus message to its members. (Jan. 27)
 - Set up a meeting with DOT officials and Cindy McMillan regarding the coronavirus. CT, KR and MY attended. (Jan. 28)

- Wrote an outline of high-level points regarding HTA's efforts on coronavirus in response to Charlene Chan's DBEDT request. (Jan. 28)
- Set up a meeting with DOH officials regarding the coronavirus. CT, KR and MY attended. (Jan. 29)
- Wrote and gave CT talking points ahead of the DOH's press conference. (Jan. 29)
- Worked with Isabella Dance (ID) to connect with VASH and request their participation in helping any Chinese visitors who need help while in Hawai'i because of coronavirus concerns. VASH suggested that Hawai'i Tourism China assist due to any language barrier. (Jan. 29)
- Confirmed CT would be taking part in the Governor and county mayors' meeting on Jan. 31 regarding the coronavirus. (Jan. 30)
- Distributed document with answers to FAQ and an informational flyer from DOH to HTA staff, GMTs, and HLTA. (Jan. 31)
- Coordinated with several state PIOs regarding the coronavirus being declared a public health emergency and the potential effect on Daniel K. Inouye International Airport. (Jan. 31)
- Provided CT with bullet points to take to his meeting with the Governor and mayors. (Jan. 31)
- Responded to request for input from Charlene Chan of DBEDT on a statement to the media from DBEDT. (Jan. 31)
- Worked with AK to create an alert banner on HTA's website regarding coronavirus information. (Jan. 31)
- Requested HVCB create an alert banner for the GoHawaii.com website regarding coronavirus information. (Jan. 31)

Legislative Session 2020

- Met with Rep. Sylvia Luke and Rep. Richard Onishi ahead of the Legislature's Opening Day, along with HTA's legislative team. (Jan. 6)
- Met with House Speaker Scott Saiki, Rep. Richard Onishi, and Sen. Glenn Wakai ahead of the Legislature's Opening Day, along with HTA's legislative team. (Jan. 8)
- Attended the House Committee budget briefing. (Jan. 10)
- Attended the Senate Ways and Means Committee and Tourism Committee budget briefing. (Jan. 13)
- Attended the Legislature's Opening Day, along with HTA's legislative team. (Jan. 15)
- Kuleana Project: Downloaded videos from Barberstock with help from HVCB's Susie Kim, and onto a flash drive for Sen. Donovan Dela Cruz and his staff. (Jan. 24)
- Met with Sen. Wakai, along with HTA's legislative team to go over tourism related bills.

(Jan. 27)

- Met with Rep. Richard Onishi, along with HTA's legislative team to go over tourism related bills. (Jan. 28)
- Wrote testimony for HB2253 on behalf of HTA. (Jan. 30)
- Wrote testimony for HB1947 on behalf of HTA. (Jan. 30)
- Wrote testimony for SB3164 on behalf of HTA. (Jan. 30)

International News Bureau – Media and Public Assistance

- France: Responded to request from Olivier Fabregues regarding tourism research information he could use as he looks into opening a business on O'ahu. Sent him the link to HTA's research section on the website. (Jan. 3)
- Brazil: Responded to request from Tais Ballestero of Travel Media Marketing Digital on whether there's anyone in Brazil from HTA that deals with the Latin market. (Jan. 6)
- Fiji: Responded to request from Andhy Blake, host and producer at the Fijian Broadcast Corporation, for help with lodging and transportation during their stay in Honolulu to film FestPac. Sent request to OVB. OVB and HTA declined request to fund their trip. (Jan. 8)
- Brazil: Responded to request for information from tourismologist Ju Noschang regarding marketing to Brazilians, and free tickets to attractions and discounts on meals. Suggested she contact attractions and restaurants directly. (Jan. 9)
- Indonesia: Responded to request for photos from Travel360 Indonesia marketing manager Wilman Anugrah for AirAsia's in-flight magazine. Gave him the link to Barberstock, and also noted that one of the places he wanted photos for - Haiku Stairs - is illegal to hike. (Jan. 13)
- Australia: Responded to request from Best in Travel owner Tom Bayford, who was looking to partner with HTA for a paid promotional campaign. He's based out of Australia but most of their followers are in India. Chris Sadayasu (CS) declined the opportunity. (Jan. 13)
- Germany: Responded to inquiry from visitor Bernhardt Winkelmann about a post-visit HTA - Anthology Research survey he received and whether it's a scam. Notified him that it is legitimate. (Jan. 17)
- France: Responded to request from students Celeste and Clara, requesting an interview and wanting to know how the "insularity of Hawai'i plays a part in the Hawaiian economy and its business." Suggested she contact UH. DBEDT's Charlene Chan volunteered to connect her with her colleagues. (Jan. 27)

4. Safety and Security

Visitor Assistance Program (VAP)

HTA currently has four contracts, one in each county, to provide funding support for the visitor assistance program. These contracts are:

- **CON 17031** – Visitor Aloha Society of Hawai'i (O'ahu) with total funding of \$368,000 and a contract expiration date of 4/1/2020. The total contract funding has been invoiced and paid. The final payment was received and processed on January 29, 2020. HTA is in the process of extending this contract for 2020.
- **CON 17032** – VASHI – Island of Hawai'i VAP with total funding of \$168,000 and a contract expiration date of 4/1/2020. A total of \$148,000.00 has been invoiced and paid, which leaves a remainder of \$20,000.00 of the total funding. The final payment was received on February 12, 2020. HTA is in the process of processing the final payment and extending this contract for 2020.
- **CON 17034** – MVCB – Maui VAP with total funding of \$46,000 and a contract expiration date of 4/1/2020. The total contract funding has been invoiced and paid. The final payment was received and processed on January 29, 2020. HTA is in the process of extending this contract for 2020.
- **CON 17033** – VASK – Kaua'i VAP with total funding of \$53,000 and a contract expiration date of 4/1/2020. A total of \$48,000.00 has been invoiced and paid, which leaves a remainder of \$5,000.00 of the total funding. Final payment is yet to be received from vendor; due on or about February 15, 2020. HTA is in the process of extending this contract for 2020.

During the month of January:

- Maui County's program handled 21 cases and helped 42 visitors (year-to-date: 21 cases/42 visitors).
- Hawai'i County's program handled 83 cases and provided assistance to 39 visitors (year-to-date: 83 cases/39 visitors).
- City and County of Honolulu's program VASH handled 65 cases and helped 162 visitors (year- to-date: 65 cases/162 visitors).
- Kaua'i County's program handled 2 cases and provided assistance to 6 visitors (year-to-date: 2 cases/6 visitors).

Lifeguard Support Program

During Fiscal Year 2019, HTA supported the four counties with funding of \$125,000.00, with one-for-one match, for the purpose of purchasing ocean safety equipment. The Kaua'i Lifeguard Association utilized 100% of the available funding of \$125,000.00. The City and County of Honolulu utilized \$112,500.00 of the \$125,000.00. The County of Maui utilized \$124,734.61 of \$125,000.00 and Hawai'i County is working on submitting invoices for its \$125,000.00 allocation. The Fiscal Year 2020 agreements for all four counties are in the process of being executed with the dollar amounts remaining the same (\$125,000.00 each) and the match being eliminated to facilitate the acquisition of critical rescue equipment.

Waikīkī Camera Program

MOA 19010, which provides the City and County of Honolulu with \$300,000 in funding to purchase security cameras in Waikīkī, was executed and was extended on 12/30/19 through a no-cost supplemental agreement. HTA has paid \$270,000.00 towards this project and will make the final payment once the final invoice and report are provided.

Ocean Safety Advertising Campaign

HTA, through its contracts with SKYHI MEDIA (CON 18176 S1 - \$108,376.92) and Pacific Media Group (CON 18189 S2 - \$143,006.60), is supporting the displaying of ocean safety videos at airports throughout Hawai'i. These videos run primarily in the baggage claim areas during normal airport operating hours. The agreements have been extended to continue showing these videos in Fiscal Year 2020 and both contracts will expire on 6/30/2020. Payment for CON 18176 S1 has been made up to February 2020 and payment for CON 18189 S2 has been made up to December 2019.

Snorkel Safety Study

HTA has executed a contract (CON 19171) with the Hawaiian Lifeguard Association (HLA) for \$131,000 to conduct a snorkel safety study with an expiration date of 6/30/2021. The purpose of this two-year study is to formally assess the causes and risk factors in snorkel-related fatalities and near fatal drownings. HLA will collect and analyze data, conduct scientific research, conduct surveys and interviews, and consult with experts in the appropriate fields. The State of Hawai'i Department of Health and the City and County of Honolulu lifeguards are collaborating on the study. HLA has collected information on the cases of snorkeling-related accidents. The second of three payments have been issued. HTA is waiting for the final report and invoice (\$31,000.00) which is due per the contract in April 2021.

Hā'ena Emergency Support

MOAs have been executed with DLNR for \$54,860 and with the Kaua'i Police Department (KPD) for \$41,140 providing officers to support the enforcement of the "no parking" zone along a two-mile stretch of Kūhiō Highway. KPD has been submitting requests for reimbursement. DLNR has not submitted requests for reimbursement to date.

Ho'okaulike

Honolulu Parks Security Cameras - MOA 19194

HTA partnered with the City and County of Honolulu's Department of Parks and Recreation to provide funding of \$204,000 for the installation of 192 surveillance cameras in 13 parks. The MOA has been fully executed, and the work is underway. HTA received and processed the first invoice on September 9, 2019 for \$183,600.00 as per the agreement. Parks and Recreation will provide updates as they move forward. The MOA will expire December 31, 2020.

Kaua'i Safety Signage

MOA 18196 (Supplemental 1) with Kaua'i County was extended through December 31, 2019, due to the delay in approval of placement locations, regulatory approvals, and signage materials. HTA has communicated regularly with Kaua'i County on this project and they have stated that most of the signs should be installed soon. In accordance with the agreement, the first payment was made in the amount of \$72,500.00. Unfortunately, Kaua'i County was unable to fulfill the terms of the agreement and they returned the funds to the HTA. Based on their inability to complete the project, the project has been canceled now that all funds have been returned.

Hawai'i Island Safety Signage

MOA 18194 (Supplemental 1) with the County of Hawai'i was extended through December 31, 2019, to ensure the work was completed on time. The first payment was made in the amount of \$72,500.00. The second progress report and invoice was submitted, and HTA processed the payment in the amount of \$50,750.00. The final invoice and report was received on November 29, 2019, and final payment of \$21,750.00 was processed. There was no further contract extension made for MOA 18194.

Hawai'i Island Strategic Plan

MOA 19157 with the County of Hawai'i (\$35,000) was executed to assist in the update of the Hawai'i Island Tourism Strategic Plan (2001-2015). HTA has been working closely with County staff to receive updates on the status of this project. An extension to MOA 19157 has been made, with the new end date of June 30, 2020.

Maui Coral Reef Signage

CON 19169 was fully executed with the Maui Marine Resource Council for \$47,144 and set to expire on December 31, 2019. The contractor has been working to replace existing signs and create new signs related to the coral reef on Maui. The sign design is being reviewed by the Maui Visitors and Convention Bureau (MVCB) for final approval. Once reviewed and approved by MVCB, they will send it to HTA for final approval. It is estimated that printing and shipping will take 4-6 weeks once finalized.

Additionally, the contractor is working with the County on acquiring the necessary permits, including an SMA assessment (possibly a minor SMA permit) and obtaining right of entry to the County park sites, which is contingent on approval of the SMA permit. The contractor is hopeful that the permitting process will be expeditious, and that they should be able to install the signs before the end of the grant period (12/31/19). The contractor requested an extension of six additional months (6/30/20) due to the additional time required to work through the County process. The extension was received by the HTA and the new contract was executed on 12/27/19 with new contract end date being 6/30/20.

IV. BRAND MARKETING PILLAR

MMA Contracting Update

The Market Management team has worked with the Contracts team to update the MMA contract terms for 2020. Contracts for the USA, Canada, China, Oceania, Europe, Japan, Korea, Southeast Asia, and Taiwan MMAs have been executed.

MMA Marketing Plans

The Market Management team is ensuring that the focus of “Responsible Tourism” is thread through the marketing plans from our Global Marketing Team (GMTs). This action runs parallel to HTA’s brand marketing and Hawai’i will be set up well to welcome the next generation of travelers who are already conscious of and respect destinations that care for their natural resources. There are 54 program measures globally that are being monitored by the HTA Market Managers. HTA staff is also finalizing 2019 initiatives to close and/or extend contracts.

Industry Partners Meetings

The HTA Marketing team held meetings with industry partners over two days in February. In attendance were representatives from various hotels, airlines, wholesalers, land operators, transportation companies, and event creation companies. The discussions included topics such as responsible tourism, sustainability, single-use plastic, HTA’s four pillars, key marketing objectives, brand positioning, key performance indicators and resources on HTA’s web site. The meetings gave the marketing team an opportunity to understand Hawai’i’s industry partner needs and how we can work together and assist them if need be. As the meetings were well received, we plan to have additional meetings quarterly.

China Summit

Due to the global COVID-19 (novel coronavirus) situation, HTA’s China Summit has been postponed.

GMT Hawai’i Coalition

The Hawai’i Visitors and Convention Bureau (HVCB) and other GMTs will gather on one of the islands to ensure HTA’s marketing plan and brand messaging are consistent. Accountability sheets have been implemented and discussions on our key indicators along with our four pillars will be a primary focus. We will have a preliminary meeting regarding our upcoming Sea Cleaners initiative. The GMTs and Island Chapters will have individual sessions on how to best bring out the uniqueness of each island with Kaua’i’s theme being rejuvenating, Maui - captivating, O’ahu - energizing, Hawai’i Island - inspiring, Moloka’i - enlightening and Lāna’i - embracing. This meeting will take place in March or April 2020.

V. TOURISM RESEARCH

The Tourism Research Division (TRD) issued the December 2019 monthly visitor statistics on January 29, 2020, including monthly arrivals by country, category expenditures for major markets, and monthly visitor characteristics for each major market area.

TRD posted Seat Outlook data tables for February 2020 through April 2020 to the Infrastructure Research Section of the HTA website.

State, major market and island fact sheets were updated with the December 2019 data and posted to the Board site. State and market fact sheets were published on the website.

TRD issued the December 2019 Hawai'i Hotel Performance Report on January 23, 2020. The report and related December 2019 data tables were posted to the Infrastructure Research section of the HTA website. The Hawai'i Hotel Performance Report is produced using hotel survey data compiled by STR, Inc., the largest survey of its kind in Hawai'i.

TRD issued the December 2019 Hawai'i Vacation Rental Performance Report on January 24, 2020. The report and related December 2019 data tables were posted to the Infrastructure Research section of the HTA website. This report utilizes data compiled by Transparent Intelligence, Inc.

TRD continued to work with the State Attorney General's office to analyze visitor data related to the impacts of the national travel ban on inbound travel from seven affected countries.

TRD continues to reply to requests for information from HTA's Global Marketing Team, industry, media, and the general public. Data requests completed include:

- Additional detailed visitor statistic data for UHERO and DBEDT/READ for their databases, and the monthly data requests
- Research inquiries routed through DBEDT
- 2020 cruise visitor estimates, for DBEDT

Update of the 2025 Tourism Strategic Plan

The 2025 Tourism Strategic Plan was approved by the HTA Board at its January 2020 meeting. The contractor is in the process of finalizing the layout of the final document.

VI. ADMINISTRATIVE

Contracts List

A list of contracts executed in the month of January is attached.

Hawai'i Visitors & Convention Bureau (USA) 2020 Monthly Leisure Marketing Report – January

Market Intelligence/Market Conditions

Economy

The U.S. economic outlook is healthy according to the key economic indicators. The most critical indicator is the gross domestic product, which measures the nation's production output. The GDP growth rate is expected to fall below the two to three percent ideal range.

According to *Comerica Bank U.S. Economic Outlook*, the economic drag from the coronavirus outbreak reverses the previous assumption that China had turned the corner after weaker growth and signs of mild economic stress through early-to-mid 2019. It is expected there are U.S. companies that are already feeling the drag from reduced demand and production in China and reduced travel and tourism globally. However, the U.S. economy might be somewhat insulated from drag from the coronavirus outbreak if the epidemic remains mostly confined to Asia. It has been suggested that the duration of the pandemic event will be less than six months.

- Thanks to a large cut in China's surplus, improved foreign trade is now less of an impact on economic growth. The urgency now must be to square trade accounts with the EU and Japan.
- Unemployment is forecast to continue below the natural rate.
- 2020 U.S. GDP growth to be less than three percent, partly due to problems at Boeing, which halted production of its 737 MAX planes over safety issues.
- According to DBEDT, Hawai'i's general fund tax revenue was up +6.1 percent during the first six months of FY 2020, with the average annual growth rate for the past 20 years at +4.5 percent. Initial Hawai'i unemployment claims decreased to 4.9 percent in 2019.
- The Conference Board *Consumer Confidence Index* increased in January, following a moderate increase in December. The Index now stands at 131.6 (1985=100), up from 128.2 (an upward revision) in December.
- The *Present Situation Index* – based on consumers' assessment of current business and labor market conditions – increased from 170.5 to 175.3.
- The *Expectations Index* – based on consumers' short-term outlook for income, business and labor market conditions – increased from 100.0 last month to 102.5 this month.

Outbound Travel Market

- One very large U.S. wholesaler is currently pacing up +25 percent YoY in room night production to the state and all islands are experiencing growth. Based on what they are seeing through their channels, airlines and resorts have been pricing themselves to assure they are keeping the destination well positioned within its vacation comp set. Certainly, there are always the unknowns, but aside from that, Hawai'i can expect to continue on this positive path.

Competitive Environment

- According to the Caribbean Hotel and Tourism Association, four years of capital improvement are beginning to show results. Strong growth in tourism is positively impacting employment, government revenue and hotel new profit. Airlift growth for 2019 was unprecedented and likely to continue into 2020. Hurricane-impacted destinations continue to rebound, but remain cautious due to continued global economic uncertainty, Brexit and other external factors.
- *#GoForPuertoRico Campaign Emphasizes Positive Travel Trends.* Discover Puerto Rico has launched a new campaign, *#GoForPuertoRico*, to focus on the island's "resilient" spirit in the face of recent disruptions like earthquakes and hurricanes. The program was launched in late January across digital banners, social and pre-roll in key markets to highlight the island's diverse historic, natural, gastronomic and nightlife attractions, which remain strong traveler draws. Recent Discover Puerto Rico data indicates its airports hosted 5.2 million travelers in 2019, while island hotels and resorts surpassed previous highs to achieve lodging revenue of nearly \$1 billion in 2019.

Consumer Trends

- No substantial change in trends since last month.

Travel Trends

- *Travel Trends Index (TTI)* report is consistent with those of recent months, with domestic travel outperforming international inbound travel. These trends are expected to continue through the first half of 2020, with domestic travel growing, but slowing, and international inbound travel declining slightly. This is also consistent with an outlook for the economic expansion continuing in 2020, albeit at a slightly more moderate pace, according to the U.S. Travel Association.
- *Leisure Trends Index (LTI)* anticipates that domestic travel will increase approximately +1.6 percent year-over-year through May 2020, with leisure travel moderating but still contributing slightly more to the expansion than business travel. Consumer confidence and expectations eased gently downward in November, and consumer spending strength is forecast to cool. Business investment continues to moderate due to slow global growth, still-high trade tensions, weaker energy sector activity, and a strong dollar, together limiting expectations for domestic business travel. As economic momentum eases, ongoing trade conflicts are anticipated to continue to weigh on the domestic travel market and pose additional downside risks through the beginning of 2020.
- Domestic travel rose +2.4 percent in November, largely a result of contributions from the leisure segment (+3.4%) as the business segment registered only minor gains (+0.4%), on par with its six-month average. Leisure travel growth of +1.6 percent is expected through the coming six months, about half its current pace. Vacation intentions have remained ahead of last year so far; however, forward-looking booking and search data provide mixed signals. Business travel growth is expected to remain slow through May 2020 (+1.2%), though slightly higher than its recent pace.
- Overseas visitation to the U.S. declined year-over-year in November. With a slight downward revision to October data, this segment has now contracted in five of the past six months. International inbound travel growth through May 2020 (-0.6%) is expected to remain constrained by economic and policy-based factors over the coming months.

Media Trends

- *Where the Travel Industry Will Intersect with Wellness in 2020* - Luxury destinations have long incorporated services and experiences aimed at allowing their customers to relax, recharge and unplug. But as the definition of wellness expands and gets more specific, more travelers will seek to take care of themselves on vacation while also looking for adventure. For example, spas are focusing on natural sounds introducing more quiet and deep listening for clients; and energy medicine is in focus for service providers and properties.
- *User-Generated Content Will Continue to Be Popular* - Brands leveraging user-generated content is not a new trend but one that continues to go strong. The only thing that has changed is the rate of adoption, with more and more marketers. Some brands motivate their customers to create content and tag the brand for a chance to get featured on their page. Some, like Olay or Dove, run relevant marketing campaigns that encourage people to submit their entries to be a part of the campaign. Some brands, like Airbnb, completely rely on user-generated content for their social media content.

Airlift

- The U.S. domestic carriers to Hawai'i for the months of February through April 2020 continue to operate on an expanded schedule for the winter and spring season. U.S. non-stop seats for February are 785,638, a +15.6 percent increase over 2019. March and April are 906,050, and 857,054, respectively, a +8.3 percent and +10.2 percent increase over 2019. Much of the increase in capacity is due to the addition of Southwest. In March, the airline will mark one year of service to Hawai'i.
- All U.S. domestic carriers have extended grounding of the Boeing MAX thorough June 2020 at the earliest. This continues to have impact on direct neighbor island service from the mainland as seen in route suspensions or decreased frequencies.

Market Intelligence/Market Conditions Impact on Hawai'i Travel

- The Novel Coronavirus, the worldwide health emergency, has impacted the global tourism industry. Future impacts are yet to be determined. As of this submission, there are no cases of 2019-nCoV in Hawai'i and the health risk in Hawai'i is currently low. Nevertheless, state and local officials in Hawai'i recognize the seriousness of the situation and are working with federal officials around the clock to prevent its spread within the state. Travel to and from China has been severely restricted with all direct flights suspended between China and Honolulu.

Leisure Activity Update

Consumer

- On-line

Digital Campaign January Estimates – Estimated Impressions Per Island

PARTNERS	Central	OVB	MVB	KVB	IHVB	LVB	DMVB
Programmatic	-	46,500	367,500	612,500	735,000	122,500	147,000
Search	-	6,666	5,000	8,333	10,000	1,666	1,666
Buzzfeed	-	-	198,898	-	336,138	-	149,174
Condé Nast	-	-	-	-	20,526	-	-
Matador	-	1,078,294	-	1,617,442	-	-	-
Great Big Story	-	45,973	41,226	96,195	-	-	-
Facebook	6,118,028	95,904	125,037	398,652	246,883	123,821	43,808
Instagram	5,411,755	-	-	-	-	-	-
Total	11,529,783	1,273,337	737,661	2,733,122	1,348,547	247,987	341,648

- Advanced Television. A national flight of media launched in January (Jan. 6-Mar. 31) to reach the Hawai'i target audience and showcase the newest edits of *Hawai'i Rooted* video creative on streaming partners ROKU, Hulu and Amazon Fire.
- Cinema. In-theater media launched in January (Jan. 10-Feb. 14) to amplify video efforts in an intimate and captive environment. Thirty-second *Hawai'i Rooted* videos ran in a select network of high-end cinema movie theaters concentrated in Hawai'i's top markets. Audiences were further re-contacted with location-based mobile targeting after leaving theaters.
- Golf Channel - *Aloha Season* Promotion. The 2020 *Aloha Season* program with Golf Channel peaked in January with promotional elements throughout the month during the following Hawai'i tournaments: Sentry Tournament of Champions, Sony Open in Hawai'i, Mitsubishi Electric Championship at Hualālai.
 - Paid Media. Thirty-second golf commercials featured four different PGA TOUR players, with each professional engaging in an activity that he enjoys seeing/experiencing in the destination:
 - Patton Kizzire – Clay shoot/ATV (Lāna'i)
 - Andrew Landry – Sunset Sail (Maui)
 - Andrew Putnam – Dive (Maui)
 - Kevin Na – Zipline (Maui)

- Programming. 37.5 hours live tournament; 110 hours total programming coverage including tournament live, re-air and additional hours with some Hawai'i tournament exposure.
 - Morning Drive "*Hawai'i Destination Spotlight*" presented a Hawai'i-themed show during the Thursday-Friday of the Sentry Tournament of Champions event on Maui.
 - Promos. 600 total "*January in Hawai'i*" promo spots: 200 including logo and call-to-action; 400 Event Tune-In promos.
 - Features. Three custom features aired (one each week during the January tournaments played on Maui, O'ahu, island of Hawai'i)
 - Billboards. 120 billboards including logo, tagline and call-to-action
 - Beauties/Bumps. In and out of tournament programming coverage

Public Relations

- HVCB
 - HVCB provided talking points, images and b-roll, and assisted with floral arrangements for this year's broadcast on Golf Channel of the 2020 *Aloha Swing* to promote Maui's PGA TOUR Sentry Tournament of Champions.
 - As a result of HVCB's travel assistance to O'ahu and the island of Hawai'i, freelance writer Leslie Westbrook produced a story for *Arroyo Magazine* titled "Turtle Bay Resort – Family Fun on Oahu's North Shore." In the story, Leslie highlights key family-friendly experiences offered in and beyond the property.
 - Megan Michaelson, freelance journalist, produced a story for *Outside* titled "11 Places to Recoup After the Holidays" as a result of HVCB media relations. The story features Lumeria and Maui as an ideal recovery destination.
 - As a result of HVCB's mini culinary press trip to Maui and O'ahu in October, freelance journalist Ian Centrone produced a story in *Barron's* titled "Great Escapes: The Luxurious Side of Oahu's Sun-Drenched Shores." The luxury-focused story featured The Laylow, Autograph Collection, The Four Seasons Resort O'ahu at Ko 'Olina, ESPACIO, The Jewel of Waikiki, Mugen, The Pig & The Lady, Bar Leather Apron, North Shore Eco Tours, 'Iolani Palace and more.
 - HVCB partnered with New York-based fitness brand Equinox to shoot content for a campaign aimed at engaging Equinox's avid explorer demographic. An element of the campaign included highlighting target activities for which Equinox trainers would develop specialized workout plans to prepare gym attendees. The shoot consisted of yoga and paddling on O'ahu and featured hiking and mountain biking on the island of Hawai'i.
 - Media coverage highlights:
 - "Turtle Bay Resort – Family Fun on Oahu's North Shore" – *Arroyo Magazine* – Leslie Westbrook – January 2020
 - "11 Places to Recoup After the Holidays" – *Outside* – Megan Michaelson – January 2020
 - "Great Escapes: The Luxurious Side of Oahu's Sun-Drenched Shores" – *Barron's* – Ian Centrone – January 2020
 - "Kuleana" – *Alaska Air Beyond* – Eric Lucas – January 2020
- KVB
 - Kaua'i was featured in the following January media:
 - *Forbes Travel Guide* (99,022 uvpm). Coverage resulted from writer's participation in KVB Individual Media Visit in 2019.
 - *Smart Meetings* (circ. 44,000; 16,910 uvpm). Coverage resulted from writer requesting island updates in 2019.
 - *Alaska Beyond Magazine* (circ. 91,210; 120,000 uvpm). Coverage resulted from HVCB-hosted visit to Kaua'i with support from KVB outreach to partners.

- *Skift* (256,859 uvpm). Coverage resulted from writer requesting an interview with KVB.
 - *Reader's Digest* (2,351,847 uvpm). Coverage resulted from writer's participation in KVB Press Trip in 2018.
 - *Travel + Leisure* (circ. 3,168,640; 962,011 uvpm). Coverage resulted from an individual media visit in 2019.
 - *RMWorldTravel Radio Show* (1,000,000 listeners weekly). Coverage resulted from radio show producer requesting an interview with a Kaua'i representative for show's feature.
 - Liaised with six media in January.
- OVB
 - O'ahu was featured in the following January publications and websites:
 - *TravelAge West* (21,696 uvpm). Coverage was a result of requested media assistance by Marty Wentzel in December 2019. Her article, "Hawaii's Newest Romance Offerings," highlights 'Alohilani Resort and Queen Kapi'olani Hotel.
 - *AWOL* (uvpm not available). Coverage resulted from Monique Ceccato's participation in the Millennial Eco Travel press trip in May 2019. Her article, "The Best Outdoor Activities on Oahu for You and the Environment," features Travel2Change, Gunstock Ranch, North Shore EcoTours, Wild Side Specialty Tours and One Ocean Diving.
 - *Diablo Magazine* (10,137 uvpm). Coverage was a result of an individual media visit by Ben Davidson in November 2019. His article, "All-Ages Aloha: Hawaii Travel Guide," features Aulani, Embassy Suites, Turtle Bay Resort, Polynesian Cultural Center, Diamond Head State Monument, Kualoa Private Nature Reserve and other venues.
 - Liaised with 65 media in January.
- MVCB
 - Maui was featured in the following January publications and websites:
 - *Jim Byers Travel* (4,080 uvpm), "From Fave Pics to Fabulous Food: My 2019 Jimmy Awards for Best in Travel."
 - *The Wall Street Journal* (3,495,909 uvpm), "Salute to the Sun."
 - *Popsugar* (32,767,050 uvpm), "20 Food Festivals Worth Traveling for in 2020."
 - *Forbes* (1,477,530 uvpm), "The Top 7 Most Scenic Half Marathons in the U.S."
 - *Forbes* (1,477,530 uvpm), "The 43 Cheapest Places to Travel In 2020."
 - *Red Tricycle* (13,236,600 uvpm), "Top Spring Break Destinations You Haven't Tried Yet."
 - *Travel Pulse* (298,100 uvpm,) "Top Ten Reasons to Visit Maui in 2020."
 - *Diablo* (circ. 40,000/mo), "All Ages Aloha: Hawaii Travel Guide."
 - Liaised with 45 media in January that included outreach to set up appointments for the MVCB February 24-28 Denver/Portland/Seattle Media Blitz.
- IHVB
 - Except for the first mention, the island of Hawai'i was featured in the following January media:
 - (not previously reported) *Forbes* (28,307,082 uvpm), "The Ultimate Guide to the Hawaiian Islands," Dec. 29, 2019, resulted from hosting Katherine Parker-Magyar during the IHVB Mālama 'Āina in the 21st Century Press Trip, Nov. 2019.
 - *Alaska Beyond* (passenger audience 91,210), "A New Campaign Promotes Responsible, Safe, Aware, and Enjoyable Travel in Hawaii," Jan. 3, 2020, as a result of assisting with Eric Lucas' visit to the island of Hawai'i in Nov. 2019.
 - *Forbes* (28,307 uvpm), "The 43 Cheapest Places to Travel in 2020," Jan. 8, 2020, as a result of hosting Sarah Funk and Luis Yanes on the island of Hawai'i in Nov. 2019.
 - Liaised with 28 media in January.

Sales Activities

Sales Calls, Trade Shows, Training Events

	Airline	Wholesaler/TA/TO/OTA	Other	Total
HVCB	-	16	40	56
Island Chapters	-	8	-	8

Summary of Key Sales Activities

- HVCB
 - For the month of January, the HVCB regional team conducted 12 educational training presentations, participated in four trade shows, held 40 one-on-one appointments and had the opportunity to meet with or present to more than 424 travel advisors.
 - HVCB was a premier sponsor and presenter at the Family Travel Advisor Forum held Jan. 6-9 in Ocho Rios, Jamaica. There were 140 vetted agents in attendance. Sponsorship included a one-hour destination presentation, 40 one-on-one matched appointments and networking events. Hawai'i partners included Classic Vacations, Apple Leisure Group and GOGO Vacations.
 - Eighteen Hawai'i partners participated in HVCB's Leisure Sales Blitz the week of Jan. 20-23 in Scottsdale, AZ; Denver, CO; Austin and San Antonio, TX. Hawai'i partners in attendance included Grand Naniloa Resort - a Doubletree by Hilton, Outrigger Hospitality Group, Hawaiian Hotels & Resorts, Apple Leisure Group, Pleasant Holidays, Marriott International Hawai'i, Highgate Hotels Hawai'i, Halekūlani and Halepuna Waikīkī by Halekūlani, Hyatt Resorts in Hawai'i, Sheraton Kaua'i Coconut Beach Resort, Courtyard Marriott Oahu North Shore, Polynesian Cultural Center, Shoreline Waikīkī Hotel and Coconut Waikīkī Hotel, Embassy Suites by Hilton Waikīkī Beach Walk, GOGO Vacations, The Surfjack Hotel & Swim Club, UnCruise Adventures, Castle Resorts & Hotels. Overall, there were 102 advisors who participated in the Hawai'i Destination Specialist training, 86 advisors who participated in the Island Chapter workshops and 203 advisors who took part in the supplier trade show, dinner and presentations. The cultural practitioner who served as the general session guest speaker was Kumu Hula Kau'i Kanaka'ole from Hana, Maui along with dancers from Hālau o Nakaulakuhikuhi. Dancers shared insight into the ceremonial process of adornment and costuming preparation prior to their *kahiko* performance and performed *'auana* throughout the evening.
 - HVCB conducted destination training in conjunction with Marriott International Hawai'i and Outrigger Hospitality Group on Jan. 14 and 15 in Jacksonville, FL, and Savannah, GA. Thirty-nine agents participated in the two training events.
 - HVCB delivered the Hawai'i Destination Specialist (HDS) training to 42 Cruise Planners agents on Jan. 14. in Jacksonville, FL.
 - An estimated 500 travel advisors are anticipated to have taken one or more of the online educational modules available at agents.gohawaii.com for the month of January. The December monthly metrics report showed a total of 682 online graduates having earned either their Hawai'i Destination Specialist or Island Specialist (Kaua'i, Maui Nui, O'ahu or island of Hawai'i) certification.

Key Performance Indicators - Leisure Market

Consumer

Digital Campaign December Actuals – Estimated Impressions Per Island

PARTNERS	Central	OVB	MVB	KVB	IHVB	LVB	DMVB
<i>Trip Advisor</i>	-	150,926	-	-	-	-	-
<i>Facebook</i>	68,072,334	350,171	201,939	803,515	229,149	113,770	85,767
<i>Instagram</i>	59,742,672	-	-	-	-	-	-
Total	127,815,006	501,097	201,939	803,515	229,149	113,770	85,767

Public Relations

- Month-end impressions and publicity values for articles that included Hawai'i – December results

Impressions and Publicity Values for December

DECEMBER	Impressions	Publicity Values
Print	48,805,826	\$9,446,375
Online	46,669,588,866	\$24,923,462
Broadcast	270,324,376	\$30,311,931
Total	46,988,719,068	\$64,681,768

Countermeasures

- HVCB has been managing Alert updates on *gohawaii.com* related to the 2019-nCoV (Novel Coronavirus). Thus far, with no cases reported in Hawai'i, there have been no reports of U.S. cancellations, so no countermeasures have been necessary.

Responsible Tourism Update

- Hawaiian Culture
 - HVCB
 - The concept of *kuleana* while visiting the Hawaiian Islands portrayed in travel tips videos, were featured in the January *Islands of Aloha Express* (IOAX) enewsletter (200,000 consumers), along with a small feature on the Waimea Town Celebration.
 - Eric Lucas, long-time correspondent for *Alaska Air Beyond* magazine, produced multi-paged feature titled “Kuleana” for its January issue as a result of HVCB’s assisted visit to O’ahu, island of Hawai'i and Kaua'i in November. The extensive story covered various *Kuleana* ambassadors and experiences that embody the themes within the *Kuleana* campaign.

- The travel trade team shared both live *kahiko* and *‘auana* performances during the leisure sales blitz events in January. Additionally, Kumu Hula Kau‘i Kanaka‘ole and members of her *hālau* set-up a demonstration table to share the art of painting with *ti* leaf onto card stock with various design elements as a souvenir/take away gift.
 - KVB
 - During the HVCB Leisure Sales Blitz, shared information about the Waimea Town Celebration and *hula* shows at the National Tropical Botanical Gardens. Also provided a list of cultural events available at www.kauaifestivals.com.
 - Conference call with History Channel’s team regarding interest in spotlighting Kaua‘i. Shared island points of interest, Hawaiian culture and sustainability information, emphasizing Kaua‘i’s north shore community’s focus on preservation.
 - OVB
 - Included information about the following HTA Kūkulu Ola program/events in OVB’s consumer enewsletter and/or social media: Bishop Museum Living Hawaiian Culture series; Kapu‘uola Hula Festival (April 4); 93rd Annual Lei Day Celebration (May 1).
 - Featured the following Hawaiian Cultural Places during travel agent training webinars: Hawaiian Mission Houses and Historic Archive, Bishop Museum and Na Ala Hele Trail & Access System.
 - MVCB: Assisted with the HVCB Sentry Tournament of Champions PGA Player Vignettes video production. The vignettes included filming at the Ko‘ie‘ie Fishpond in Kīhei, Maui, with a PGA player and his family interacting with a cultural specialist to learn about the fishpond and experiencing an outrigger canoe paddle. The history of the fishpond as well as the importance of the restoration of the fishpond for educational, archaeological and cultural purposes was highlighted. The activity is run by the non-profit organization, Ao`ao O Na Loko I`a O Maui.
 - IHVB:
 - Included Historic Walking Tour and Talk Story with Danny Akaka in itinerary for freelance writer Kristy Alpert who visited Hawai‘i Island Jan. 20-26. The journalist writes for *American Way* and *Fodor’s Travel*.
- Natural Resources
 - HVCB
 - Safely enjoying land and water activities, along with helping to protect the ocean, were featured in the main feature on *Kuleana* in the January *Islands of Aloha Express* (IOAX) enewsletter (200,000 consumers).
 - The upcoming HVCB Ka Wai Ola press trip will take place on O‘ahu and Kaua‘i, Feb. 23-Mar. 1. In efforts to focus on responsible tourism in the Hawaiian Islands, the group of media will experience Hawai‘i’s ocean and sustainability culture as it is expressed through water-based activities and connections with various cultural practitioners.
 - The travel trade team shared *Hawai‘i Rooted* and *Kuleana* videos during on-stage presentations.
 - KVB
 - Information about Hā‘ena State Park presented during HVCB Leisure Sales Blitz in January.
 - During an interview, Sue Kanoho, KVB Executive Director, provided information to *Alaska Beyond Magazine* regarding HVCB and KVB initiative to educate visitors about natural resources including *Kuleana* videos.
 - OVB
 - Featured travel2change voluntourism opportunities in the January 2020 O‘ahu consumer enewsletter.
 - Included information on the following Aloha ‘Āina program/events in consumer enewsletter and/or social media: Sustainable Coastlines Hawai‘i clean-up program; travel2change.

- MVCB: Assisted with the HVCB Sentry Tournament of Champions PGA Player Vignettes video production. The vignettes included participating in the Skyline Conservation Initiative/Na Koa Manu Conservation. This initiative has been restoring native ecosystems to enhance the health of the watershed in the montane mesic environment located at 4,000-foot elevation on the slopes of Haleakalā. Filming included a PGA player and his friends helping to plant an 'ōhi'a lehua tree as part of the conservation effort.
- IHVB: Included Talk Story at Kahalu'u Bay Education Center with Cindi Punihaole in itinerary for Kristy Alpert, writer for *American Way* and *Fodor's Travel*.
- Community
 - HVCB
 - The Honolulu Festival was featured in the Upcoming Events section in both the January IOAX and *E-xpressly for Travel Professionals* (EXTP) enewsletter (120,000 travel professionals). Other events highlighted in the Events section included the Kaua'i Steel Guitar Festival, Pow! Wow! Hawai'i 2020, East Maui Taro Festival, Waimea Cherry Blossom Heritage Festival and the Pana'ewa Stampede Rodeo.
 - The travel trade department is working with HVCB's director of culture and product development to participate in corporate social responsibility (CSR) projects with industry partners. Currently in the planning stages.
 - KVB
 - Included information about upcoming festivals and ongoing events during HVCB Leisure Sales Blitz events in January, highlighting the Waimea Town Celebration 2020.
 - Shared Waimea Town Celebration 2020 dates with freelance writer Steve Weis.
 - Posted on social media channels about the new Kaua'i Ocean Discovery Center interactive exhibit at Kukui Grove Shopping Center.
 - OVB
 - Included information on CEP programs/events in consumer enewsletter and/or social media: Hawaiian Mission Houses-Traveling History Theatre; Hololea Visitor Tour Program; Hale'iwa Interpretative Signage Project and Walking Tour Map.
 - Featured CEP programs/events in travel agent training webinars: Lei Day Celebration; Hawai'i Food & Wine Festival.
 - IHVB: During Mitsubishi Electric Championships at Hualālai, coordinated delivery of HTA banners to high traffic areas, invited members of the visitor industry to a sponsored entrance and provided a tourism message on Golf Channel consisting of 30-second promotional spots highlighting the island and state.
- HTA Events and Programs. Provided media assets on behalf of HTA for their event and program sponsorships:
 - Polynesian Football Hall of Fame. Provided television commercials, television-visible, in-stadium video board spots and print ads for program and event guides.
 - Hula Bowl. Provided television commercials and in-stadium video board spots.
 - Honolulu Festival. Provided a print ad for the event program guide.

Island Chapters Engagement Update

- KVB
 - Hawai'i Tourism Oceania (HTO) New Zealand
 - Assisted with itinerary and arrangements for all island activities for New Zealand writers, Brook Sabin and Radha Engling. Provided welcome amenities, hosted ATV activity, Allerton Gardens Sunset Tour and a guided hike, Jan. 29-31.

- IHVB
 - Hawai'i Tourism Canada (HTCAN)
 - Supported a tour of the Natural Energy Laboratory of Hawai'i Authority (NELHA) and Waipi'o Wagon Tour for freelance writers, Rick and Chris Millikan; wagon tour was cancelled due to inclement weather, but writers opted to visit the valley via Waipi'o Valley Shuttle service.
 - Hawai'i Tourism Japan (HTJ)
 - HTJ FAM visited Hawai'i Island Jan. 26-Feb. 1 to experience Kona, Hilo and the Kohala Coast. The group that included 17 planning managers (who develop programs/tours that travel agents sell) and two HTJ staff visited UCC Coffee Farm, Hilo Farmers Market featuring Hawai'i-island grown agricultural products, World Heritage site Hawai'i Volcanoes National Park, Punalu'u Black Sand Beach, and stargazed atop Maunakea. Horseback riding in Waipi'o Valley provided an experience of both a historical sense and natural beauty. FAM attendees also experienced Sam Choy's Kai Lanai Restaurant, the Pacific Tsunami Museum, Mokupāpapa - Marine Discovery Center for Papahānaumokuākea Marine National Monument and UNESCO World Heritage site, and Punalu'u Bakery.
 - Hawai'i Tourism Oceania (HTO) New Zealand
 - Activity suggestions were provided to Brook Sabin and Radha Engling, social media influencers whose trip was sponsored by Hawaiian Airlines New Zealand and HTO.

“Coming Attractions” for Leisure Market

	What	When	Where
HVCB	Individual Media Trip: Matt Crossman (<i>Cowboys and Indians</i>)	Feb. 3-10	O'ahu and island of Hawai'i
	Press Trip: Ka Wai Ola	Feb. 23-Mar. 1	O'ahu and Kaua'i
	PBS <i>Field Trip with Curtis Stone</i>	Feb. 16-20	Maui and island of Hawai'i
	Individual Media Trip: Jenna Kunze (<i>Unearth Women</i>)	April/May	Maui, Kaua'i and O'ahu
	NorCal 'Ohana Meeting	Feb. 6	San Francisco, CA
	HDS Training with Pleasant Holidays	Feb. 4	Charlotte, NC
	GIFTE Book More Travel Workshop	Feb. 5-7	Charlotte, NC
	ASTA Houston Trade Show	Feb. 10	Houston, TX
	ASTA Birmingham Trade Show	Feb. 11	Birmingham, AL
	Tzell Training	Feb. 19 & 26	New York, NY
	Inteletravel TravelQuest	Feb. 19-22	Las Vegas, NV
	LaMacchia Travel Hawai'i Night	Feb. 27	Kenosha, WI
	Cruise Planners Lunch & Learn	Mar. 4	Orlando, FL
	Signature South Pacific Dest. Training	Mar. 5	Seattle, WA
	Tampa STIA Lunch & Learn	Mar. 5	Tampa, FL
	HVCB U.S. West Leisure Sales Blitz	Mar. 9-13	San Diego, CA; Newport Beach, CA; Burbank, CA; Sacramento, CA; San Francisco, CA
	Rockland County Training with NCL	Mar. 18	Haverstraw, NY
	WITS Hawai'i Night	Mar. 19	Scotia, NY
	Hawai'i Training with Pleasant Holidays + AAA Radio Interview	Mar. 24-26	Harrisburg, PA
	Cruise Planners Bootcamp	Mar. 29-31	Dallas, TX

	Apple Leisure Group Hawai'i Dinners	Mar. 31-Apr. 2	Los Angeles, CA; Orange County, CA; San Diego, CA
	Hawai'i Destination Specialist Trainings with Pleasant Holidays	Apr. 7-9	Washington, DC; Richmond, VA
	Travel Professionals International Hawai'i Destination Specialist Training	Apr. 18	Orlando, FL
	MAST Conference	Apr. 23-25	Louisville, KY
	Romance Travel University	Apr. 28-30	Bayahibe, Dominican Republic
KVB	New York City Media Blitz	Mar. 2-6	New York, NY
	HVCB U.S. West Leisure Sales Blitz	Mar. 9-13	San Diego, CA; Los Angeles, CA; Burbank, CA; Sacramento, CA; San Francisco, CA
	KMS	Mar. 30-Apr. 4	Kaua'i
	Travel Agent Forum	Apr. 4-8	Las Vegas, NV
	Conscious Culture & Responsible Travel Press Trip	Apr. 20-24	Kaua'i
OVB	Mailpound Webinar	Feb. 26	
	Romance Press Trip	Feb.28 – Mar. 4	O'ahu
	Apple Vacations OMS	Mar. 2-7	O'ahu
	HVCB U.S. West Leisure Sales Blitz	Mar. 9-13	San Diego, CA; Los Angeles, CA; Burbank, CA; Sacramento, CA; San Francisco, CA
	West Coast Media Blitz	Apr. 13-21	Los Angeles, CA; Orange County, CA; San Diego, CA; Denver, CO
	Travel Impressions OMS	Apr. 20-25	O'ahu
	Meetings Live! Pre-FAM	Apr. 22-26	O'ahu
	Mālama O'ahu Press Trip	May 21-26	O'ahu
	IPW	May 30-June 3	Las Vegas, NV
MVCB	Ho'olauna Maui Nui SE	Feb. 7-14	Tennessee, Alabama, Louisiana
	MVCB Media Blitz	Feb. 22-28	Seattle, WA; Portland, OR; Denver, CO
	HVCB U.S. West Leisure Sales Blitz	Mar. 9-13	San Diego, Los Angeles, Burbank, Sacramento, San Francisco, CA
	Ho'olauna Maui Nui East	Mar. 23-27	TBA
IHVB	Individual Media Trip, Cheryl Tsutsumi	Feb. 13-18	Island of Hawai'i
	Influencer Visit, Andy To and Joycelynn Linh (YouTube/IG)	Mar. 2-8	Island of Hawai'i
	IHVB Virtual Media Blitz	Mar 24-26	Island of Hawai'i

Hawai'i Tourism Japan

2020 Monthly Leisure Marketing Report – January

Market Intelligence/Market Conditions

Economy

- Japan's economy minister warned about potential for the coronavirus outbreak to cause harm to the economy. Should the situation continue without subsiding, impacts on Japanese exports, output and corporate profits will be inevitable from the impact on Chinese consumption and production, as China is Japan's second largest export destination.
- Despite the current economic conditions, the International Monetary Fund raised forecasts for economic growth of Japan to 0.7% from 0.5% in October. This change was announced on the basis of the Japanese economy outperforming previous predictions. Consumer consumption performed better than expected from shopping rebates and other government measures implemented to mitigate the tax hike, along with robust business investment supporting the economy.

Outbound Travel Market

- The Japanese Ministry of Foreign Affairs released level 3 travel advisories stating citizens not to travel to the Hubei Province of China due to the Coronavirus. Travels to other regions of China remain at level 1 advisories, calling for travelers to be wary of surroundings. While outbound travels to Hawai'i seem to be minimally affected, continued dispersion of the virus may result in fewer outbound travelers as they avoid potential contact with carriers of the virus.
- In 2020, there will be 1 less occurrence of 3 day or longer holidays for a total 7 times. Additionally, the Golden Week holidays will be reduced to just 5 consecutive days off from 10 in 2019. JTB Tourism remains optimistic for continued outbound traveler demand fueled by the Government's initiatives to push for mandatory acquisition of paid time, under the assumption that the coronavirus outbreak subsides. Peak travel seasons are forecasted to occur earlier this year during Golden Week, to avoid the summer break period as the Olympics will be in progress.
- With 2019 outbound travelers able to surpass goals of 20 million, the Japan Association of Travel Agents (JATA) established new goals of 25 million, aiming for 20% of the entire population to travel abroad. To achieve this, JATA indicated desire for more millennials to travel abroad, while also stressing the importance of establishing a curriculum geared more towards international exchange.

Competitive Environment

- Regional government of Spain's Balearic Islands approved a new law restricting the sale of alcohol to certain hours and bar crawls to discourage visitors from partaking in binge drinking. The imposition of such a law is unprecedented in Europe and aims to improve the quality of visitors and contribute to more positive resident sentiment towards tourism.
- The Department of Tourism of the Philippine government officially named the Intramuros district within urban Manila as a sustainable creative urban heritage district. The Intramuros administration aims to foster the convergence of urban regeneration, restore and maintain its cultural heritage and unfold sustainable tourism initiatives as they extend operation hours for visitors.

Consumer Trends

- Studies on the consumption habit of senior citizens found that for this segment, the greatest proportion of their money was spent on travel. Although significant growth was not observed year over year, seniors maintained on average spending of 199,000 yen for traveling.
- Japanese consumers are becoming heavily influenced by places to visit that they see on SNS. JR East Japan's studies found that 35.7% of consumers record places they would like to visit on SNS platforms, and 22.7% visit stores introduced by friends on SNS. The use of SNS as a "to-go stock" is expected to continue to rise, further raising the importance of messages on platforms.

Travel Trends

- The impact of the new coronavirus is starting to impact the travel industries as inbound travels from global tourism market, the outbreak occurring during the Lunar New Year holiday season has greatly impacted hotels, airlines and casinos amongst other businesses operating in the tourism sector.
- With 54% of travelers globally expressing desire to contribute to alleviating overtourism, an increasing proportion of people are becoming aware of the issues. As overtourism escalates in various destinations, travelers are speculated to seek alternative lesser known destinations to the popular spots to visit, where similar experiences can be had.

Media Trends

- Sustainability topics are being increasingly covered by media, with female targeted magazines such as Frau, Very Mama and VOGUE all featuring sustainable fashion within their issues. Frau and Very Mama featured topics on sustainable brands and how to practice sustainability, while VOGUE made a commitment towards sustainability and avoided filming and photo shoots for their cover and fashion reports in an effort to limit expansion of carbon footprints.
- Media are expanding into the travel industry with satellite broadcasting provider WOWOW establishing a travel service dubbed WOWOW Travel. This division will be offering tour products relating to the movies, shows, documentaries, etc. featured in their programming. Products being planned include a tour to view the UEFA 2020 soccer games, which will be broadcasted on their station, and a tour to sites filmed in for their original programming.
- The use of influencer marketing continues to exhibit strong growth within the Japanese market. Various entities are finding it highly beneficial to employ the use of influencers in appealing to consumers on a more personable level. These trends are expected to continue growth, with companies like Estee Lauder announcing that 75% of marketing budget will be spent on influencer marketing in 2020.

Airlift

- Korean Air is planning a change in aircraft used for their daily ICN – NRT – HNL route starting 3/29. Their double decker Boeing 747-8i will be replacing the Airbus A330-300, effectively growing capacity from 276 seats per flight to 368.
- All Nippon Airways announced their third Airbus A380 aircraft to be put into service from July. The implementation of the aircraft will boost flight frequency of the A380 to 2 daily flights from Narita.

ANA's daily flight from Haneda will remain unchanged with their Boeing B789 aircraft with no changes in frequency for this route with the expansion of international slots at Haneda.

- The Coronavirus outbreak is having minimal effects on most direct flights from Japan to Hawai'i. Although there are speculations for some itineraries being canceled from the Coronavirus, because the reasons for cancellations are not tracked by airlines, cause is difficult to determine. Overall booking pace for flights to Hawai'i have yet to see significant negative impacts.

Market Intelligence/Market Conditions Impact on Hawai'i Travel

While no cancellations have occurred as of now for travels to Hawai'i from the outbreak of the coronavirus, the effects should continue to be monitored. Depending on the duration of the outbreak outbound travels from the Japanese market to Hawai'i may become affected as Japanese consumers are highly sensitive to their well-being. There is potential for persistent effects of the virus to cause Japanese travelers to stop traveling altogether in efforts to avoid potential contact with the virus at susceptible areas such as airports. HTJ will continue to monitor the effects of the coronavirus and report as necessary on significant findings.

The Japan – Hawai'i airlift market will be seeing significant changes throughout 2020. In addition to the previously reported expansion of slots at Haneda Airport in late March, All Nippon Airways (ANA) and Korean Air (KE) will be increasing capacity on their flights with the expansion of use of the Airbus A380 and change of aircraft used to the Boeing B747-8i aircraft respectively. In addition to increasing overall seats, these changes also allow for the introduction of more upper-class seats (business and first class). This is likely to assist in increasing the amount of high spending consumers as these seats were often found to be difficult in securing.

Leisure Activity Update

Consumer

- Worked with JCB and Hawaiian Airlines to arrange a collaborative consumer survey campaign from 2019 7/16 to 2020 1/5. Awareness for the campaign was raised through notices at various locations in Japan and Hawai'i, allowing for the acquisition of 11,414 consumer data. Of the campaign respondents, 43% had traveled to Hawai'i over 5 times, with 46.8% being FIT. The majority of participants (44.9%) were also seen to book itineraries four months or more in advance.
- Dispersion of the Island of Hawai'i promotion video was continued with LIVEBOARD, on 25 digital signage boards throughout Tokyo which allow acquisition of consumer data from cellular signals. The results showed that 45.7% of the viewers were aware of the Island of Hawai'i, while 53.3% of them showed strong interest for the island. Roughly 35% of the consumers wished to visit the island with their spouses and 28% wanted to visit as a couple or with their family. All information obtained will be utilized for future target marketing initiatives.
- 15 second promotional videos of the Island of Hawai'i continued being played on taxi signages throughout January. The video obtained reach to roughly 347,008 consumers.
- Continued running promotions for the Island of Hawai'i under the "Island of Hawai'i Travel Style Chart" campaign, linked with an SNS campaign. The campaign provides visitors with travel itineraries best suited for each consumer, based on their responses to a few questions. The concurrent SNS campaign ended on 1/31 and recorded a total 3,102 entries with 4,185 Twitter posts and reach of 788,187.

- Contents for the Hawai'i Expo Fukuoka are being confirmed. For entertainment, hula performances by Ke Kai O Kahiki, Ukulele performances by Herb Ohta Jr. and Jon Yamasato, Hawaiian music by Chad Takatsugi and a talk show with Miss Hawai'i 2019 have been arranged. Experiences for attendees will also be offered through hula, ukulele, ribbon lei and Hawaiian quilt workshops. To expand reach of promotions to consumers, event management and promotion app Peatix will be used. A talk show on Hawai'i is also planned at the Ropponmatsu Tsutaya store on the day before the event to raise consumer buzz in the area.
- Partner briefings for the Hawai'i Expo at the other four cities was held on 1/24 with the Hawai'i Association of Japan for Japan based partners. Applications for the Nagoya and Osaka Hawai'i Expo events will begin from 2/4.
- HTJ's spokesperson Ms. Nicole Ishida introduced a ranking of scenic spots in Hawai'i on a TV show she regularly stars in on 1/4. Spots on the Island of Hawai'i were featured in the top 3, resulting in an effective promotion for the island. The show has reach of approximately 12,181,580.
- Discussed with Shiseido on potential for collaborative responsible tourism initiatives through a beach cleanup with Mr. Kanoa Igarashi as they also use him as their spokesperson.
- The 5th edition of the Aloha Program Newsletter was published in January. This edition featured responsible tourism, along with an interview of the manager of the Ka'upulehu Cultural Center in the Four Seasons Hualalai, an introduction of Sustainable Coastlines Hawai'i and HTJ's upcoming events. A total of 12,000 copies were distributed by Aloha Program Satellite offices throughout Japan.
- Preparations for the renewal of the Aloha Program website continued, with completion set for the end of March. The site is being renewed to serve as a more effective learning tool for users. The renewed site will include serialized contents and new courses to better assist in passing the specialist exams. A new feature allowing users to share results on SNS will also be implemented.
- As part of benefits for Hawai'i Specialists, a webinar to cover the latest updates on Hawai'i was held on 1/18, for 133 members. In addition to the various updates to various facilities, contents also covered HTJ's major initiatives in 2020 including the Hawai'i Expo and the Hokulea movie blitz.
- Promotional initiatives of the Aloha Program were continued through January. The weekly showcasing of the Island of Hawai'i and the Aloha Program on popular Japanese TV show on Hawai'i was continued, recording 159,315 impressions each week. Promotions on Hokkaido's FM North Wave was also continued, reaching 314,285 listeners each month.

Travel Trade

- A FAM tour was organized on the Island of Hawai'i for travel agents from 1/26 – 1/31 to develop specialists on the Island of Hawai'i. Participants included representatives from travel agencies' Japan and Honolulu branches. The FAM tour was held over a longer period than typical FAMs, allowing for participation in various activities and visits to the southern part of the island. Participants were also provided inspections at 7 hotels in both Hilo and Kona and stayed at 4 different hotels.
- Unfolded the Malama Hawai'i display contest campaign at 200 travel agency satellite office outlets throughout Japan to raise awareness of responsible tourism such as the importance of ocean

conservation and protection of the ohia lehua to consumers. HTJ shared the Malama Hawai'i video contents to the satellite offices to be played at the outlets both during and after the campaign.

- Supported Club Tourism and Hawaiian Airlines' initiatives in maintaining ridership on the direct flight service from Fukuoka. To raise awareness of Hawai'i in the Kyushu market, HTJ, Hawaiian Airlines and Club Tourism is planning a full page advertisement on the local newspaper. Club Tourism began sales of a monitor (trial) tour for customers on Oahu and the Island of Hawai'i to finalize details of the actual product to be advertised on the newspaper by March.

Public Relations

- Prepared for the surfing press conference on 2/18 in Tokyo. The announcement will also be made for naming professional surfer Mr. Kanoa Igarashi as an official HTJ spokesperson at the press conference. Contents to be announced will also include the surfing exhibit, "Mai Kinohi Mai" at the Bishop Museum, which are currently being translated into Japanese to be shared at the 5 city Hawai'i Expo. HTJ has informed media to save the date in January and has been encouraging featuring surfing related contents to enhance exposure.
- In January, HTJ followed up with participants of the press tour held in December by assisting them with questions they had after returning to Japan. In January, a total 3,699,500 impressions and AVE of \$3,237,720 were recorded from the Island of Hawai'i press tour. HTJ also continued assisting new media inquiries and pitched the Island of Hawai'i and topics related to sustainability. Support was also provided for the coordination of a special media coverage relating to medical tourism and the Island of Hawai'i.
- Total media exposures in January were 11 exposures, 44,814,500 impressions and AVE of \$88,537,006.23.
- SNS ads were conducted in January with the Share the Aloha (Kuleana) videos. The videos recorded reach of 213,960 and 359,454 impressions.

Sales Activities

Airline	Wholesaler/TA/TO/OTA	Other	Total
4	28	9	41

Travel Agents:

- Bookings for April show significant signs of slowing down. One reason for this is the Golden Week holidays being starting later in May, as opposed to starting in April in 2019. Additional reasons include the potential for consumers to refrain from traveling from the coronavirus outbreak, the shift of airlines to Haneda from Narita being unknown to many consumers, and the pricing balance for the two airports being difficult to establish.
- Performance for the summer vacation period has been strong as travel agencies began sales of the products from earlier. As the date approaches, performance may decline to similar levels to 2019.
- Travel agencies have been unfolding various initiatives as the FIT market grows. JTB is aiming to go paperless for their pamphlets from 2021. Other wholesalers are also planning to boost sales via online bookings but establishing balance with their existing physical outlets may become an issue. Some agencies are seeking to capture niche markets to secure share. HIS has been working to develop tour products where guides accompany customers for the entirety of their trip.

JTB

- Although JTB announced Europe to be the destination for their 2020 Global Destination Campaign (GDC), they officially announced that they will continue initiatives for Hawai'i under their "Hawai'i Pride Declaration" campaign. Although on a smaller scale than with the GDC, JTB will continue investing in the destination.
- Product development is planned to be centralized in Tokyo from 2021. This will result in unified tour products across all JTB outlets to be sold throughout Japan. Sales strategies of products remain decentralized for each regional outlet to decide.

HIS

- HIS stated continued initiatives towards Hawai'i for their 40th anniversary. HIS aims to establish brand image amongst consumers whereby they are the best agency to purchase Hawai'i products. As the first phase of these initiatives, they are planning to make 250 of their retail outlets throughout Japan satellite offices.
- In addition to HIS' campaign utilizing the waiving of fees for ANA's feeder flights, HIS is planning to expand this campaign to waive fees for JAL's feeder flights as well.

JALPAK

- Load factors for JAL's direct flight to Kona have been performing positively at around 80% or greater but because a significant portion of the seats continue to be filled with mileage member benefits, profitability remains questionable. JALPAK stated intents to continue focusing on the Island of Hawai'i with unique and new initiatives such as collaborations with a Japanese manga, "Space Brothers" and a walking rally on the Island.

Tokyo Market

- JTB continues to be the leaders in the market, followed by HIS and KNT. Although KNT has been investing some funds for the short term, continuity of this investment remains questionable. It is speculated that JTB and HIS will again lead the market in 2020.
- For OTAs, because Rakuten began handling JAL products, they will be strengthening sale of air tickets, including those to the Island of Hawai'i. Airtrip will also be enhancing Hawai'i products from their purchase of the travel agency Firstwise.
- The shift of balance in airlift between Narita and Haneda is prompting the industry to seek appropriate pricing differences between the two airports. With pricing for Haneda being roughly 20,000 yen more than Narita in 2019, the near doubling of seats should lower differences to around 10,000 – 15,000 yen.

Osaka Market

- Booking pace for JTB in the Osaka market is considerably lower, with HIS beginning to take up more of the market share. Unlike the Tokyo market, travel agencies are reporting difficulties for May.
- HIS currently secures roughly 70 – 100 seats on Air Asia X's daily flight service but is considering increasing seats secured. Should this happen a difference in the dynamics between travel agencies may occur for the Osaka market.

Fukuoka Market

- Booking pace from the resumption of direct flight service to Hawai'i by Hawaiian Airlines has been favorable. JTB and HIS have secured roughly 50 seats combined, but instead of seeking to increase seats sold to travel agencies, Hawaiian Airlines is prioritizing increasing flight frequency to 5 flights per week, and eventually to daily operations.
- Continued volatility in the market is expected as ANA and JAL also place focus on the Kyushu market.

Honolulu

- New Years greetings were conducted to the 7 major wholesalers to share HTJ's 2020 marketing initiatives, learn about their strategies for 2020 and discuss potential collaborations.
- Attended HIS' Hawai'i stakeholder presentation and luncheon at the Blue Note Hawai'i. HIS expressed their intent to strengthen initiatives for Hawai'i for their 40th anniversary year while also working with HTJ through the Aloha Program Satellite office programs.

Partner Relations

- Participated in JR affiliated travel agency View Travel's B2B seminar on Hawai'i. HTJ shared information geared towards selling Hawai'i to the 30 travel agents in attendance.
- HTJ attended the Hawai'i Association of Japan's new year meeting for Hawai'i stakeholders, where a presentation on current updates of Hawai'i was provided by HTJ. A total of 50 various suppliers such as hotels attended.
- Attended the bimonthly JHTA meeting to provide updates on HTJ's 2020 programs to the local travel industry partners. Emphasis was placed on sharing about the Hawai'i Expo and travel trade schedules throughout 2020 to the 35 representatives.
- Attended the meeting on museums (Bishop Museum, Hawai'i State Art Museum and Iolani Palace) with HTA and HVCB to grasp a better understanding of their challenges and discuss potential ways of expanding business to the various markets including Japan.
- The Honolulu office held meetings with various partner companies including Halepuna Waikiki, Hyatt Centric, Bishop Museum, Courtyard by Marriott North Shore, Outrigger Hospitality Group, Global Hawai'i Village and Wing Spirits to support their unique needs and share information specific to the Japanese market with emphasis on current market conditions and 2020 initiatives.

Responsible Tourism Update

- HTJ reached out to the Duke Kahanamoku Foundation (Malama Pono) and Bishop Museum to acquire materials and contents to be shared at the press conference on 2/18. The opportunity will be leveraged to promote to media on the "Mai Kinohi Mai" surfing exhibit at Bishop Museum. The materials shared will also be used at the 5 city Hawai'i Expo and allhawaii's surfing site.
- Supported Kamehameha Schools' chorus event to be held in Tokyo on 3/25. The event will be held in Japan to share the talents of Hawaiian students with Japanese consumers. Meetings were held to discuss contents, scheduling and operation logistics.
- Continued supporting ANA on their in flight TV Program, "AiNA Hawai'i". The program covers various information relating to Hawai'i and is broadcasted on all domestic and international flights,

summing to roughly 266 flights and reach of approximately 51,801,390 pax. The Malama Hawai'i movies are played within the channel to share with all travelers the importance of responsible tourism.

- Continued working with Japan Airlines to play the Share the Aloha movies on all of their domestic flights, summing to roughly 145 flights and reach to approximately 1,197,356 pax.
- An advertisement for the Share the Aloha movies was published on a Japanese local free paper, AlohaStreet. Many Japanese tourists reference this publication, allowing for the importance of responsible tourism to be shared with their reach of 85,000.

Hawai'i Tourism Japan Surfing Press Conference

- Hawai'i Tourism Japan (HTJ) conducted a press conference to promote the origin of surfing and its culture ahead of the Tokyo Olympic games, using the Bishop Museum's surfing exhibition. HTJ also officially appointed Mr. Kanoa Igarashi as Hawai'i Tourism Japan's Ambassador on February 18, 2020 during the press conference, held at The Royal Park Hotel Tokyo Shiodome.
- The press conference was set up by HTJ per request from Chris Tatum, President & CEO, Hawai'i Tourism Authority. It was well attended and generated total 233 exposures on various media platforms (tv, wire, newspaper and online) and recorded total 152 attendees (Media Attendees Total 91 media; 133 journalists). Key speakers of the press conference were Governor IGE and Chris Tatum. HTJ also made seven panels based on the Bishop Museum's Surfing exhibition and two panels to introduce the history of surfing. These panels will also be exhibited at the Hawai'i Expo.

Travel Trade media interview

- After the press conference, HTJ conducted a travel trade media interview to share the update of Hawai'i's current situation of tourism industry from HTA's president & CEO, Chris Tatum, total 8 journalists from 5 travel trade media participated.
- By conducting the interview, HTJ was able to provide accurate information of Hawai'i's current situation of overall tourism industry update, COVID-19, responsible tourism, ocean conservation, and the Island of Hawai'i. COVID-19 is the biggest news in Japan and the booking pace of Hawaii travel is showing slight weakness, this interview was the prime opportunity to share the current situation of Hawai'i and to emphasize that there are still zero cases of COVID-19 in Hawai'i. Also HTJ was able to revisit information of responsible tourism in Hawai'i.

Island Chapters Engagement Update

OVB

- HTJ requested an informational list on Olelo Hawai'i and Hawaiian culture to be used for future programs.

IHVB

- Worked with IHVB to arrange a FAM tour for travel agents in the planning department, exclusively on the Island of Hawai'i.
- Discussed with IHVB regarding the Japan Summit to be held on the Island of Hawai'i set for 4/22 – 4/25, along with the Island of Hawai'i Mission set for May.

“Coming Attractions” for Leisure Market

What	When	Where
Island of Hawai'i Specialist FAM	1/26 – 2/1	Island of Hawai'i
HTJ Surfing Press Conference	2/18	Tokyo
JHTA Bi-monthly Meeting	3/16	Oahu
HPCJ x HTJ Hawai'i Workshop	3/25	Miyazaki
HPCJ x HTJ Hawai'i Workshop	3/26	Kagoshima
HPCJ x HTJ Hawai'i Workshop	3/26	Kumamoto
Hokulea Movie Blitz	3/26	Fukuoka
HPCJ x HTJ Hawai'i Workshop	3/27	Fukuoka
Hawai'i Expo Fukuoka	3/28 – 3/29	Fukuoka
Island of Hawai'i Japan Summit	4/22 – 4/24	Island of Hawai'i

Hawai'i Tourism Canada

2020 Monthly Leisure Marketing Report – January

Market Intelligence/Market Conditions

Economy

- Real GDP is forecast to expand by 1.8 percent in 2020 and 1.9 percent in 2021, up slightly from 2019's 1.7 percent gain.
- Canada's trade sector will continue to be challenged by weak global growth.
- Business investment has been dismal over the past few years. But prospects for energy investment are looking much more promising, thanks to improvements in energy takeaway capacity. The outlook for the non-energy side remains moderate.
- Canada's economy will be supported by strong labor markets and modest growth in consumer spending.
- While most provincial governments are expected to maintain a high degree of spending restraint as they work to balance their books, at the federal level the newly re-elected Liberal government is expected to increase spending and reduce taxes.
- With global economic conditions stabilizing, the Bank of Canada will most likely make no changes to interest rates in 2020.
- The uptick was primarily due to a -2.7 percent drop in the value of the Canadian dollar, which averaged USD \$0.75 during the period.

Outbound Travel Market

Canadians made 30.5 million overnight trips to the U.S. and other destinations throughout Jan-Nov 2019, an estimated increase of 2.0 percent compared to the same period in 2018. Of this total, 23.6 million trips were for leisure purposes. During the period, overseas leisure travel increased 1.9 percent while overnight leisure trips to the U.S. grew an estimated 1.5 percent. Canadians made almost 19.0 million overnight trips to the U.S. throughout the first eleven months of 2019, compared to 18.5 million in 2018. During the period, overnight trips by automobile declined an estimated -0.8 per cent while travel by other modes grew 6.1 percent. Though some popular destinations recorded a decline in direct air arrivals, most of the tracked cities in Florida, California, Texas and Nevada saw an increase in activity throughout Jan-Nov. The national average daily hotel rate averaged CAD \$174.54 throughout the period an increase of 3.6 percent.

There were 535 thousand visitors from Canada throughout 2019 compared with 548 thousand during the same period in 2018. Throughout the year, direct arrivals decreased -3.0% and indirect arrivals declined -0.8%. Direct arrivals recorded year-over-year decreases each month between June and December. This correlates to a reduction in direct air capacity, which declined -12.1% in the latter half of 2019 due to the 737 MAX 8 landing, which has had a major impact on Air Canada's flights, specifically on the West Coast.

Competitive Environment

There were 3.1 million Canadian arrivals in key destinations in the Asia/Pacific region throughout Jan-Nov 2019, a drop of -1.2 percent compared to the same period in 2018. Japan, the Philippines, South Korea and Australia recorded the largest increases in absolute volume during the period. The overall decrease in travel to the region was due to a decline in arrivals in Hong Kong (-14.1%) and China (-11.8%).

There were more than 4.9 million Canadian arrivals in destinations in Mexico, the Caribbean, and Central America throughout Jan-Nov 2019, a year-over-year increase of 3.6 percent. Of the larger volume destinations, arrivals in Mexico increased 7.5 percent during the period while travel to the Dominican Republic recorded a -2.3 percent decline in activity and visits to Cuba were mostly unchanged (0.1%). During the period, Mexico accounted for 40.7 percent of arrivals in the region; up from 37.5 percent two years ago (2017).

Consumer Trends

Following a significant drop in December, the national consumer confidence rating jumped up to 114.1 points in January. The current rating is 12.0-points above the previous month and 4.4-points higher than in January 2019. Regionally, consumer confidence registered a monthly increase in every region. In addition, 30.2 percent of respondents nationally indicated now would be a good time to make a major purchase. Compared to December 2019, the share of respondents with positive purchase intentions increased in every region except Atlantic Canada.

Travel Trends

- There were more than 98 thousand package travelers throughout 2019, a decrease of -6.3% compared to 2018.
- At the same time, independent trip volumes fell -1.5% to almost 437 thousand.
- Independent travel accounted for 82% of visits in 2019, up slightly from previous years.

It is important to note that most tour operators and OTAs in Canada are migrating to “dynamic packaging systems”, meaning the passengers buying packages on these systems are accounted as independent travelers.

Airlift

- In 2019, direct capacity to Hawai'i declined -0.9% to 484 thousand seats.
- While the overall volume of seats offered by WestJet was slightly more than in 2018 (1.0%), all the growth occurred in the first half of 2019.
- During the year, Air Canada reduced capacity to 184 thousand seats (-3.8%).
- Compared to the same period in 2018, carriers offered 25,000 fewer direct seats throughout July-December 2019.

As mentioned previously in this report, the 737 MAX 8 landing has severely affected Air Canada's flights specially in the West Coast.

Market Intelligence/Market Conditions Impact on Hawai'i Travel

Canadian economy seems to have stabilized, getting to a turn point in the consumer confidence and with a projection of GDP growth a little higher than 2019. 2020 is not an election year and it looks Canadians have gotten used to the price of the American Dollar, after a 2018 and early 2019 with a lot of fluctuation.

The constant communication HTCAN with the major three tour operators has provided comments about sales to Hawai'i specifically getting back up and they foresee a better year than 2019.

Leisure Activity Update

Consumer

Flight Centre ran a campaign with their Better Beach program. It was a campaign with positive results and reached the Millennial audience. This campaign was also aimed to increase the length of the Canadian Winter season.

Travel Trade

HTCAN spent the month of January organizing the attendance to the TravelBrands Agent Appreciation Events as well as the WestJet Expos. 11 partners have confirmed their participation on the WestJet Expos, and we are still waiting for a couple of RSVPs. The shows HTCAN is attending with the partners are:

- April 27 – Edmonton
- April 28 – Calgary
- April 29 – Calgary WS HQ
- April 30 – Vancouver

The confirmed partners are:

- Castle Hospitality Group
- Sightline Hospitality
- The Courtyard Marriott O'ahu North Shore
- Highgate
- Hawai'i Vacation Condos by Outrigger
- Honua Kai Resort & Spa
- Hilton Waikoloa Village
- Hawaiian Hotels and Resorts
- Aqua-Aston Hospitality
- Marriott Hawai'i
- Trump International Hotel Waikiki

Public Relations

- Individual press trips for 2020:
 - Alyssa Schwartz is traveling February 2nd to 8th. She traveled to Island of Hawai'i and O'ahu.
 - Simone Olivero is traveling in February from 8th to 25th. She is visiting O'ahu and Kaua'i. She has secured accommodations for part of her stay and HTCAN organized the rest.

- Steve MacNaull is traveling with his family in March. He is visiting O’ahu and doing a story on North Shore. HTCAN confirmed accommodations.
- Chloe Berge is on assignment with Canadian Traveler and would like to travel to Kaua’i at the end of March. HTCAN is working on confirming accommodation.
- Barry Choi – Freelance Journalist visiting Maui in May. Confirmed accommodation with Ka’anapali, itinerary in progress,
- Grant Fraser – Golf focus. His islands of choice are Maui and the Island of Hawai’i. Confirming accommodations.
- Jaime Damak is traveling in May/June with her family. She is visiting O’ahu and the Island of Hawai’i. She is working on a family focus story, outreach to hotels to secure accommodations has begun.
- Catherine Lefebvre is traveling in May; her focus is Culture through food and history. She would like to visit O’ahu and Kaua’i.
- Brain Webb is an LGBTQ social influencer and blogger who would like to highlight Hawai’i Pride. HTCAN is working with him on planning a trip to O’ahu in October.
- Confirmed group press trip to Maui and Kaua’i in June 2020 – focus is culture and culinary. Confirmed 5 of 6 journalists. Also confirmed accommodations for the press trip.
- HTCAN worked with Elle Quebec on a lead for Best Beaches and Best Surfing destinations. Provided information and images.
- HTCAN worked with Dreamscapes on an editorial lead for eco-friendly resorts and hotels. Provided information and images.

Sales Activities

Sales Calls

Airline	Wholesaler/TA/TO/OTA	Other	Total
2	23	1	26

Fun In Paradise - Nexion Canada, London, ON – Katherine Ba Suen, Owner-Operator

Marlin Travel, Stratford, ON – Barbara Muir, Senior Travel Professional

Travel Agents in Action, Brampton, ON – Anne Marie Vogel, Travel Pro

Air Canada Vacations, Pointe Claire, QB – Christine Beer, Product Buyer

Marlin Travel, Calgary, AB – Suan Quet, Travel Consultant

Vision Travel, Calgary, AB – Wendy Edwardson, Advisor and Luxury Virtuoso Specialist

CAA, Winnipeg, MB – Kirsten Danyliuk, Travel Counsellor

Cross Roads Travel, Kenora, ON. – Katey Thorburn, Travel Advisor

Transat Travel, London, ON - Junelle Walsh, Travel Professional and Groups Specialist

Flight Centre, Calgary, AB – Tracey Truong, Team Leader

Responsible Tourism Update

An effort to place the Kuleana videos in all our partners websites is being made. At this moment Ignite, WestJet, Baxter Media, are using the videos to create an awareness on how these elements are important to preserve Hawai'i as the paradise it is.

Hawaiian Culture

A webinar with HTA Cultural Dept. is being organized. The department will train the HTCAN team on Hawaiian culture, the proper use of Hawaiian names and other topics to pass this knowledge over to agents, journalists, meeting planners, social networks and branding, etc. and everyone involved in the promotion and marketing of the Hawaiian Islands.

Natural Resources

HTCAN is trying to minimize the environmental impact of printed materials and has created a cheat sheet with the web addresses for all the promotional material. Efforts are being made to encourage agents to use digital versions of printed materials.

HTCAN has also ensured that all branded promotional items are recyclable, made of recycled materials and/or are biodegradable.

Community

HTCAN has approached potential partners to collaborate on the Sea Cleaners initiative to see how they can provide support.

Island Chapters Engagement Update

HTCAN is in continuous communication with the Island Chapters. At this point HTCAN has been able to secure the dates for the 2020 Aloha Canada trade mission and is working on an Island Master Specialist program with Maui focusing on Luxury travel agents.

HTCAN's collaboration with the Island Chapters has secured 10 of the 12 individual journalists going on press trips this year.

"Coming Attractions" for Leisure Market

What	When	Where
Virtuoso Event	February 13 and 14	Toronto
TravelBrands Agent Appreciation Events	March 23 to April 2	Toronto, Ottawa, Montréal, Québec City, Calgary and Vancouver
WestJet Expos	April 27 to 30	Edmonton, Calgary, Vancouver

Hawai'i Tourism Oceania

2020 Monthly Leisure Marketing Report – January

Market Intelligence/Market Conditions

Economy

Australia

The Australian economy is forecast to remain slow in 2020, with wage growth remaining stagnant and GDP growth to stay at or below 2%. Household spending was flat in 2019 and economic forecasters predict that Australia's drought, floods and bushfires will increase the cost of food, essential items and energy, thereby increasing inflation. During January the Australian dollar continued to trade at between US\$0.67 to \$0.68.

Against the background of the devastating bushfire season, the environment is now clearly the top issue facing Australia. Both sides of government have been accused of climate apathy and creating a decade long ideological battle that is hindering the shift to a carbon free economy. While polls report that most Australians want action on climate change, the government has so far failed to implement any meaningful climate policy.

New Zealand

The outbreak of Coronavirus has created some uncertainty in the financial markets, but at this stage little impact. In New Zealand the immediate issues have been with inbound tourism and fresh-food exports. The latest global dairy auction has also shown that the outbreak is starting to affect soft-commodity prices. The month saw a decline in the value of the NZ\$ versus the US\$ which is trading at \$0.67 to \$0.64.

Outbound Travel Market

Australia

Travel patterns in November 2019 increased by 0.5% over the previous month with 966,000 trips taken to overseas destinations. The number of Australian residents travelling on an overseas trip increased by 3.3% on the same time last year. New Zealand continued to be the most popular destination, accounting for 13% of all trips with Indonesia and USA remaining in second and third place: New Zealand (125,700); Indonesia (123,400); USA (85,600).

Figures released by the Australian Bureau of Statistics show that Japan was the fastest-growing outbound destination for Australian travelers over the last 12 months (to November 2019), with a 24.8% increase in visitors to the country (the Rugby World Cup in Japan contributed to increased Australian visitors). Indonesia also performed strongly (+12.4%) as did India (+7.3%). The USA recorded a decline of 5.9% over the same period.

New Zealand

The number of New Zealand outbound travel trips in November 2019 was up by 11,800 to 233,700, compared with November 2018. The biggest changes were: Japan (up 5,800); Australia (up 2,800); Indonesia (up 1,900); India (up 1,600); United States (down 1,300).

The US Department of Commerce also released the 2019 year-end visitor arrivals which showed that New Zealand was down by 2.3% for the year with 299,000 arrivals.

Competitive Environment

Australia

The Australian Government announced the details of a \$76 million funding package to help rebuild the country's damaged tourism industry in the wake of the bushfire crisis. The emergency funding includes \$20 million for a domestic marketing initiative, and \$10 million to create events, concerts, festivals and other visitor attractions in fire affected regions. Tourism Australia will manage the domestic marketing campaign, a shift from exclusively focusing on inbound international visitors to Australia. The first domestic campaign launched this month. Called 'Holiday here this year' the campaign encourages Australians to book a local holiday in 2020. It includes social activity, content partnerships and radio, outdoor and print advertising activity.

The Sunshine Coast region in the state of Queensland, which has similar tourism assets to Hawai'i, recorded a 14.8% increase in domestic tourists for the year ending September 2019.

New Zealand

The USA is preparing for a big year with increase airlift to the mainland including new American Airlines service ex Christchurch to LAX and Auckland to DFW. Air NZ also begins non-stop to New York later in the year.

Consumer Trends

Australia

Research by Skyscanner on the Australian travel market showed a 20% year over year increase in travelers looking to 'slow travel' as an option for their next holiday. Whether it's long-walks, unscheduled activity or staying overseas until the budget runs out, slow travel emphasizes leisurely holidaying habits and prioritizing rest over a busy sightseeing schedule. However, the research also found that Aussies are still thirsty for a little adventure, transformative experiences or taking things off the beaten track. The report also recorded a 103% year over year growth in those looking to travel more sustainably through choosing greener flight options, offsetting carbon emissions or travelling to areas that are more environmentally conscious.

Travel Trends

Australia

Wholesaler Excite Holidays suspended operations on January 10 and was placed under external administration. KPMG have been appointed as the voluntary administrators of the company. Excite Holidays withdrew from the Australian travel accreditation scheme last year, a scheme which safeguards travelers from loss when companies fold. The first creditors meeting revealed the wholesaler's debt is estimated at up to AU\$35 million.

Media Trends

Australia & New Zealand
Nothing to report

Airlift

Australia

Jetstar has reduced its airlift for the month of March, advising this is due to one of their 787-8s aircraft undergoing maintenance. The route was chosen as it is one that Qantas also operates and allows for passengers to be re-accommodated on other services within the Qantas Group. The MEL-HNL route has been reduced by 40% from 20 flights to 12 and the SYD-HNL route has been reduced by 77% from 26 flights to 6. Hawaiian Airlines reported that Jetstar have purchased seats on their flights as they reallocate passengers. March is typically a low season travel period and the forward schedule shows flights increasing for April (Easter and school holidays) and then reducing again in May.

New Zealand

As mentioned in the Competitive Environment section, the USA Mainland will see additional airlift this year. This may have some impact on stopover traffic through Hawai'i – although this is a relatively small share of the total Kiwi arrivals.

Market Intelligence/Market Conditions Impact on Hawai'i Travel

Australia

It will be interesting to see if the focus by the Australian government and industry bodies to encourage domestic holidays in 2020 will influence traveler decision making. Domestic holidays may be viewed as short breaks with consumers still aspiring for a longer international holiday. HTO will continue to promote the unique culture and experiences in the Hawaiian Islands through its brand marketing and experience led strategy, ensuring it remains a distinctive and aspirational holiday destination.

New Zealand

The current global and local challenges and their potential impact on travel underlines the value in focusing on the four pillars around Brand, Community, Culture and Natural Resources.

Leisure Activity Update

Consumer

- **Luxury Escapes Campaign (December 6-28) results:**
 - 3,664 room nights
 - 490 bookings
 - Campaign page views: 32,345
 - Average time on page: 02:34
 - eDM sends: 1,170,879
 - Social media: 681,922 reach, 11,049 interactions, 28,798 clicks
 - Print reach: 1.5 million
- **Consumer e-newsletter:** HTO sends a monthly e-newsletter to its consumer database. Results:
 - Total recipients: 121,512
 - Total recipients who opened: 17,870 (14.7%)
 - Total opens: 29,439
 - Recipients who clicked: 1,800 (1.5%)
 - Total clicks: 6,322
- **Qantas Travel Insider advertorial and online:** HTO advertised in Qantas Travel Magazine to promote Hawai'i as the perfect destination for Meeting, Conferences and Incentives. This activity included a double page spread in Qantas Magazine. The magazine has a readership of 420,000

readers each month. The magazine offers a unique combination of travel news and in-depth features on local and international destinations, as well as business, sport, food, wine, style, arts, technology and luxury content. It is the no.1 title in Australia to reach high value business decision makers and C-suite level executives. Digital activity included EDM ad units and display advertising across Travel Insider Business across digital and mobile. This included 80,000 impressions targeting business travelers. Advertising value was \$69,396.

- **Sydney Bridal Expo January 18-19**

HTO exhibited at the Sydney Bridal Expo to promote the Hawaiian Islands as a wedding and honeymoon destination. Exhibitors included bridal retailers, services, fashion designers and hoteliers. Other destinations including Cook Islands, Thailand and Fiji also exhibited. The purpose of attending was to raise awareness and keep Hawai'i top of mind for couples planning their wedding/honeymoon.

Travel Trade

- **Hunter Travel Group (Helloworld Travel) Newcastle Expo**

- Newcastle's largest travel expo, 19th January
- Trade show format and over 50 exhibitors
- Over 8,500 consumers in attendance
- Interest in Hawai'i strong, despite recent fires at time of expo

- **Trade e-newsletter:** HTO sends a bi-monthly e-newsletter to its trade database. Results:

- Total recipients: 9,332
- Total recipients who opened: 2,703 (28.96%)
- Total opens: 5,198
- Recipients who clicked: 156 (1.67%)
- Total clicks: 600

- **Aloha Fridays**

Every second Friday Travel Weekly will include an Aloha Friday wrap featuring Hawai'i news in their digital newsletter that goes out to 14,200 people in the travel industry. This month the article featured the following activities:

- Aloha Down Under save the date
- Hawai'i's latest hotel developments
- Hawai'i attraction and activity updates

The NZ partner for Aloha Friday is Travel Today which is distributed to the NZ travel industry weekly.

- **Travel Talk Magazine advertising and feature:** In alignment with editorial coverage on the Hawaiian Islands, HTO ran a brand advertisement promoting HTO's agent portal agents.gohawaii.com. The opportunity included an "Agent Know How Feature" which was half page Q&A answering questions relevant to travel agents about Hawaii such as online training, famils and tips on how to sell Hawaii.

Public Relations

Hawai'i Tourism Oceania worked with Jetstar Magazine on editing and drafting a supplement for the March 2020 issue. This supplement will cover activities across all of the Hawaiian Islands, as well as itinerary suggestions and first-hand stories from writers who have travelled to Hawai'i previously.

Throughout January, Hawai'i Tourism Oceania worked with the producers of The Bachelor Australia in planning the finale episode, set to be filmed on location in Hawai'i in May 2020. This production is dependent on valid working visas being obtained by all members of the crew.

In January, Hawai'i Tourism Oceania submitted nominations for two Mumbrella Travel Marketing Awards, the Award for Promoting Sustainability and the Award for Native or Content Marketing. Hawai'i Tourism Oceania has been shortlisted for both of these awards.

Three journalists travelled to Hawai'i on individual and supported famils in January 2020. These are detailed below:

- Markeeta Waddington, lifestyle.com.au. Markeeta Waddington won a prize at the Hilton Hawai'i roadshow in June 2019. With this prize, Markeeta decided to travel with her partners to the Island of Hawai'i and O'ahu in late January 2020. Hawai'i Tourism Oceania assisted Markeeta by covering her inter-island flights, car hire and a number of activities during her stay. Markeeta will be writing a number of online articles for lifestyle.com.au which will detail her trip to Hawai'i.
- Kerri Elstub, 9Travel. Kerri Elstub is the digital editor at 9Travel and 9Honey, one of Australia's largest reaching online platforms. Kerri travelled to Kaua'i and Maui in January with her husband, and HTO connected her with some hotels in return for publicity on each property.
- Sherrine Youseff, Stellar Magazine. Sherrine Youseff writes for Stellar Magazine and was travelling to Hawai'i on a personal vacation. To coincide with this, HTO connected Sherrine with a few hotels on Maui and supported her by offering restaurant, activity and leisure recommendations.

In New Zealand, HTO partnered Fairfax and their online platform stuff.co.nz. This saw the hosting of two top travel contributors who travelled over Jan/Feb, visiting four of the six Hawaiian Islands. Coverage will commence through February and onwards.

During January, Hawai'i Tourism Oceania assisted the following media:

- Adam Davy and Katrina Holden from Vacations & Travel
- Sean Nicholls on behalf of The Bachelor Australia
- Dara Young and Kerrie McCallum from Delicious magazine
- Markeeta Waddington from Lifestyle.com.au
- Kerri Elstub from 9Travel
- Sherrine Youssef from Stellar Magazine
- Sudesha Ghosh from Medium Rare Content
- Angela Saurine from Discover media
- Fiona Baker and Maddison Hockey from Bauer Media

During January, Hawai'i Tourism Oceania had the following meetings:

- Sudesha Ghosh and Jacqueline Lunn, Medium Rare Content
- Sean Nicholls on behalf of The Bachelor Australia
- Elisa Elwin, Out and About with Kids
- Maddison Hockey, Bauer Media
- Nikki Roache, Bauer Media
- Maui Jim Sunglasses
- Dara Young, Marriott Waikiki
- Laura Barry from Better Homes and Gardens online

Sales Activities

Sales Calls

Airline	Wholesaler/TA/TO/OTA	Other	Total
3	5	4	12

- Trade Sales Calls January
 - 2020 Trade planning meeting with Hawaiian Airlines
 - Gordy Byrne, 10 Travlr, OTA launch
 - Travel Daily on advertising opportunities
 - Trip.com on campaign opportunities
 - Trip Advisor on campaign
 - Fitness first on campaign opportunities
 - Maui Jim on campaign opportunities
 - Viva Holidays
 - Sydney Airport
 - Qantas on campaign opportunities
 - House of Travel to discuss fam trips and co-op
 - Hawaiian Airlines NZ to discuss 2020 partnerships and alignment

Responsible Tourism Update

HTO are continuing to play a role in the expanded Sea Cleaners initiative. As well as assisting OVB and HTA, we are also commencing the selection process for the AU/NZ youth ambassadors as well as Hawaiian Airlines air support.

Island Chapters Engagement Update

IC – HTO partnerships for this month have included the following:

- Press and Trade fam trip planning and support
- Sea Cleaners planning
- OVB press trips participation
- Commencement of 2020 HTO-IC conference call schedule
- Month of Lei planning

“Coming Attractions” for Leisure Market

What	When	Where
Viva Holidays - Maui Coop	February 7-28	Australia
Qantas Hotels Coop Campaign	February 8-21	Australia
Flight Centre Expos	February	Australia & New Zealand
Social media campaign highlighting UGC	February	Australia
Discover America / Visit USA Roadshows	February	Australia & New Zealand
Jetstar multi-island campaign	February-March	Australia
Infinite adventures campaign	March-April	Kaua'i and Maui

Visit USA Roadshow	March	Rotorua & Wellington
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Hawai'i Tourism China

2020 Monthly Leisure Marketing Report – January

Market Intelligence/Market Conditions

- **GDP:** The Chinese economy grew 6.0% year-on-year in the 4th quarter of 2019, the same as in the previous quarter and matching market expectations. This remained the weakest growth rate since the first quarter of 1992, amid trade pressure from the U.S. and sluggish demand from home and abroad. For full year 2019, the economy grew by 6.1%, the slowest pace in 29 years but still within the government's target of 6.0-6.5%. In 2020, the economy is expected to remain under pressure. Although the Phase One trade deal with the U.S. eased trade tensions and increased business optimism, existing tariffs will remain in place and further monetary easing will be needed to boost domestic demand.
- **Currency:** In January, Chinese Yuan per USD is relatively flat from 6.96 to 6.94.
- **Unemployment rate:** As of December 31, 2019, the unemployment rate in China reached a record low of 3.62% (December 31, 2018:3.8%).
- **Consumer confidence:** Consumer confidence index, or index of consumer sentiment (ICS) in China was 124.6 in November 2019, an increase from 124.3 in October 2019. Based on OECD Confidence Indicator for China, the number is 103.1 for Q4 2019, an improvement of 2.5 points from Q3 2019.

Outbound Travel Market

- As of February 3, 2020, the outbreak of 2019 nCoV in China has caused an unprecedented and substantial setback in flight bookings for the Chinese New Year period from January 10 to February 6, 2020. More than 25,000 flights to, from and within China were canceled as more than two dozen airlines suspended services. Because of foreign airlines cutting flights to China, international capacity was expected to fall by 4.4 million seats a week. The loss in seats is equivalent to the entire Indian market.
- More than 49 foreign airlines have cancelled or reduced flights from mainland China. More than 41 domestic airlines cancelled a large number of domestic flights. Among which foreign airlines to and from North America, 33% cancelled by Delta, 5.56% cancelled by United Airlines, 58.33% cancelled by American Airlines, 91.67% by Air Canada. Among other all other global locations, foreign airline cancellations from and to China include 8 airlines in Europe, 27 airlines in Asia, and 2 airlines in Oceania.

Among domestic airlines, 52.62% were cancelled by China Southern Airlines, 49.80% by China Eastern Airlines and 47.11% by Air China. Flight cancellations at major domestic airports include 51.3% in Beijing, 56.2% in Guangzhou, 47.4% in Shanghai Pudong and 64.1% in Shanghai Hongqiao.

Impact on Hawai'i:

- As of February 3, 2020, the remaining direct flight (6x per week) by China Eastern Airlines from China to Honolulu was suspended from February 3, 2020 to March 2021. This news came after

the previous report of reduction of weekly flights from six flights to two flights per week effective March 29, 2020 and then suspension indefinitely from two flights to none effective June 18, 2020.

- Due to the 2019 nCoV causing an earlier suspension of the China Eastern Airlines flight, the loss of airlift capacity to Honolulu from Shanghai, China is approximately 18,340. The loss of China Eastern Airlines direct flight is a loss of approximately 75,000 seats between Hawai'i and China.

Competitive Environment

- **Australia's** largest tourism market is turning away Chinese tourists due to the smoke shrouding over Sydney and Melbourne along with images of fire-ravaged beach resorts. Visitors from mainland China spend an estimated \$8.3 billion annually in the land down under, with trips in January and February accounting for almost a quarter of annual arrivals. Images of the fires broadcast worldwide may have a lasting impact on international arrivals, the nation's third-largest export earner.

Consumer Trends

- According to McKinsey China Consumer Survey 2020, new consumer trends-Chinese consumer behavior is diverging, changing from the "popular" trend of various consumer groups in the past to "personalized" and "differentiated" consumption by different consumer groups. Five major consumption trends worthy of attention are proposed, 1: The new generation of consumption in low- and mid-tier cities has become a new engine of growth. 2: Most consumers have consumer grades. While upgrading, some pay more attention to quality while others pay more attention to cost. 3: Healthy lifestyles continue to heat up. 4: Tourism consumption is more focused on experience. Consumers are abandoning the large-scale tour group and choosing "small bespoke" group tours and FIT. 5: Chinese luxury brands rise up.

Travel Trends

- Trip.com released 2020 Spring Festival Tourism Trend Forecast Report. The report says the estimated number of people is expected to reach 450 million. For short term destinations is still the more popular for outbound travel. Japan and Thailand are the most popular destinations, while Turkey, Mauritius, Australia and Europe are also the most popular for long-haul.

Media Trends

- 2020 will be the year Douyin (the Chinese version of Tik Tok) will disrupt some of the larger and more established social networks as its penetration continues to soar. Douyin has made huge headways with the younger audience, and is growing quickly. The quirky, comedic and ironic content spans sketches, lip-synching, dance trends, and even sports and beauty, and is appealing to broader and broader communities. Its growing popularity marks a moment in time from the need to project a picture-perfect lifestyle to friends and followers, to one where Douyin is driving a new behavior of mass participation and consumption of content purely for the sake of entertainment and connection.

Airlift

- China Eastern Airlines Upcoming Changes to Honolulu:
Due to the 2019 nCoV causing an earlier suspension of the China Eastern Airlines flight, the loss of airlift capacity to Honolulu from Shanghai, China is approximately 18,340. The loss of China Eastern Airlines direct flight is a loss of approximately 75,000 seats to the market.
- Transit flights Condition to Honolulu
 - **Asiana Airlines** has one-stop flights from all regions in China (22 cities) transfer in Seoul to Honolulu. Daily flights from Seoul (ICN) to Honolulu (HNL). Due to 2019 nCoV outbreak, Asiana Airlines cancel Wuhan to Seoul and reduce half flights from China to Seoul during February. No change from Seoul to Honolulu.
 - **Korean Air** is one-stop flight from all region in China (25 cities) transfer in ICN to Honolulu. From Seoul to Honolulu is daily flights. Due to 2019 nCoV outbreak, Korean Air cancel Wuhan to Seoul and reduce 9 cities flights from China to Seoul during February 1 to March 27. No change from Seoul to Honolulu.
 - **All Nippon Airways** is one-stop flight from all region in China (11 cities) transfer in NRT to Honolulu. From Narita to Honolulu is daily flights. Due to 2019 nCoV outbreak, ANA cancel Wuhan to Narita during February 1 to March 27. No change from Seoul to Honolulu.
 - **Japan Airlines** is one-stop flight from all region in China (17 cities) transfer in Tokyo and Osaka to Honolulu and Kona. From Narita and Osaka to Honolulu is daily flights.

Market Intelligence/Market Conditions Impact on Hawai'i Travel

A dangerous respiratory virus named **2019-nCoV** is expanding in the central Chinese city Wuhan and to other cities in China as well as some overseas destinations. Death toll has soared to 259 as of 24:00 on January 31, 2020, and more than 11,791 confirmed cases were reported national-wide.

The national travel and tourism administrator reportedly asked **all travel agencies and online travel services to suspend all group tour offerings and flight plus hotel packages** through an unofficial announcement circulated online on January 24. Multiple industry sources have confirmed the authenticity of this announcement and local culture and tourism regulators of Zhengzhou, Shanghai and Jiangsu have officially released similar announcements. Later on, **many countries announced temporarily suspending the entry of travelers who has visited China** within the last 14 days, while **foreign airlines have suspended service** between China.

We will continue to observe the outbreak situation after the 14-day incubation period from the isolation of Wuhan and surrounding cities on Jan 23. After the incubation period, if the outbreak is contained or slowed, we expect to see an alleviation of the isolation policy. In the meantime, we would start communicating care to people affected by the virus and alleviating psychological tension by building relationships.

During the case of SARS, the market took about 4 months to recover. After SARS, the industry saw not only a swift bounce back, but very significant growth. There was a 34.5% growth in Chinese outbound travel in August 2003, compared to the same period in 2002 (Tourism Research Journal, 2004).

For short-term actions, as Chinese travel agencies and tour operators will be very busy at this period, dealing with cancellations and refunds. Any assistance HTA and partners would give in managing cancellations will be appreciated and can build trust and gratitude for future business.

For short-term strategy, **General brand marketing** will be recommended. As many of those currently at home will want to travel again once this has been resolved, particularly during the extended five-day May holiday period. For those who have missed their hard-earned trip this winter, they will also be looking forward to summer travel. For these reasons, it's best to maintain main brand marketing and keep inspiring consumers about where they can go next.

At the time of writing of this report, February 10, 2020, there are 43,112 confirmed cases (42,648 in Mainland China), 1,018 deaths and 4,135 recoveries.

Leisure Activity Update

Consumer

- **Hawai'i Spring Festival Gala Concert promoted through China Eastern Airline and Weibo & Wechat**

HTC helped to promote the 2020 Hawai'i Spring Festival Gala Concert at the Hawai'i Theatre February 4, 2022. To promote this event to Chinese visitors, the event flyers were placed at China Eastern Airlines VIP lounge as well at the boarding gate in Shanghai for customers boarding the plane to Hawai'i.

The promotion of the concert was also distributed through official HTC social media outlets like Weibo and WeChat. HTC played a key role to support and build a new cultural bridge between Hawai'i and China.

Travel Trade

- **New products mono-Hawai'i of southern China**

Follow the group policy of China Eastern Airlines for travel agencies in south China, HTC proactively collaborated with GZL, a top travel agency in southern China to develop brand new mono Hawai'i products from February 2020 to April 2020.

- **Asiana Airlines & HTC's Collaboration in 2020**

Following the announcement for the reduction of air seats occupancy from China Eastern Airlines, HTC partnered with Asiana Airlines to launch a special yearly airfare and sale promotion to travel agencies in 2020 for mono- Hawai'i. This promotion will be geared toward all travel agencies in all regions of China and will make up the reduction of arrivals from suspension of China Eastern Airlines direct flight from Shanghai to Honolulu. This promotion is not only for travel trade, but also for consumers.

- **NEW Mono-Hawai'i Series Products in 2020 were Launched**

Following the success of mono- Hawai'i series products in 2018 and 2019, HTC collaborated with American International Travel Service, Galaxy Tour, Jinjiang Travel and Zihua Travel in eastern

China to develop new mono products. Promotions for the products are set in motion, and HTC will continue to follow up with trade partners to drive travel to the islands.

Public Relations

- **Media Activities**

National Geography Traveler Magazine Photo Shooting in Hawai'i.

National Geography Traveler Magazine would like to bring one celebrity and one influencer (KOL) to Hawai'i for photo shooting for their eco-friendly article in late February to March. They will be total 6 persons in this group, plan to visit O'ahu and Maui for 5 days 4 nights.

Exposure on Social media – Weibo:

- Celebrity (Weibo followers: 9,360k): 1 post with at least 2 images of Hawai'i and location tag @ Hawai'i
- Top travel KOL (8,390k followers): 1 post with at least 2 images of Hawai'i and locations tag @ Hawai'i
- Exposure on National Geography Magazine: 1 page of Hawai'i introduction with at least 3-4 images.

This trip will be canceled due to 2019 nCoV. This is latest update as of February 10, 2020.

Sales Activities

Sales Calls

Airline	Wholesaler/TA/TO/OTA	Other	Total
7	15	3	25

Responsible Tourism Update

HTC will participate in the Sea Cleaners Initiative in September 16-22, 2020. HTC is planning on sending 2 students, 1 chaperone and 1 media.

Island Chapters Engagement Update

HTC office in O'ahu will coordinate some meetings to discuss further engagement and build synergies. Meetings to be schedule in February 2020.

“Coming Attractions” for Leisure Market

All consumer activities were suspended due to 2019 nCoV for February and March 2022. April 2020 will be reviewed further. HTC will be focused on communication, education and support with news related to 2019 nCoV to the Chinese.

Hawai'i Tourism Korea

2020 Monthly Leisure Marketing Report – January

Market Intelligence/Market Conditions

Economy

- The United Nations (UN) says South Korea's economy is likely to grow 2.3% in 2020 as the world's economy makes a gain of 2.5%. South Korea is forecast to experience a modest rebound rising from 2% in 2019 to 2.3%. The UN report said the government's planned increase in fiscal expenditure will boost domestic demand, particularly for private consumption, although export growth will likely remain sluggish amid high downside risks arising from slowing electronics business and an ongoing trade row with Japan.
- South Korea's employment rate reached a 22-year high last year. Statistics Korea data showed 301,000 jobs were added in 2019, marking the first time in two years that the number of additional jobs exceeded 300,000. Thanks to this growth, the employment rate for people aged between 15 and 64 rose to 60.8% last year, the highest since 1982. The number of employed people reached over 27.1 million in December, up 516,000 year-on-year and representing the largest growth in five years and four months. Meanwhile, the jobless rate remained unchanged from the previous year at 3.8%.
- The combined debt of households and self-employed business operators has surpassed 2,000 trillion won (US\$1.71 trillion) for the first time. According to Bank of Korea, outstanding household loans reached 1,481 trillion won (US\$1.27 trillion) at the end of September last year, up 13.6 trillion won (US\$1.17) compared to three months earlier. Debt held by self-employed businesses, meanwhile, increased by 16.3 trillion won (US\$13.98 billion) during the same period to 670 trillion won (US\$574.81 billion). Although the growing debt is unlikely to pose a systemic risk to the South Korean economy soon, its sheer size is placing the economy under pressure and constraining private spending.
- The number of newborn babies in South Korea continues to fall to a record low, declining for 43 consecutive months year-on-year. Statistics Korea data shows that 25,650 babies were born in October 2019, down 3.1% from a year earlier. This marks the lowest number of newborns for any October since 1981 when the agency started compiling data. The agency also forecast South Korea's inevitable decline in population soon as the rate of natural increase was near 0%.
- The average USD/WON exchange rate in January was 1162.43 won, a slight decrease from the previous rate of 1172.45 won in December. Fuel surcharges remained the same as in December since they were imposed in January up to 69,600 won (US\$59.77) for a round trip between Korea and the U.S.

Outbound Travel Market

- Korea Tourism Organization (KTO) reported the number of Korean outbound travelers in December 2019 was 2,342,314, a year-on-year slight increase of 0.06%

Month	Departures	Growth (%)
January	2,912,331	1.5%
February	2,617,946	13.3%

March	2,334,153	3.6%
April	2,246,417	0.7%
May	2,401,204	3.0%
June	2,495,798	7.0%
July	2,642,585	6.0%
August	2,427,634	-3.7%
September	2,049,830	-7.9%
October	2,153,847	-8.3%
November	2,090,192	-9.0%
December	2,342,314	-6.1%
Total	28,714,251	0.06%

- Hana Tour and Mode Tour, the nation's top two wholesalers, reported steep year-on-year declines of 49.7% (to 187,000 pax) and 23.4% (to 135,000 pax) respectively in their overall outbound sales in January. According to industry insiders, the continuing downturn in travel demand in Korea is chiefly a result of the ongoing travel boycott against Japan and declining demand for China and Southeast Asian countries due to the recent outbreak of coronavirus. In terms of outbound destination market share in January, Southeast Asian countries ranked no.1, accounting for more than half (65.1%), followed by Japan (11.1%), Europe (8.0%), China (7.6%), South Pacific region (5.9%), and the U.S. (2.3%).
- Hana Tour reported that outbound travel demand for China and Southeast Asian countries in January declined by 62.2% and 19.1% respectively since outbreak of coronavirus. In the case of Hawai'i, Hana Tour and Mode Tour reported that bookings for about 200 pax and 300 pax respectively were canceled by the last week of January. The numbers account for a small portion of the total cancellations as Hawai'i region is so far unaffected by coronavirus. However, Hana Tour noted that many Koreans are hesitant to travel and are showing concern about visiting airports and flying on airplanes which are considered to be the most affected places.
- The U.S. Embassy reported the number of Korean visitors to the U.S. from January to December in 2019 was 2,298,279, a year-on-year increase of 4%. Korea ranked 6th in U.S. inbound visitors in 2019, following Canada, Mexico, U.K., Japan, and China. Hawai'i ranked the 3rd most visited U.S. state by Koreans, according to Korea BSP. The total number of Korean arrivals to Hawai'i in 2019 was 144,352 and the average number of arrivals per day was 395, a year-on-year growth of 2.3% (The number varies with HTA's data because the Korea BSP source, a Billing and Settlement Plan system of IATA Accredited Passenger Sales Agents and BSP Airlines, does not count transfer passengers). The overall ranking of the most visited U.S. states by Koreans remained unchanged in 2019 from 2018. The top 4 most visited states in two consecutive years were Guam (1st), California (2nd), Hawai'i (3rd), and New York (4th). In terms of market share, Guam (25.5%) and California (23.9%) accounted for similar shares, while Hawai'i (13.9%) and New York (12.3%) had comparable stakes. The top 4 states received 75.6% of all Korean visitors.

Competitive Environment

- Vietnamese budget airline, VietJet, launched on the second day of Lunar New Year 2020 the first direct route between Hanoi (HAN), Vietnam’s capital city, and the popular tourist destination of Bali (DPS), Indonesia. It is VietJet’s second service to the popular holiday destination following the introduction of a Ho Chi Minh City – Bali route in May 2019. The daily flight from HAN to DPS is scheduled to depart from Hanoi at 10:00am and arrive in Bali at 16:25pm local time. The return flight leaves Bali at 5:30pm and lands in Hanoi at 9.55pm. The route allows Korean travelers to consider flying to Bali via VietJet’s Incheon / Busan-Hanoi or Incheon-Ho Chi Minh services.

Consumer Trends

- The number of South Koreans who are able to work but instead are opting to take a break has exceeded two million for the first time. Statistics Korea reported that the number of skilled workers who chose to become so-called economically inactive individuals reached an all-time high of 2,092,000 in 2019. The figure represents a 12.8% year-on-year rise, the highest increase in 8 years and extending across all age groups.
- The demographic boundaries in South Korea are increasingly fading in terms of the ages of people interested in buying popular products. Middle-aged and older people enjoy the hobbies, styles and food that appeal to younger generations. And younger people are more so enjoying the culture and clothes that seem to belong to older generation, a trend which is categorized as "Analog Sensitivity" and "Retro." Analysis by G-market of the sales of goods between 2016 and 2019 found that middle-aged (40-60s) people tended to purchase IT devices or hobby items, while younger (10-30s) people tended to favor “Newtro” products.

Travel Trends

- Skyscanner recently conducted a survey to assess athleisure, a compound of athletic and leisure, trends in the travel industry. The results show swimming (53%) in the lead as a preferred exercise during travel, followed by trekking (27%), golf (24%), health (22%), mountaineering (19%), running (16%), yoga (10%), and surfing (9%). The survey also showed 30% of respondents were willing to travel for exercise, indicating it has been elevated from an ancillary activity.
- Global OTAs Identify Korean Travel Trends in 2020:
 - **Expedia**
 - **Diversified Family Travel Types** - The type of family travel for South Koreans is becoming diversified, including the addition of pets. A survey by the Expedia OTA showed that 56.7% of respondents had travel experience with their pets. Among them, 83.2% considered the convenience of pet facilities in accommodation and transportation as a top priority. In addition, travel with three generations of family members or with only grandparents and grandchildren is expected to also grow.
 - **New Experiences, New Destinations** - South Koreans are expected to seek new experiences and new destinations in 2020, the Expedia survey showed. They have already enjoyed a wide range of experiences, such as gourmet tours (64%), camping (35%), trekking (33%), living-like-locals for a month (32%), and water sports (21%). Also, seven out of ten South Korean travelers (73.2%) said they would seek to visit a new destination instead of a previously visited destination.
 - **Young Want Flexible Travel** - The survey showed that Koreans aged in their 20s sought the freedom to try whatever they wanted at the moment (42.5%) and enjoyed flexibility by minimizing planning (35.9%).
 - **HotelsCombined**
 - **Information on Portal Sites, Reservations on Price Comparison Sites** - The most frequently used channels by South Korean travelers to obtain information were portal sites including blogs (81.7%), followed by TV travel programs (33.2%), recommendations by

friends (32.4%), YouTube (31.5%), and Instagram (27.1%). Facebook accounted for 6%. Males preferred YouTube (37.6%), while females preferred Instagram (30.2%).

Respondents also tended to book airfares or accommodation on price comparison sites (all ages: 74.9%; 20s: 82.1%) as they could compare prices at one time and make a more reasonably priced reservation. OTAs (13.5%) and travel agencies (5.9%) lagged.

- **Reservations 2-3 Months Prior to Travel** - South Koreans tended to make a reservation 2-3 months before travel (38.5%), 1 month before travel (27.8%), and 3 months or more before travel (20.7%); 13% did so 1-3 weeks before travel. Also, half of the respondents (50.3%) usually planned a detailed itinerary more than one month before travel. The survey found that 76% of respondents wanted a so-called “healing trip” to escape from busy life and to fully enjoy relaxation. Many other respondents (54.6%) said they wanted a concept trip in line with specific themes such as art, gourmet, concerts, and outdoors. Unplanned trips (23.8%), road trips (11.9%), and penniless trips (1.4%) followed.
- **Accommodation Preferences** - As accommodations (60.6%) accounted for the largest portion of overseas travel budgets, followed by air fares (57.6%) food (29.6%) and shopping (17.1%), more than half of respondents chose the price (62.2%). Following the price, 44.7% of respondents chose services (free Wi-Fi, luggage storage, room upgrades, etc.), and 33% chose facilities (pool, spa, gym, restaurant, etc.). The most favored accommodation type was a 3-4 star hotel (all ages: 55.9%; 20s: 64.7%), followed by first-class hotel (all ages: 16.4%, 40s: 25.5%), resorts (15.3%), guest houses (7.2%), and accommodation sharing service (4.3%).
- **Travelholic (South Korea’s largest and most influential travel community surveyed its main users aged from their 20s to 30s.)**
 - **Inspired by Instagram/YouTube, Obtaining Information from Blogs** - Most respondents answered they usually watched travel content on Instagram (66.5%) and YouTube (57.7%) and were also inspired by Instagram (59.5%) and YouTube (50.4%). However, they still searched for actual travel information on blogs or portal sites (54.2%). Expert analysis indicated that people used to be inspired by visuals or friends’ reviews but looking for information on blogs was easier. Instagram (77.3%) is the leading channel for sharing reviews, followed by non-sharing (17%), blogs (15.7%), and Facebook (11.4%).
 - **Factors in Choosing Flights and Accommodation** - The Travelholic survey found that people aged in their 20-30s considered price (71.3%) when choosing flights. Also, when choosing accommodation, they considered location (32.6%) the most, followed by reviews (29.8%), status of room (19.3%), and safety (5.4%).
 - **Favorable Brands:**
 - Most Used Airlines: Korean Air (45.7%), Asiana Airlines (44.7%), Jeju Air (39.6%), Jin Air (31.9%), T’way (24.8%), Eastar Jet (19.1%), Air Busan (13.8%), Air Asia (6.0%), Air Seoul (4.8%) and Air China (3.1%).
 - Most Favored Airlines: Korean Air (60.7%), Asiana Airlines (60.3%), Jeju Air (17.3%), Jin Air (15.0%), Air Busan (9.5%), T’way (9.3%), Emirates Airlines (8.9%), Eastar Jet (5.4%) and Singapore Airlines (4.5%)
 - Air Bookings: Skyscanner (67.3%), each airline’s official website (15.7%), Naver (7.6%), Interpark Tour (2.2%), Trip.com (1.6%), Expedia (1.5%) and Playwings (1.4%)
 - Accommodation Bookings: Airbnb (60.7%), Agoda (60.3%), Booking.com (17.3%), HotelsCombined (15.0%), Hotels.com (9.5%), Yanolja (9.3%) and Expedia (8.9%)
 - Most Used OTAs: Airbnb (45.0%), My Real Trip (28.9%), Agoda (25.6%), HotelsCombined (17.6%), Booking.com (17.3%) and Klook (11.7%)
 - Most Favored OTAs: Airbnb (35.2%), My Real Trip (28.9%), HotelsCombined (17.6%), Agoda (13.6%), *Hana Tour (11.2%), *Mode Tour (10.9%), Klook (10.5%), Booking.com (10.0%), Expedia (9.4%) and Trip Advisor/Yanolja (8.5%)

Media Trends

- Naver and Kakao are taking a lead in the advertising market with mega-traffic and big data. The advertising agency Cheil reported the digital advertising (PC/mobile) market had grown from 3.18 trillion won (US\$2.73 billion) in 2015 to 4.89 trillion won (US\$4.20 billion) in 2019. The proportion of mobile advertising rose from 12% in 2015 to 26% in 2019. On the other hand, the size of the broadcast advertising market was 4.09 billion won (US\$3.51 billion) in 2019, down from 4.26 trillion won (US\$3.66 billion) in 2015. The newspaper and magazine market were worth 1.72 trillion won (US\$1.48 billion), down from 1.92 trillion won (US\$1.65 billion) in 2015.

Airlift

- Korean Air is currently operating two regular flights on the ICN-HNL route with its KE053 (daily) and KE051 (4-times weekly) services and accommodating growing travel demand to Hawai'i during winter peak season. According to industry insiders, the airline is currently discussing an increase in KE051 flights by redirecting aircraft deployed on routes between Korea and China/Southeast Asia where there have been sharp decreases in load factors and revenue since the outbreak of coronavirus. The updated frequencies for KE051 will be confirmed after final review by the Ministry of Land, Infrastructure and Transport (MOLIT).
- Asiana Airlines has decided to extend its daily services on the ICN-HNL route until October 31, 2020. It also reported that its estimated load factor in January is around 88%.
- Jin Air is suspending its services to Hawai'i from August 27 until winter season following the decision by Korean Air to operate additional flights on the same routes. Jin Air reported that it was unable to plan its operations on any routes, including ICN-HNL, as it struggles with 17-month government sanctions. The Ministry of Land, Infrastructure and Transport (MOLIT) said it was still conducting "a fair and objective evaluation" into whether Jin Air was implementing measures to prevent illicit practices by top management. And in December last year, the transport ministry also recommended that Jin Air adopt further measures to shut out any illicit influence by Hanjin Group.
- Hawaiian Airlines, currently operating 5 times weekly on Sundays, Mondays, Thursdays, Fridays, and Saturdays, will replace the lowest load factor Thursday flight with a comparably more profitable Wednesday flight as of March 31, 2020.

Market Intelligence/Market Conditions Impact on Hawai'i Travel

- Analysis by Hana Tour shows that newlyweds have recently started selecting long-haul destinations like Hawai'i and Europe as honeymoon destinations. In addition, despite the "small wedding" trend to simplify the ceremony in South Korea, newlyweds are willing to pay more for their honeymoons. About 19.6% of honeymooners chose Hawai'i, followed by Europe (16.2%). Hawai'i has remained top choice since it surpassed Phuket in 2016. On the other hand, Southeast Asia's share of the honeymoon market fell from 49.3% in 2015 to 42.5% in 2019. As honeymoons are considered a once in a lifetime event, Korean newlyweds are seeking hard to visit long-haul destinations. Meanwhile, overall expenses for honeymoons have increased from 2.29 million won (US\$1,966.68) per person in 2017 to 2.41 million won (US\$2,069.74) in 2018 and to 2.51 million won (US\$2,155.62) last year.

Leisure Activity Update

Consumer

- **Find your aloha with arts:** To expand integrated initiatives for the consumer/PR campaign 'Find your Aloha', HTK will jointly work with Black Sand Publishing to highlight artistic aspects of Hawai'i.

Black Sand Publishing is Hawai'i's leading fine art sales and marketing company and is currently working with various Hawai'i-based artists, including Heather Brown, Zak Noyle, Noel Suarez, Walfrido Garcia, and Welzie. Since 2019, Black Sand Publishing has been planning a long-term business relationship in Korea and has endowed licensing of Heather Brown art to its Korean business partner, Rainbow Wave, a collective art company. The campaign will involve trending Hawai'i-based artists and various artworks to inspire Korean audiences' interest in Hawai'i's natural beauty and art/culture.

Travel Trade

- **Ohana Lani (Airline Meetings) – Seoul & Busan, Korea:** HTK kicked off the 2020 Ohana Lani with airline partners based in Seoul and Busan to forge strong relationships and develop multiple co-op branding campaigns for 2020. Through sales calls, meetings and a sales blitz, the Korea team and the airlines shared airlift updates and actively discussed partnership opportunities planned for Q1. As a follow-up to the Sustainable Hawai'i Promotion with Asiana Airlines and B2C online promotion with Korean Air, HTK is in discussion with Busan-based airlines, Korean Air, Asiana Airlines, and Japan Airlines for regional marketing campaign partnership opportunities.
- **Golf Promotion with Lotte JTB:** HTK is in co-op with Lotte JTB to develop a Hawai'i Golf Promotion in conjunction with the Lotte LPGA Championship (April 15 to 18). It will launch new golf-specific Hawai'i package tour products that also offer tickets to the final round of the LPGA championship. It will also implement branding campaigns and advertising to showcase various signature golf courses on each island. The promotion will be advertised through the travel agency's multiple owned/paid media channels, including Lotte JTB's official website and E-DM. It will also leverage the broad membership networks of companies affiliated with the Lotte parent company.
- **Luxury Hawai'i Branding Campaign with KALPAK:** In collaboration with Korea's leading high-end tour operator KALPAK, a subsidiary of Hanjin Travel, HTK has been promoting a premium Hawai'i initiative from November. It aimed to position Hawai'i as a world-class high-end destination that could meet the needs of customers for luxury and splurging options in accommodation and attractions. KALPAK is partnering in the campaign with Four Seasons O'ahu and Lana'i and luxury attractions. It has featured them through multiple channels such as Korean Air's premium in-flight magazine Morning Calm, E-DM distributed to SKYPASS members, KALPAK Class Magazine, Shinsegae department store's magazine, and in-app advertising with ANATI, a prestigious resort and golf course brand. The first E-DM introducing luxury attractions on Lana'i, O'ahu, Island of Hawai'i, and Maui was distributed in November 2019 to a total of 200,000 SKYPASS members, of whom 55,000 (28%) opened the content. The October 2019 issue of Morning Calm devoted one page to golf at Four Seasons O'ahu and Lana'i. The December 2019 issue of Shinsegae department store's magazine featured one page of Christmas events at Four Seasons O'ahu.
- **Luxury Hawai'i Campaign with OTA:** HTK ran a luxury Hawai'i campaign with Interpark, the nation's leading OTA, to position it as a premium travel destination and to target an increasing number of family package/FIT groups. The campaign involved Korean Air and a high-end line-up of hotel partners, such as 'Alohilani Resort Waikiki Beach, Hilton Hawaiian Village, Sheraton Waikiki, and Aulani, A Disney Resort & Spa, developing luxury Hawai'i products. The promotion was extensively advertised through the travel agency's owned and paid channels, including its official websites, social channels, E-DM, Naver, and multi-product advertising on Facebook. The promotion drew a total of 285 pax, notching year-on-year growth of 19% in three months (October to December).

- **Airline Co-op with Korean Air:** HTK and Korean Air completed Sustainable Hawai'i branding campaigns in conjunction with the airline's additional regular flights (KE051). These also involved five key travel agencies – Hanjin Travel, Lotte Tour, Very Good Tour, Tidesquare, and Interpark Tour. During the promotion (October to November), participating travel agencies from Hanjin, Lotte, and Very Good Tour ran TV home-shopping promotions for newly-launched travel products that used KE051 and did follow-up banner advertising through their multiple media channels. As a result, the campaigns have generated a total of 692 pax bookings out of a total 7,300 calls, with conversion factors of about 10%. Leading OTAs Tidesquare and Interpark Tour also launched advertising banners and promotion webpages. The Interpark Tour promotion earned a total of 5,797 page views and 696 pax booking sales, a year-on-year gain of 68% during the promotion period. In addition, the Korea team is finalizing development of an online consumer promotion to be featured on Korean Air's official website. It will highlight cultural and historical aspects of Hawai'i and deliver the key messages of Kuleana. The promotion will run from mid-February through mid-April. Meanwhile, it will also leverage enthusiastic sponsorship from multiple trade partners such as Battleship Missouri Memorial, Hertz, Hyatt Regency Waikiki Beach Resort and Spa, Kualoa Ranch, and Queen Kapi'olani Hotel.
- **Airline/OTA Co-op Promotion with Asiana Airlines:** HTK will implement integrated B2B/B2C Sustainable Hawai'i campaigns in partnership with Asiana Airlines from February to March.
 - First, for the co-op branding campaigns with OTAs, HTK and the airline have collaboratively developed digital AD banners to be extensively exposed on the various media channels of eight participating travel agencies – Hana Tour, Mode Tour, Interpark Tour, Yellow Balloon, Tidesquare, Jau Tour, Online Tour, and Club Rothem. The two-week promotion will pitch the Hawaiian Islands as all-time favorite destination, target the off-peak season between March and May and offer specially priced airfares for ICN-HNL flights.
 - In addition, HTK will also kick off consumer branding campaigns on OZ's official website (February 10 to March 7). These will highlight sustainable Hawai'i by showcasing its unique natural resources and the islands' rich cultural/historical heritages utilizing the multiple media channels of OZ and HTK. To further leverage consumer engagement, the campaigns will also involve an exclusive sweepstakes event for customers who purchase tickets on ICN-HNL flights. Door prizes will be sponsored by Queen Kapiolani Hotel, Kualoa Ranch, USS Missouri Memorial, and HTK. Prize winners will be announced on March 13.
- **Secondary Market, Busan Activation:** HTK will expand marketing initiatives in collaboration with trade partners to further stimulate demand in Busan, the nation's second largest outbound market. These will involve the following media/trade marketing projects:
 - **Advertorial Placement:** HTK will jointly work with national railway operator KORAIL to include advertising in its in-train KTX Magazine distributed on express services from Seoul to Busan.
 - **Busan/Young-nam Agent Fam:** HTK will collaborate with an airline partner (TBD) to invite seven key travel agents based in Busan/Young-nam area to visit the Hawaiian Islands (O'ahu & one Neighbor Island). The aim is to showcase the islands' multiple tourism infrastructures so the agents can better design and launch new products which involve sites visited during the Fam. The flights will also give the agents a genuine customer experience. The Fam was scheduled to be conducted in the 1st quarter, but will be postponed due to the outbreak of coronavirus.
 - **Branding Campaign with Airlines:** HTK will collaborate with 3 airlines – Korean Air Busan, Asiana Airlines Busan, and Japan Airlines Busan – to develop co-op branding campaigns to increase awareness of the Hawaiian Islands, especially Neighbor Islands, in Busan.
 - HTK and Korean Air Busan are still in discussion over design of the co-op branding campaign.
 - HTK is jointly working with Japan Airlines Busan for a Hawai'i Honeymoon Promotion to enhance awareness of its flights between Busan and Hawai'i (PUS-NRT-HNL / PUS-NRT-KOA). The aim is to promote Hawai'i as a top-of-mind honeymoon destination in the Busan

market. During the campaign from February to March, a total of 6 participating travel agencies will launch O’ahu-only or O’ahu-Island of Hawai’i products including JL’s flights and a rental car voucher. The products will be advertised through promotional web pages and digital AD banners. Participating travel agencies are: Hana Tour, Mode Tour, Yellow Balloon, Very Good Tour, Dr. Tour, and Blue Travel. The campaign is expected to draw about 52 pax.

- HTK and Asiana Airlines Busan are collaboratively developing a marketing campaign to target the travel window from March to May and run for two weeks from mid-February. HTK and OZ Busan have designed AD banners for an outdoor billboard at Seomyeon subway station, a key station with the largest commuter population in Busan. In addition, promotional pages and digital AD banners will be displayed on the media channels of three participating Busan travel agencies – Hana Tour, Very Good Tour, and Lotte Tour.

Public Relations

- **Digital Directors Fam:** HTK is coordinating a Digital Directors Fam that will invite three digital editors of key consumer magazines – Allure, Elle and Cosmopolitan – which operate their own influential social media channels and attract 3.6 million followers. The aim is to generate quality digital content about the Hawaiian Islands and massive AD value from follow-up social marketing campaigns. The 5N/7D itinerary Fam (February 27 to March 3) will showcase the following key attractions and visit sites on O’ahu and Kaua’i under the Sustainable Hawai’i Tourism theme.
 - Eco-friendly: Travel2Change, farm-to-table meals, Kaua’i Coffee Farm
 - Culture: lei making, Honolulu Museum of Art, ukulele lessons, Pearl Harbor
 - Natural Attractions: Allerton Garden, Kualoa Ranch, Hawai’i Forest & Trail, Nāpali Coast
- **Advertorial:** In collaboration with leading travel/golf magazines and weekly trade newspapers, HTK is developing advertorials to feature Hawai’i as a top-of-mind premium golf destination. The aim is to showcase various signature golf courses visited during the Celebrity Golf Fam. Korea’s leading golf monthly magazine, Golf Digest (circulation: 85,000), will publish a 1-page advertorial in its March issue and upload two social media posts to its 14.6K Instagram followers in February and March. Coverage by 3 travel industry publications also will be generated: 1) Monthly magazines - Tour de Monde (circulation: 70,000), Lonely Planet (circulation: 70,000); and 2) Weekly trade paper - Global Travel News (circulation: 40,000). In addition, HTK will develop social media content for its owned social media channels – Instagram, Facebook and YouTube – and run advertising to maximize impressions.

Sales Activities

Airline	Wholesaler/TA/TO/OTA	Other	Total
6	14	17	37

- **Airlines:** HTK made regular sales calls to airline partners to share airlift updates and partnership opportunities in the second half of 2019, as follows: Korean Air for regular flights and follow-up branding campaign; Asiana Airlines for airlift updates; Jin Air for airlift updates; Hawaiian Airlines for joint Fam; Japan Airlines Busan for future partnership opportunities.
- **Tour operators:** HTK had sales meetings with Korea’s leading wholesalers, retailers, OTAs and receptive operators to develop various Hawai’i campaigns and sales promotions.
- **Others:** HTK cultivated working relationships with industry partners from Hawai’i hotels, transport operators, attractions, and communities during the Meet Hawai’i Korea Corporate Fam and discussed partnership opportunities with Korean consumer brands.

Responsible Tourism Update

Hawaiian Culture

- HTK has proactively promoted signature local festivals/events, Hawaiian languages, and HCC events in the Korean market via the monthly Aloha E-Newsletter. In January issue, HTK featured Amazing Comic Co that will occur from February 21 to 23 at HCC, and introduced Hawai'i's new year greeting message of Hau'oli Makahiki Hou (Happy New Year).
- HTK's official Instagram covered local Hawai'i foods (e.g. Ahi Poke, Hawaiian shaved ice, Loco Moco), and cultural signatures (e.g. luau, lei).
- HTK introduced the islands' authentic cultural and historical heritages, such as hula, ukulele and lei, through its sustainable Hawai'i B2C promotion with Asiana Airlines. In addition, HTK also introduced partners' sustainable practices with relevant content and showcased the Kuleana campaign video.

Nature Resources

- Aloha Hawai'i Newsletter's January edition featured the Hawai'i Travel Tips video addressing ocean safety.

Community

- HTK highlighted Sony Open in Hawai'i in the January issue of the Aloha E-newsletter.

Island Chapter Engagement Update

- **O'ahu Visitors Bureau (OVB) & Kaua'i Visitors Bureau (KVB)** – HTK is developing an itinerary for a Digital Directors Media Fam Tour to highlight sustainable tourism and to be held in late February to early March with the support of OVB and KVB. The bureaus will provide itinerary recommendations and support HTK by organizing accommodation and attractions to optimize the visit.

"Coming Attractions" for Leisure Market

What	When	Where
Aloha Specialist University	Apr, Jul, Oct	Seoul & Busan, Korea
Hawai'i Golf Promotion	Apr 15	O'ahu
Digital Director Fam	Feb 27 to Mar 3	O'ahu and Kaua'i
TV filming of Walking into the World	Mar	O'ahu and Island of Hawai'i

Hawai'i Tourism Taiwan

2020 Monthly Leisure Marketing Report – January

Market Intelligence/Market Conditions

Economy

- According to FocusEconomics, Taiwan's GDP is forecasted to grow 2.3% in 2020, and 2.2% in 2021. In 2020, Taiwan's economic growth is expected to decelerate on a weaker momentum in key trading partners such as China and the U.S. Trade diversion from China and healthy domestic demand should support Taiwan's economy. Tense cross-strait relations pose the key downside risk to the outlook.
- After Taiwan's 15th Presidential Election, President Tsai Ing-wen retained the presidency with the Democratic Progressive Party maintaining a majority in the legislature. This ensures a continuation of current pro-growth economic policies. In particular, infrastructure development plans and ongoing efforts to encourage Taiwanese companies to re-shore capital should boost investment.

Outbound Travel Market

- Taiwan's outbound travel was affected by the Presidential Election. People were reluctant to travel due to the uncertainty of the outcome and possible economy changes. Chinese New Year Holiday on January 23-29 was also another factor that most people stayed home with families during this important holiday. Bookings for outbound travel is expected to grow in the following months for summer vacation when schools plan for exchange programs.
- Outbound travel to Hawai'i is stable with China Airlines' twice weekly non-stop flight. Most travelers travel to Hawai'i as FIT in small groups (4-5 pax) with friends or family. Most first-time travelers visit O'ahu because of the flight route. Other travelers, including repeated visitors, will visit Island of Hawai'i in addition to O'ahu and Kaua'i and Maui. Self-drive is one of the most popular activities for Taiwanese visiting Hawai'i especially FITs. It is a must-do for many Taiwanese to drive a convertible in Hawai'i.

Competitive Environment

- During Chinese New Year Holiday, some families travel together to celebrate their reunion. Many families prefer going to short-haul destinations such as Japan, Korea or Southeast Asian countries due to the length of holiday and cost. CNY is a super peak travel season and therefore, travel cost is much higher than the shoulder seasons.

Consumer Trends

- It used to be that people will save up the earnings for building up a family or buying a house. But more and more millennials choose to enjoy the moment and the so called "small happiness". Small Happiness for Taiwanese means the trivial things that can make people feel satisfied. For example, to have a good meal or to enjoy the afternoon sun with friends. More and more people spend on instant happiness instead of saving up for the future, which also effects travel product purchases and travel behavior.
- The trend to pursuit small happiness is beneficial to tourism because people are more willing to

spend money on traveling instead of saving for the future. Although paying for travel is not buying a physical item, the travel experience is more valuable than products. Travel can also mean spiritual satisfaction and recharge for the mind and soul, which has become a popular activity among Taiwanese people.

Travel Trends

- Taiwanese travelers continue to fond for in-depth and travel-like-a-local travel style. Many people will sign up for DIY experiences when traveling. It is a way to be immersed in the authentic culture in an exotic place. Travelers are also interested in following a local tour guide to wonder around in the neighborhood just to understand the lifestyle.
- Social media is another major influencer on travel trends. People will look for “Instagrammable” attractions and follow social influencers to take beautiful photos at specific angles. If a destination has more photo spots, it will be more attracted to travelers because they can go take photos and share with friends.

Media Trends

- Social media is where most millennials consume news. They get information from official news channels, influencers and friends. Communication is now easier and faster than before, which also speeds up people’s decision making on travel plans.
- Target audience for traditional offline media is the high yield. Many fashion magazine and business papers are still very well read among the group.

Airlift

- China Airlines operates 2 times weekly direct flights from Taiwan to Honolulu.
- There are multiple options of 1-stop transfer flights via Japan and South Korea such as ANA, AirAsia, Japan Airlines, Korean Air, Asiana Airlines as well as other north American routes including Air Canada and United Airlines.

Market Intelligence/Market Conditions Impact on Hawai’i Travel

Hawai’i continues to be a popular destination where many Taiwanese travelers dreamed about. But many travelers put short-haul or cost effective destinations on top of their list and save Hawai’i for a special occasion. This is because Hawai’i is special and costly and needs more planning. HTT will continue to educate Taiwanese people about Hawai’i-Sanctuary which is the core brand message for 2020 where travelers can find aloha, peace and tranquility.

Leisure Activity Update

Consumer

No news to report

Travel Trade

Attended events hosted by Discover America Committee (DAC) and Association of National Tourist Office Representatives (ANTOR) to build relationships with Taiwan’s travel trade. HTT will join seminars organized by DAC and ANTOR in the central and southern part of Taiwan in the coming months to reach out and expand the market.

Public Relations

No news to report

Sales Activities

Sales Calls

Airline	Wholesaler/TA/TO/OTA	Other	Total
5	7	4	16

- Courtesy visits to major airlines, wholesalers, travel agencies and OTAs to introduce the new HTT team with sharing of 2020 marketing initiatives. Feedback from partners are positive and the partners look forward to working with us in the coming years to enhance the image of Hawai’i in Taiwan market.

Responsible Tourism Update

Hawaiian Culture

HTT shares the meanings of ALOHA on Facebook and Instagram weekly. It is the Aloha chicken soup for followers to enlighten a new start of their week. The posts introduced meanings of each ALOHA alphabet stands for. Followers will be able to learn the full meaning of ALOHA in 5 weeks.

Nature Resources

Posts about Hawai’i’s nature resources are spread out in every post on Facebook, Instagram, YouTube and Pixnet. The nature is introduced under different topics from the beautiful outdoors to exciting activities. In January, HTT shared about national parks in Hawai’i, Island Hopping, the mountains and the sea across different islands.

Community

HTT posted a video of Maui Fridays on Facebook and Instagram to invite followers to visit and enjoy the community with locals. HTT will continue to share events and activities that connects with Hawai’i people and the community.

Island Chapters Engagement Update

Invitation for Aloha Taiwan! MCI & Leisure Mission was sent to all ICs and Hawai’i Industry Partners. The Taiwan Mission is connected with ITB China for the partners to plan for their travel to Asia easier. Currently, Island of Hawai’i Visitors Bureau has confirmed to participate. HTT will follow-up with other ICs for their enrollment.

“Coming Attractions” for Leisure Market

What	When	Where
Quanta Computers Seminar	March 17	Quanta Computers HQ in Taoyuan City

Initiative 1 – Malama ‘Āina online campaign and KOL FAM	February to March	Online & in Hawai‘i
Initiative 2 – Aloha Family Picnic Festival	April 18	Taipei, Taiwan

Hawai'i Tourism Europe

2020 Monthly Leisure Marketing Report – January

Market Intelligence/Market Conditions

Economy

- The Pound Sterling has finished January strongly at \$1.33, whilst the Euro moved down slightly to \$1.10, whilst the Swiss Franc fell slightly to \$1.01.
- On January 31st the UK left the European Union (EU). Prime Minister Boris Johnson has vowed to bring the country together and move it “forward”. There will be a transitional period for the next 11 months, when the UK will be allowed to negotiate new trade deals with other countries, whilst also discussing a free trade deal with the EU.
- The clarity brought to the future of Great Britain has seen the services sector, which makes up 80% of the UK economy, grow in business activity for the first time since August 2019 according to data from IHS Markit and the Chartered Institute of Procurement and Supply.
- GDP in Germany improved toward the end of 2019 but has still reported its slowest economic growth in 6 years. The Gross Domestic Product of Germany grew 0.6% in 2019 compared to 2018.
- Inflation rate in Germany decreased significantly to 1.4% by the end of 2019 but is expected to increase by 1.7% in January 2020.
- Overall the GDP improves in Switzerland in third quarter and grew 0.4% in the third quarter of 2019 compared to the previous quarter. This rate is 0.1% of 1% higher than the figure of 0.3% published in the second quarter of 2019. The year-on-year change in GDP was 1%, 0.7% more than the 0.3% recorded in the second quarter of 2019.
- The Swiss unemployment rate fell to 2.3% in 2019, according to the State Secretariat for Economic Affairs (SECO). That's the lowest yearly rate for almost 20 years. In total 106,932 people were registered with regional job centers in 2019, 9.5% less than in the previous year. But the rate rose to a non-seasonally adjusted 2.5% in December 2019 from 2.3% in the previous month.

Outbound Travel Market

- Two of the UK's largest airlines, British Airways and Virgin Atlantic, have suspended all direct flights between Britain and China with immediate effect after the UK Foreign Office warned against all but essential travel to China. British Airways, United Airlines, American Airlines, Air Asia, Cathay Pacific, Air India, Lufthansa and Finnair have announced plans to slash the number of flights they are operating to China or stop flying to the country entirely until the threat of the virus is contained. Most airlines are offering customers refunds.
- There have been no significant changes in the fourth quarter and the number of PAX being handled by German airports in December 2019 have slightly decreased compared to the same month last year. However, this decrease did not affect long-haul travel during the month of December.

Competitive Environment

- Australia – Tourism Australia has pledged over £40 million (over \$50 million) to boost tourism following the bushfires that spread across the country. The campaign ‘Matesong’, that began positively but was put on hold as the fires got worse, will be used to boost promotion, although the tourist board will also look to provide the trade with as much factual information as possible to ensure agents are well-equipped to respond to any enquiries.
- St. Lucia – The Caribbean island has posted record figures for room nights, hitting over 400,000 visitors for the first time. The tourist board has emphasized the need to continue to grow tourism

sustainably amongst this success. The boost in visitors, 19% of which are from the UK, has been attributed to large-scale marketing campaigns, including a recent TV adverts with British Airways.

- South Africa – The country’s flagship airline, South African Airways, has cancelled nearly 40 domestic and international flights this week as it awaits a financial lifeline. The government is reviewing a potential £106 million (nearly \$140 million) bailout to keep the airline going.

Consumer Trends

- Today’s traveler wants to visit new places, will spend more in-destination when they get a good deal, and is optimistic about 2020, a survey of TravelZoo clients has revealed. Furthermore, the study revealed that the appetite for travel remains unaffected despite Brexit. The deals specialist unveiled the findings of its annual travel trends report at an event in London, which also included insights from Google and ABTA (UK travel trade association).
- Conscious travelling is becoming more and more apparent in the German society and more people are swapping planes for trains for travels within Germany. Due to new high-speed rail connections and a €86bn (\$95bn) investment deal between the government and the German railway institution Deutsche Bahn, the German rail network will be extended and updated over the next decade.
- There has also been a raise in taxes on domestic flights and slashed VAT (sales tax) on long distance trains that is going to support the conscious travelling campaign throughout Germany and will attract an extra five million passengers annually. Since the beginning of the year, the Lufthansa Group has been purchasing 100 per cent green electricity in Germany, Austria, Switzerland and Belgium.
- Michael Krause, the Managing Director Central Europe at the largest streaming platform Spotify says that the growth for their streaming platform is rapid. He also believes that podcasts will become mainstream after the boom. Podcasts are very popular among Germany, the USA and Great Britain but also in other countries. One of the reasons why podcasts are being so successful and popular nowadays is that they help people to do gain knowledge and that they share useful tips about "self-improvement".

Travel Trends

- EasyJet has welcomed plans to develop an engine for a proposed 186-seat electric aircraft. The budget carrier’s US partner Wright Electric is creating components to form the power plant of the “revolutionary” Wright 1 aircraft. Wright plans to run ground tests of its motor in 2021 and flight tests in 2023 in a bid to pave the way for a future of zero emissions flights from 2030.
- Following the collapse of Thomas Cook in 2019, Hays Travel has announced that they now have more staff in the 461 former Thomas Cook shops than at the time of its collapse. 2,000 of the 2,500 retail staff employed by Thomas Cook had been retained by Hays Travel and they now have a total of 3,000 employed in the shops. Hays Travel said that the business made more than £2 billion worth of sales in the year when its acquisition of the Thomas Cook retail estate expanded its network from 180 shops to more than 640.
- Under the UK-EU deal following Brexit, British families can rest assured that everything will stay the same as when the UK was still an EU member during the “transition period”. British citizens can still travel freely with a passport until the end of the transition period, in 2020. There will be no additional border checks so airport queues should not be longer, and the current Great Britain passport will be valid until date of expiry. Changes to travel after the transition period in 2021 will be decided in the negotiations on the EU-UK relationship.
- A recent survey has been published and stated that about 5% of the travel agencies in Germany have rated the current situation regarding the sales of travel services as good. In the previous month, the figure was only around one third. Especially compared to 2019, sales of travel services have risen in the last two to three months for 33% of those surveyed, which represents an increase of three percentage points.

- There has been a slight increase of interest of the Swiss regarding travels to the USA, due to relatively stable prices and a balanced exchange rate for USD and CAD. Also, the availability of larger aircrafts and more connections are noticeably expanding the offer. There are numerous new direct flights to North America. There are now daily connections with Swiss Airline to Washington D.C. and with United to Chicago.
- Despite the bankruptcy of Thomas Cook, the increase in geopolitical and social tensions and a flattening of the economic growth curve, the sector thus grew for the tenth year in succession. The fastest growing region was the Middle East, with eight percent more arrivals, while the Asia-Pacific region saw a slowdown in growth with five percent more guests. Growth in Europe also slowed at four percent, but the Old Continent remained the strongest destination worldwide with 743 million arrivals. America recorded a small plus of 2%.

Media Trends

- Twitter Is Removing the Audience Insights Element from Twitter Analytics: Twitter has confirmed that it is indeed removing its Audience Insights tab from Twitter Analytics at the end of this month, limiting the amount of demographic and persona-related data available to marketers.
- TikTok Revenue Surges Fivefold as Global Downloads Hit 738M: TikTok was the second-most downloaded app after WhatsApp in 2019, with lifetime downloads reaching 1.65 Billion and showing no sign of slowing down. As advertisers look for inspiration around new platforms to invest ad dollars in this year, TikTok continues to generate increased consideration.
- Instagram Is Working on a New 'Maps' Sticker for Instagram Stories: The map sticker would show a section of a world map image, including a marker for your location. Instagram has clarified that users do not share their precise location info through this option, but it does show that users might be interested in providing more context through location-based tools and may be willing to do so despite potential privacy concerns.
- Times and Sunday Times to launch ad-free digital talk radio station Times Radio: The Times titles are launching their own talk radio station, which promises “provocative and well-informed” news and current affairs analysis in a bid to boost subscribers. The multi-million-pound investment marks a further push into radio by the media mogul, Rupert Murdoch who already owns Talkradio, Talksport and Virgin Radio, as commercial radio looks to challenge the BBC’s dominance of the airwaves.
- Generation Z spends more time with social media than TV: Those born in 1996 and later spend approximately more than two hours (126 minutes) with Facebook, Instagram, and Twitter and thus more time than watching TV (102 minutes). Millennials (born 1981 to 1995), spend approximately 1.5 hours a day with social media and Generation X (born 1966 to 1980) is using online platforms approximately one hour per day. Except for Generation Z, the most used media device is still TV. The usage of print media increases the higher the age, radio is used by all generations pretty much equally, except for the younger generations.
- As of now, ELLE Traveller will be published more frequently. The travel magazine used to be published three times a year, it will now be quarterly. Each issue will have a respective focus. The magazine also got a new look. The travel edition will not be available separately anymore, it will be part of the monthly magazine and the ELLE Decoration issue, distributed with a circulation of 230,000. Dates of publishing are January, April, June, and September 2020.
- Print media in Germany: Magazines in Germany reach a total of 53.7 million readers which equals 76% of all the population 14 years and older. However, in July 2019, the number was up by 4 million. The reason for the decrease is the discontinuation of the magazine ADAC Motorwelt with an extremely high circulation. But the new magazines RTV (TV supplement with 5.04 readers) and Mein Buffet (food title with 160,000 readers) are making up for that previous loss. The study was done by “Arbeitsgemeinschaft Media-Analyse” which reports the circulation of 153 media outlets (e.g. magazines, weekly newspapers, and supplements). Number one are still TV magazines (53.8%), followed by general interest magazines (37.4%) and weekly women’s magazines (19.7%).

- No recovery for Facebook numbers in Switzerland in sight: The number of active Facebook users in Switzerland continues to decrease in the fourth quarter of 2019. Compared with 2018, eight percent less of the Swiss population logged into Facebook. In December 2019, 3.5 million users logged into their Facebook account, that equals the number reported in 2015. The percentage regarding age groups hasn't changed much. Facebook lost users who are 30 years and younger (just over 3%) and increased user numbers of those being 50 years and older (2%). Almost half of all users (46%) are older than 40 years. One predicts that in the course of 2020's second quarter, there may be more users over 50 years than under 30 years of age.

Airlift

- United Airlines has launched their first Dublin to San Francisco flight, commencing June 5, 2020. The airline will operate daily flights during the peak summer season, with a reduced service during off-peak season. The new route will expand access from Ireland to Hawai'i via the key US hubs.
- Virgin, Delta, KLM Royal Dutch Airlines, and Air France have announced a joint venture covering up to 341 peak daily transatlantic services across 110 nonstop routes, representing 23 percent of total passenger and cargo transatlantic capacity. The agreement will allow travelers to collect and use air miles when booking through any of the four airlines, as well as enjoying elite benefits.
- It has also been confirmed that the Polish airline LOT is buying the German holiday airline Condor from the bankruptcy estate of Thomas Cook.

Market Intelligence/Market Conditions Impact on Hawai'i Travel

The UK's departure from the EU has seen some certainty to the markets restored, and the following transition period looks set to feature a more positive outlook that should have a healthy impact on outbound travel. The UK will remain part of the EU's trading arrangements during the transition period, allowing both sides to prepare for the full separation in 2021.

The announcement of the joint venture between KLM, Air France, Delta and Virgin is also a strong move forward for the European market's connectivity to the USA. Combined with the new flight from Dublin to San Francisco with United, access to the islands for 2020 has a positive outlook, with an increase in access from several ports across the continent.

The impact of Coronavirus has been limited on the European market between the USA. Key airlines have cut all or some flights to China, including British Airways, KLM, Air France and Lufthansa. Currently, HTE doesn't foresee any significant impact on travel between the islands and Europe.

Leisure Activity Update

Consumer

- Shared collateral with Hawaiian Airlines to be distributed at the Destinations USA show in London and Manchester.

Travel Trade

- Continued to liaise with key tour operators regarding booking numbers to include in reporting.
- Confirmed a trade education session at Titan Travel.
- Confirmed a trade education session at If Only.
- Reached out to other key tour operators regarding training and meeting opportunities.

Public Relations

- Liaison and pitching with key media in UK/Ireland.
- Monitoring UK news media ref. Coronavirus and collating all HTA statements / news as shared.
- The team assessed and responded to various requests for sponsorship and trip support from European media (outside of the UK and Germany) in January, including: Zlatina Jekova (@Laelegantia) (Spain); Mike Gray (USA); Pauline & Valentin (@La Poze) France.
- HTE confirmed a journalist from Travel Weekly will be able to join the 2020 trade FAM. Details of the trip have been shared and further details of coverage and itinerary to be confirmed.
- Meeting held with Kate Wills, Suitcase regarding a potential joint press trip with Brand USA – taking in two states TBC including Hawai'i. Discussions are ongoing as to the level of support required and potential itineraries / Islands to be included.
- Discussions ongoing with Appeal TV – a leading UK television production company working with high profile celebrities on a variety of shows, predominantly featured on ITV – the largest and most popular commercial television channel in the United Kingdom. The team shared an exciting proposal for a new show 'Nicole's Secret Hawai'i', featuring international celebrity Nicole Scherzinger and her journey 'back home' to discover her favourite parts of Hawai'i and discover the history and traditions of her family, many of whom still live on O'ahu. They are looking for support with on-the-ground arrangements, accommodation, local guides to assist with the production. Discussions are ongoing and they would be looking to film in May 2020. More details to be confirmed shortly.
- Liaison is ongoing with freelancer Jonathan Thompson regarding his 'surfing culture' story idea for April 2020. He is now looking to secure up to four commissions with top tier media for his trip. Jonathan has now shared his initial pitch ideas and planning of his itinerary will commence shortly.
- Information sent to Natalie Chalk, Travel Bulletin for her upcoming feature, including Kaua'i Coffee's new tour, the Sheraton Kaua'i renovation, Bishop Museum's new exhibition, Outrigger Waikiki Beach Resort's cultural surf programme and Espacio The Jewel of Waikiki opening.
- Ongoing liaison with key media pitching Hawai'i story ideas.
- Hills Balfour attended the Visit USA Meet the Media event on Monday January 13th, which was attended by approximately 50 UK travel journalists interested in visiting the USA in 2020.

Sales Activities

- Held a sales call with the United Airlines' Ireland office to discuss future opportunities following the new DUB-SFO flight announcement.
- Held a sales call with Hawaiian Airlines to update on 2020 opportunities including FAM trips and sales incentives.
- Shared collateral with Hawaiian Airlines for upcoming trade shows.
- Held a sales call with Air Canada to update on opportunities to promote alternative routes to the islands via Canada.
- Held a sales call with Abercrombie & Kent to update on upcoming opportunities for 2020.
- Confirmed a sales call with Not Just Travel for an update on 2020 plans.
- Confirmed a sales call with Travelbag for an update on 2020 plans.
- Continued to liaise with UK tour operators regarding booking numbers for 2019.
- Requested 2019 performance numbers from TUI/ Airtours, Kuoni Switzerland, CRD International, CANUSA, Pacific Travel House, Faszination Fernweh, Hawaii.de, Explorer Fernreisen, Hotelplan Travelhouse Switzerland, Crusing Fernreise, Fairflight, Knecht Reisen, DER Touristik, FTI Touristik.
- DER Touristik
 - Follow-up on some proposed marketing activity in cooperation with a German influencer.
- FTI Touristik
 - Finalizing Marketing Campaign 2019.

Sales Calls

Airline	Wholesaler/TA/TO/OTA	Other	Total
3	14		17

Having reached out to key tour operators for an update for the end of year report, HTE have also began to arrange sales calls ahead of the key campaigns and promotional opportunities to the islands.

Responsible Tourism Update

- Responsible tourism was highlighted in all media calls / meetings as a focus for 2020.
- Planning has begun on the PR / media space which is now available as part of the Sea Cleaners initiative in September. Target list to be drawn up, consisting of relevant family publications.
- Strategies to promote responsible tourism across social media channels have been implemented for the first quarter.
- HTE are updating the trade education presentation to include advice on responsible travel to the islands.

Hawaiian Culture

- HTE has liaised with HTA for a list of cultural events happening over the islands. A provisional plan to promote these events is being trialed across HTE’s social media.
- The 2020 “Experience Our Aloha” campaign is being developed between HTA, HVCB, and HTE, which will have a large focus on promoting the Hawaiian culture.
- Hawaiian culture would be a focal point for the ITV ‘Nicole’s Secret Hawai’i opportunity. Discussions ongoing.

Natural Resources

- HTE is increasing its promotion of sustainable travel to and around the islands as part of its social media strategy. In particular, there has been a focus on respecting wildlife in its habitat.
- The 2020 “Experience Our Aloha” campaign is being developed between HTA, HVCB, and HTE, which will feature ambassadors discussing sustainability and respect towards the islands’ natural wonders.
- HTE sent out information for an article on sustainable tourism Visit USA blog. Sustainable measurements in the islands, such as the reef-safe sunscreen initiative, and the Share the Aloha campaign, were both included in the article.
- Responsible whale watching information was submitted for inclusion in the Hills Balfour monthly press release on responsible wildlife holidays.

Community

- The upcoming 2020 campaign currently being developed is utilizing local ambassadors, which will aid in the promotion of the local community.

Island Chapters Engagement Update

- The upcoming 2020 campaign is currently being developed with HVCB and its Island Chapters.

“Coming Attractions” for Leisure Market

What	When	Where
UNITE USA	March 10 th	London, UK

Hawai'i Tourism Southeast Asia 2020 Monthly Leisure Marketing Report – January

Market Intelligence/Market Conditions

Economy

Malaysia

- Malaysia's real gross domestic product (GDP) growth will decelerate to 4.3% in 2020, below the government's forecast of 4.8%, due to weaker external trade performance and softer domestic demand growth, according to Malaysian Rating Corp Bhd (MARC). In a statement, MARC said although trade diversion arising from trade tensions between the U.S. and China could marginally benefit Malaysia in the short term, the overall weakening of global trade growth will continue to weigh on Malaysia's export sector.
- Currency Exchange: USD 1 = MYR 4.08 as of January 31, 2020 vs USD 1 = MYR 4.10 as of December 31, 2019.

Singapore

- Singapore's gross domestic product (GDP) grew by 0.7 percent in 2019, the slowest annual pace since 2009 and down from 3.1 percent in 2018, according to advance estimates from the Ministry of Trade and Industry. Authorities are forecasting growth of between 0.5 percent to 2.5 percent in 2020.
- Currency Exchange: USD 1 = SGD 1.36 as of January 31, 2020 vs USD 1 = SGD 1.3521 as of December 31, 2019.

Thailand

- Thailand Economic growth appeared to remain downbeat in the final quarter of 2019. Agricultural output continued to contract in October - November, albeit at a softer pace compared to the third quarter while manufacturing production plunged in the same period. Consequently, exports fell at a sharper pace in the quarter.
- Currency Exchange: USD 1 = THB 31.14 as of January 31, 2020 vs USD 1 = THB 30.14 as of December 31, 2019.

Outbound Travel Market

Malaysia

- Europe remains a favorite long-haul destination especially during the winter period as many Malaysian looks for a destination that they can experience snow and cold weather. Destinations such as London and Norway are still very much in demand. Bookings to Hawai'i remains low during this period.

Singapore

- Singapore outbound tourism sector is preparing for a potential crisis amid the spread of the Coronavirus and a ban on outbound group tours from China, its biggest source of visitors. Businesses are gearing up to weather the storm a day after Trade and Industry Minister Chan Chun Sing said that the sector is of "immediate concern" when it comes to the economic impact of the global outbreak.

Thailand

- It was announced by the Delegation of the European Union to Thailand that at the beginning of February 2020, Thai citizens will be given a multiple-entry visa to Europe for up to 5 years. However, there's an increase visa fee from € 60 euros (USD\$ 65) to € 80 euros (USD\$ 93).
- In connection to Hawai'i, Europe remains a favorable destination for Thai and it allows traveler book their trip ahead and able to enter more than 26 countries in Europe by Schengen visa compare to compare to U.S.

Competitive Environment

Malaysia

- **Japan National Tourism Organization (JNTO)** did a campaign with AirAsia that gives discounts up to 48% that focus on flights to Tokyo, Osaka, Hokkaido, Fukuoka, and Okinawa. That offer was from January 6, 2020, till 19 January 2020 *[Source: JNTO]*
- **Macao Government Tourist Office (MGTO)** organized "It's All Here - Macao Roadshow" event at IOI City Mall, Putrajaya on January 10 – 14, 2020. *[Source: MGTO]*

Singapore

- **Japan National Tourism Organization (JNTO)** ran a contest with Isetan (Japanese department store) that gave out prizes worth SGD\$3,000 of gift vouchers will be presented to 8 lucky winners who identify their favorite destination in Japan. The contest period is from January 21- March 10, 2020. *[Source: JNTO]*
- **Taiwan Tourism Bureau (TTB)** is giving away 300 Taipei MRT cards that promote the 2020 Taiwan Lantern Festival in Taichung. Offers are made available from January 29, 2020, for flights that depart from Singapore to Taiwan. *[Source: TTB]*

Thailand

- **Macao Tourism (MT)** participated in TITF (Thai International Travel Fair) that happened on January 25-26, 2020, at IMPACT Muang Thong Thani. At the booth, MT promoted their campaign #MacaoMakMak which literally means "Delicious Macao" that focuses on the gastronomy scene in Macau. *[Source: MT]*

Consumer Trends

- According to TTG Asia Media, Southeast Asian outbound travel sentiment remains strong in 2020, fueled by new packages and destinations to whet travelers appetite, despite the U.S.-China trade war uncertainty and a weak ringgit. Demand for long-haul holidays remained strong for the Chinese New Year period, with Turkey, the Balkans, and Western Europe being popular destinations. For Muslim families, tour to Spain and Morocco are in demand.

Travel Trends

- Skyscanner released its APAC Travel Trends Report for 2020 and the report revealed that ‘Slow Travel and Micro Escapes’ are becoming a mainstay as more Southeast Asian travelers seek shorter respites from day-to-day stressors, while indulging in little luxuries for added comfort. Exotic destinations for slow travel include Budapest (Hungary), Takamatsu (Japan), Chiang Mai (Thailand) and Saipan (the Northern Mariana Islands).

Media Trends

- Consumers nowadays spend more time on their mobile devices than they do watching television, and marketers are taking note. Hence, it is pivotal for destination marketers to be aware of rapidly changing viewing habits and their implications on mobile performance. Travelers nowadays use mobile to shop for destination information and inspiration. One of the mobile best practices is to make content more immersive by creating vertical videos to maximize the impact of the videos. Secondly, it is best to introduce the brand and message in the first few seconds of the video, as people usually watch a mobile video in a short burst when they are on the go. It is important for destination marketers to utilize mobile best practices to capture its target audiences in the competitive digital environment.

Airlift

- Airlift to Hawai‘i from the Southeast Asia region still depends on transit flights from Taiwan, Japan, South Korea, and China that connects to Hawai‘i. Currently, only Philippine Airlines (via Manila) that has direct connectivity to Hawai‘i.

Market Intelligence/Market Conditions Impact on Hawai‘i Travel

- Since the outbreak of 2019 nCoV, travelers in Southeast Asia are taking more precautions towards traveling not only to China but also to the countries that are affected by the virus. However, there aren’t any major changes for bookings to Hawai‘i at the moment.

Leisure Activity Update

Consumer

- **GoPro Influencers Fam**
HTSEA has met with GoPro partners for discussion that evolves the topics of selected influencers, challenges, communication pillars for the upcoming fam trip. The communication pillars surround the theme of “Hawaiian Culture”, “Unique Experience/Adventure”, “Gastronomy” and “Nature Environment”. There will be shooting guidelines given to the influencers during this trip to ensure the quality of the produced content.
- **Explore content partnership with TripZilla**
TripZilla is considered as Southeast Asia leader in digital travel media that has a media reach of 25 million online visitors every month. Tripzilla is also Singapore’s No.1 travel portal. This online travel portal creates and curates useful, value-adding travel stories to inspire readers. HTSEA has met with TripZilla to discuss on the possible content angels for Hawai‘i.
- **ASTRO Radio Ads**

HTSEA met with a radio station in Malaysia on placing ads on two English radio stations where the listeners are white-collar workers. The radio ads are a sharing investment with Philippine Airlines to promote the flight to Hawai'i.

Travel Trade

- **Hawai'i Presentation to Travel Trade**

HTSEA did a destination presentation on Hawai'i to 50 travel trade partners. The event was held in Pullman Hotel Kuala Lumpur on January 9, 2020, as part of Galaxy Tour efforts to promote their U.S. destinations to the Malaysian agents. HTSEA also promoted responsible tourism at the event.

- **Chinese New Year- Trade Relationship Building**

To spread the spirit of Lunar New Year with the travel trade, HTSEA has sent a Chinese New Year greeting basket to the trade partners in Kuala Lumpur that includes Corporate Information Travel, Apple Vacations, Ice Holidays and Philippine Airlines.

Public Relations

- Gohawaii's Facebook followers reached 14,338 with 307 in fan growth compared to December 2019, while Instagram followers remain at 1,235.

Sales Activities

Sales Calls			
Airline	Wholesaler/TA/TO/OTA	Other	Total
2	11	2	15

Responsible Tourism Update

- HTSEA has been posting Kuleana videos on gohawaiisea's social media platforms to share Hawaiian culture and responsible travel with the potential visitors to Hawai'i.

Island Chapters Engagement Update

- HTSEA has been working with O'ahu Visitors Bureau and Island of Hawai'i Visitors Bureau to coordinate for the upcoming GoPro Influencers Fam. The discussion involved the itinerary, collaboration with stakeholders and etc.

"Coming Attractions" for Leisure Market

What	When	Where
Radio Campaign with Philippine Airlines	February 24 – March 8, 2020	Malaysia
Go Pro Influencers Fam Trip	March 8 – 14, 2020	O'ahu & Island of Hawai'i
Leisure/Trade Educational with ICE Holidays	February	Malaysia



Group Sales Status Report – January 2020

OVERVIEW

The global economy is forecasted to stabilize at a slower but steady growth of +2.8 percent in 2020, and the global meetings outlook reflects this moderate but positive growth. According to the BCD Travel 2020 Industry Forecast, meeting space rate increases in the U.S. are expected to be capped at two percent as the industry sees a slight softening in demand. Economic and political uncertainties, such as the on-going U.S.-China trade war and the upcoming U.S. presidential election, are keeping meeting budgets in check. Buyers are holding shorter meetings or booking further in advance, sometimes even looking at multiyear contracts to lock in space and rates.

In New Zealand and Australia, meeting space rates are rising fast and are anticipated to increase sharply next year, especially in Auckland with the opening of the New Zealand International Convention Centre, which will put additional pressure on the already short supply of quality hotel accommodation. This may lead to groups seeking more affordable cities elsewhere, opting to pay more for airfare while saving on hotel rates. In Asia, demand for conferences and meetings continues to boom and companies are growing their budgets. As Japan prepares for the Olympic Games later this year, group hotel rates will be expensive, but prices may fall sharply afterward. Despite recent political turmoil, Hong Kong is still reportedly the region's number one meetings destination for the region, followed by Singapore. Shenzhen, China, is also growing in popularity for MCI groups, though it remains to be seen whether the outbreak of the 2019 novel coronavirus will have any negative impact on that emerging meetings market.

In early February 2020, as part of the U.S. federal government's precautions against the new coronavirus, the U.S. government began funneling all in-bound flights from mainland China through seven designated major airports for screening, including the Daniel K. Inouye International Airport. The Hawai'i Tourism Authority (HTA) is continuing to monitor the situation via the Center for Disease Control and Prevention (CDC) and the State of Hawai'i's Department of Health (HDOH). As of February 10, there have been no cases reported in Hawai'i though one returning resident arrived from Hubei Province on February 10 and is under mandatory quarantine at the Pearl Harbor quarantine station but not exhibiting symptoms. Another 26 are self-monitoring with none exhibiting any symptoms. While it is too soon to measure the impact of the global outbreak on Hawai'i's tourism, at the epicenter of the epidemic – China -- the impact on their inbound and domestic tourism has been significant

SALES PRODUCTION (in the month for any year)

January 2020 marks the first month of the Hawai'i Visitors and Convention Bureau's (HVCB) integrated management of all MCI sales globally, both citywide and single property. This includes lead generation in collaboration with HTA's international marketing contractors. Tables 1, 2a and 2b, 3, 4a and 4b, and 5a and 5b represent production by HVCB's citywide and single property teams.

Table 1: Total HVCB Sales Production – January 2020

Room Nights	2020 Actual Month	Prior Year	Variance to Prior Year	2020 Year-to-Date	Prior Year	Variance to Prior Year
Definite & Assist-Definite	4,993	19,269	-74%	4,993	19,269	-74%
Tentative & Assist-Tentative	60,005	92,548	-35%	60,005	92,548	-35%

Merging of Hawai'i Convention Center data with HVCB's Simpleview database continues. The ongoing auditing and database cleansing may result in changes to previously reported figures.

**Table 2a: HVCB Citywide Sales Production
January 2020**

Room Nights	2020 Actual Month	Prior Year	Variance to Prior Year	2020 Year-to-Date	Prior Year	Variance to Prior Year	Annual Goal	YTD as % of Annual Goal
Combined Total								
Definite	0	9,955	-100%	0	9,955	-100%	TBD	TBD
New to Hawai'i	0	6,300	-100%	0	6,300	-100%	TBD	TBD
Tentative	10,155	20,333	-50%	10,155	20,333	-50%	TBD	TBD
MCI								
Definite	0	9,255	-100%	0	9,255	-100%		
New to Hawai'i	0	5,600	-100%	0	5,600	-100%		
Tentative	10,155	14,404	-29%	10,155	14,404	-29%		
Non-MCI								
Definite	0	700	-100%	0	700	-100%		
New to Hawai'i	0	700	-100%	0	700	-100%		
Tentative	0	5,929	-100%	0	5,929	-100%		

Merging of Hawai'i Convention Center data with HVCB's Simpleview database continues. The ongoing auditing and database cleansing may result in changes to previously reported figures.

COMMENTS

Market Conditions

New York, San Francisco, Chicago, Atlanta, and Toronto were the top five cities for future bookings, with new and renovated convention center spaces in New York and San Francisco being primary drivers for those two destinations. Other cities with strong momentum in the events niche include Seattle, Nashville, and Austin—with enough demand right now to fill the plethora of new full-service hotel inventory in

those cities—while Minneapolis and Portland, Oregon are also on the upswing thanks not only to new full-service inventory but also better airlift and a wider menu of dining and entertainment options.

Sales Production Analysis

The new year is starting off strong for both the technology and sports sectors in the corporate market with many repeat sports customers projecting stronger attendance this year and seeking additional space at the Center. Strong interest from technology corporations is also indicative that there are opportunities to present strong proposals in that market segment. Also in the pipeline for citywide business are two association groups in the educational and fraternal market segments looking at 2023 and 2026 respectively. The citywide sales team is especially focused on filling the most critical need years – 2021 and 2023.

Highlight of Key Definites

None to report for January.

Highlight of Key Tentatives

- *Convention – fraternal association, June 2026 (1,865 room nights)*
- *Convention – educational association, October 2023 (2,305 room nights)*
- *Convention – high tech corporation, January 2021 (5,985 room nights)*

**Table 2b: HVCB Single Property Sales Production
January 2020**

Room Nights	2020 Actual Month	Prior Year	Variance to Prior Year	2020 Year-to-Date	Prior Year	Variance to Prior Year	Annual Goal	YTD as % of Annual Goal
Combined Total								
Definite	2,327	7,001	-67%	2,327	7,001	-67%	TBD	TBD
New to Hawai'i	1,946	3,248	-40%	1,946	3,248	-40%	TBD	TBD
Tentative	42,986	66,419	-35%	42,986	66,419	-35%	TBD	TBD
MCI								
Definite	2,327	6,981	-67%	2,327	6,981	-67%		
New to Hawai'i	1,946	3,228	-40%	1,946	3,228	-40%		
Tentative	42,206	66,281	-36%	42,206	66,281	-36%		
Non-MCI								
Definite	0	20	-100%	0	20	-100%		
New to Hawai'i	0	20	-100%	0	20	-100%		
Tentative	780	138	465%	780	138	465%		

COMMENTS

Market Conditions

According to *Meetings Today* January 2020 article, medical meetings are facing new challenges in the new year. The medical and pharmaceutical segment of the meetings industry poses some of the toughest challenges for planners, with different codes and regulations depending on where events are held and the country of origination of attendees. Maritz Travel has pegged healthcare as a nearly \$1.7-trillion industry, which translates into a high demand for meetings and events serving the sector. However, while business prospects are good, it's actually extremely complicated and fraught with the possibility of compliance violations that carry large fines.

Meet Hawai'i staff report that the Midwest market continues to move opportunities to the destination with more association meetings than compared to the Q4 of 2019. This most likely is directly related to Q4 board meetings approving Hawai'i as a destination to be sourced for repeat meetings. As for the corporate incentive market, a steady stream of opportunities continues to pour in from the corporate incentive market, which may be a direct result of success in production from the fourth quarter and/or the success of selecting Hawai'i as a Destination, resulting in companies' financial gains. All-inclusive packages from other destinations like Costa Rica continue to be a challenge, especially in the mountain states market, as Hawai'i is unable to compete with the overall value and benefits offered by hotels and other destinations.

Sales Production Analysis

As with preceding years, the goal setting for Single Property will be established within first quarter. The delay is created by the completion and collection of the previous year's totals, with the "grace period" hard stop of January 31. The variances over previous year's production numbers is not concerning at this time.

Highlight of Key Definites

- Meeting – medical association, July 2021 (699 room nights)
- Meeting – environmental corporation, February 2020 (540 room nights)
- Meeting – government group, April 2020 (320 room nights)
- Meeting – educational association, January 2021 (267 room nights)
- Meeting – high tech corporation, April 2020 (135 room nights)

Highlight of Key Tentatives

- Convention – medical corporation, October 2020 (3,630 room nights)
- Convention – medical corporation, November 2020 (3,620 room nights)
- Convention – fraternal association, January 2021 (2,190 room nights)
- Incentive – medical corporation, April 2022 (2,165 room nights)
- Convention – high tech corporation, January 2021 (2,000 room nights)

Advertising Efforts

- Meetings, conventions and incentives (MCI) December Paid Media Recap
 - None to report for December.

Public Relations Efforts

- Activity highlights include:
 - None to report for December.
- Media Coverage Highlights:
 - "Giving Back, Aloha-Style" – *Smart Meetings*
 - "Destination Guide – Hawai'i" – *Meetings & Conventions*
 - "Putting Maui in Your Meeting" – *Meetings Today*
- December Impressions and Publicity Values for Articles that included Hawai'i:

<u>December Impressions</u>	<u>December Publicity Values</u>
Print: 132,640	Print: \$75,031
Online: 0	Online: \$0
Broadcast: 0	Broadcast: \$0
Total: 132,640	Total: \$75,031

**Table 2c: Hawai'i Tourism Canada Single Property Sales Production
January 2020**

Room Nights	2020 Actual Month	Prior Year	Variance to Prior Year	2020 Year-to-Date	Prior Year	Variance to Prior Year	Annual Goal	YTD as % of Annual Goal
Combined Total								
Definite & Assist-Definite	0	0	N/A	0	0	N/A	TBD	TBD
New to Hawai'i	0	0	N/A	0	0	N/A	TBD	TBD
Tentative & Assist-Tentative	2,468	126	1859%	2,468	126	1859%	TBD	TBD
MCI								
Definite & Assist-Definite	0	0	N/A	0	0	N/A	TBD	TBD
New to Hawai'i	0	0	N/A	0	0	N/A	TBD	TBD
Tentative & Assist-Tentative	218	126	73%	218	126	73%	TBD	TBD
Non-MCI								
Definite & Assist-Definite	0	0	N/A	0	0	N/A	TBD	TBD
New to Hawai'i	0	0	N/A	0	0	N/A	TBD	TBD
Tentative & Assist-Tentative	2,250	0	N/A	2,250	0	N/A	TBD	TBD

COMMENTS

Market Conditions

A key trend for 2020 is environmental, economic and social sustainability. One of the key trends for 2020 is sustainability, from an environmental, economic, and social perspective. While the Amazon rainforest fire and Australia brush fires have brought sustainability issues to the forefront, in 2020 the focus is on extending the concept to cover diversity and inclusion, modern day slavery, and even data privacy.

Sales Production Analysis

January was a good start to 2020 with 2,468 tentative room nights scheduled within Simpleview. Hawai'i Tourism Canada (HTCanada) is looking to close at least one of the groups received and several of the latter 2019 groups HTCanada were working on to close shortly. HTCanada did reach out to many of the tentative groups within Simpleview as well as reached out to planners who had sent RFP's to us through 2019, 2018 and beyond. 2020 looks to be a good year with increased budget allowing HTCanada to increase visibility in the marketplace.

Highlight of Key Definites

None to report for January.

Highlight of Key Tentatives

- Sports event – sports corporation, October 2020 (2,250 room nights)
- Incentive – travel corporation, June 2021 (218 room nights)

Advertising and PR Activity

None to report for January.

**Table 2d: Hawai'i Tourism China Single Property Sales Production
January 2020**

Room Nights	2020 Actual Month	Prior Year	Variance to Prior Year	2020 Year-to-Date	Prior Year	Variance to Prior Year	Annual Goal	YTD as % of Annual Goal
Combined Total								
Definite & Assist-Definite	600	346	73%	600	346	73%	TBD	TBD
New to Hawai'i	600	346	73%	600	346	73%	TBD	TBD
Tentative & Assist-Tentative	600	2,484	-76%	600	2,484	-76%	TBD	TBD
MCI								
Definite & Assist-Definite	0	90	-100%	0	90	-100%	TBD	TBD
New to Hawai'i	0	90	-100%	0	90	-100%	TBD	TBD
Tentative & Assist-Tentative	0	1,280	-100%	0	1,280	-100%	TBD	TBD
Non-MCI								
Definite & Assist-Definite	600	256	134%	600	256	134%	TBD	TBD
New to Hawai'i	600	256	134%	600	256	134%	TBD	TBD
Tentative & Assist-Tentative	600	1,204	-50%	600	1,204	-50%	TBD	TBD

COMMENTS

Market Conditions

China Outbound Travel Market

- The outbreak of the coronavirus infection in China has caused a substantial setback in flight bookings for the Chinese New Year period from January 10 to February 6. Impacted by the coronavirus outbreak, more than 25,000 flights to, from and within China will be canceled as more than two dozen airlines suspend services to the country. Because of foreign airlines cutting flights to China, international capacity will fall by 4.4 million seats a week.
- More than 49 foreign airlines have cancelled or reduced flights from mainland China. More than 41 domestic airlines cancelled large number of domestic flights. Among which foreign airlines in North America flights, 33 percent cancelled by Delta, 5.56 percent cancelled by United Airlines, 58.33 percent cancelled by American Airlines, 91.67 percent by Air Canada. Among which other foreign airlines global, 8 airlines in Europe, 27 airlines in Asia, 2 airlines in Oceania.
- Among domestic which 52.62 percent were cancelled by China Southern Airlines, 49.80 percent by China Eastern Airlines and 47.11 percent by Air China. Flight cancellations at major domestic airports: 51.3 percent in Beijing, 56.2 percent in Guangzhou, 47.4 percent in Shanghai Pudong and 64.1 percent in Shanghai Hongqiao.

Impact on Hawai'i:

With the outbreak of the coronavirus, the only direct flight from China to Honolulu via China Eastern Airlines was suspended from February 3, 2020 to March 2021. The capacity will fall by 7,800 seats a week, an estimated fall of 90,000 seats in a year.

China Economy

- **Economy:** China's GDP grew by 6.1 percent yearly in 2019, slightly decrease 0.5 percent compared with 2018. GDP YOY in Q4 grew 6 percent with tertiary industry YOY in Q4 grew 6.6 percent.
- **Currency:** In January, Chinese Yuan per USD is relatively flat from 6.96 to 6.94 with U.S. and China working out initial phase of trade deal.
- **Unemployment rate:** In the end of 2019, the unemployment rate in China decreased to 3.62 percent in the year of 2019 from 3.8 percent the year of 2018, reaching a record low since 2009.
- **Consumer confidence:** Consumer confidence in China increased 2.5 in Q4 2019, standing at 103.1 Index Points from 100.6 in Q3 2019.

Sales Production Analysis

Hawai'i Tourism China (HTC) has secured 600 assist-definite room nights in January 2020. HTC played a key role to build a new culture bridge between Hawai'i and China. HTC will focus on developing new channels with potential MCI intermediaries to secure more bookings on smaller, high-yield MCI groups in 2020, such incentive groups. Also, HTC will keep monitoring HCC events to connect China MCI intermediaries, associations, and corporates with Hawai'i and contribute by attendance building.

Highlight of Key Definites

- Sports event – golf group, February 2020 (600 room nights)

Highlight of Key Prospects

- Cultural event – art group, June 2022 (1,000 room nights)

Highlight of Key Cancellations

None to report for January.

Advertising and PR Activity

None to report for January.

**Table 2e: Hawai'i Tourism Japan Single Property Sales Production
January 2020**

Room Nights	2020 Actual Month	Prior Year	Variance to Prior Year	2020 Year-to-Date	Prior Year	Variance to Prior Year	Annual Goal	YTD as % of Annual Goal
Combined Total								
Definite & Assist-Definite	1,990	1,364	46%	1,990	1,364	46%	TBD	TBD
New to Hawai'i	540	444	22%	540	444	22%	TBD	TBD
Tentative & Assist-Tentative	1,990	1,364	46%	1,990	1,364	46%	TBD	TBD
MCI								
Definite & Assist-Definite	1,990	1,364	46%	1,990	1,364	46%	TBD	TBD
New to Hawai'i	540	444	22%	540	444	22%	TBD	TBD
Tentative & Assist-Tentative	1,990	1,364	46%	1,990	1,364	46%	TBD	TBD
Non-MCI								
Definite & Assist-Definite	0	0	N/A	0	0	N/A	TBD	TBD
New to Hawai'i	0	0	N/A	0	0	N/A	TBD	TBD
Tentative & Assist-Tentative	0	0	N/A	0	0	N/A	TBD	TBD

COMMENTS

Market Conditions

The outbreak of the Coronavirus is prompting the issuance of travel advisories to China. The Japanese Ministry of Foreign Affairs has issued level 2 advisories calling for all trips not urgent to the Hubei province to be cancelled, while the World Health Organization declared the coronavirus to be a Public Health Emergency of International Concern on January 31. As of February 3, the island nation of Micronesia has banned direct entry from Japan where multiple infections of the coronavirus have been confirmed. Travel outlook remains dependent on the effects of the outbreak.

JTB partnered with Veeva Systems Japan to enhance support and provide solutions for difficulties in arranging meeting and events within the pharmaceutical and life science sector. Arrangement of leads for this sector has been difficult as meticulous review of benefits, compliancy matters, etc. were required. The new partnership aims to help alleviate complications by better streamlining the process, encouraging generation of future leads.

Performed new year's greetings to travel agencies and airlines to discuss 2019 results and 2020 outlooks. Overall performance for Q1 has been strong but weakness can be seen from Q2 as the Olympics approaches. Despite these conditions, airlines are forecasting continued strong performance as direct bookings, and Japanese inbound travelers maintain bookings.

ANA announced the use of their Airbus A380 to increase to 14 weekly flights in July, with Korean Air also changing aircraft used to a larger aircraft with 364 seats in October. As organizers currently have no choice but to divide large-scale group business to multiple flights, the growth in capacity comes as

welcoming news, making promotion of group travel to Hawai'i easier. Korean Air is also supporting a portion of ground transportation costs for some group business leads to attract business.

5 Target Pillar Condition/Support

Incentive / Anniversary:

- Bookings for incentive travel are exhibiting strong performance in Q1, but greatly wanes in Q2 as the Olympics approaches. Wholesalers are relying on Q3 performance to boost performance.
- The introduction of additional capacity (ANA and KE) will allow organizers to consolidate flights for groups. Wholesalers are planning a campaign whereby domestic add-on flight fees will be waived for leads that avoid the separation of flights by using the Airbus A380 to encourage travels.

Edu-Tourism:

- In 2019, most edu-tourism trips consisted of school trips (85%) with the remainder being experience related trips (15%). Wholesalers used by institutions were predominantly those with corporations established in Hawai'i.
- Hawai'i Tourism Japan (HTJ) will be hosting edu-tourism focused seminar blitz' at cities with sister city relations such as Fukuoka, Hiroshima, Tokyo, Sapporo and Okinawa to attract leads. Emphasis will be placed on higher quality leads regardless of size.

Sports:

- With the return of the Hula Bowl to Hawai'i after 12 years, HTJ supported arrangements for the three chosen players and their coach from Japan. Effective promotions for the event will be continued to ensure attraction for future years.
- Supported arrangement of flight and accommodation for 27 volleyball players and their four coaches from Nippon Sport Science University for an exhibition match with the UH men's volleyball team. HTJ will maintain discussions with parties to continue exchange programs.
- Participants for the Honolulu Marathon have been declining. Organizers continue efforts to attract participants by introducing new plans such as those incorporating it into small-scale incentive tours' itineraries and/or those combining it with a training camp.

Entertainment:

- HTJ is working with popular Japanese idol groups SKE48, NMB48 and STU 48 to name a new spokesperson. In December, members of the groups nominated themselves to show interest in becoming a spokesperson. Elections in January will narrow down the candidates to 16. A final round will be held in February, where three members will officially be selected. After selection, the members will share SDG related messages while also hosting fan meeting events with elements unique to Hawai'i.
- The MICE team continued approaching various entertainment entities to attract potential leads for 2021. Potential entertainment leads include concerts and fan club events.

Attendance Building:

- Received direct inquiries from two organizers. As availability for the HCC matched itineraries, HTJ will serve as the gateway for the organizers and HCC.

Sales Production Analysis

In January, three definite leads were generated from the automotive, technology and manufacturing industries. This allowed for a total of 1,990 assist-definite room nights to be secured in January.

Highlight of Key Definites

- Incentive – manufacturing corporation, February 2020 (375 room nights)
- Meeting – high tech corporation, January 2020 (1,075 room nights)
- Incentive – automotive corporation, February 2020 (540 room nights)

Highlight of Key Tentatives

- Incentive – manufacturing corporation, February 2020 (375 room nights)
- Meeting – high tech corporation, January 2020 (1,075 room nights)
- Incentive – automotive corporation, February 2020 (540 room nights)

Highlight of Key Cancellations

None to report for January.

Advertising and PR Activity

HTJ MICE Guidebook; Print 20,000

Creation of the HTJ MICE Guidebook entered its final phase with details such as coloration being decided. HTJ is working closely with the publisher to ensure that the guidebook is completed in time for the B2B seminar in Fukuoka in March. Printed copies are expected to be received during the first week of March.

**Table 2f: Hawai'i Tourism Korea Single Property Sales Production
January 2020**

Room Nights	2020 Actual Month	Prior Year	Variance to Prior Year	2020 Year-to-Date	Prior Year	Variance to Prior Year	Annual Goal	YTD as % of Annual Goal
Combined Total								
Definite & Assist-Definite	0	522	-100%	0	522	-100%	TBD	TBD
New to Hawai'i	0	201	-100%	0	201	-100%	TBD	TBD
Tentative & Assist-Tentative	0	0	N/A	0	0	N/A	TBD	TBD
MCI								
Definite & Assist-Definite	0	522	-100%	0	522	-100%	TBD	TBD
New to Hawai'i	0	201	-100%	0	201	-100%	TBD	TBD
Tentative & Assist-Tentative	0	0	N/A	0	0	N/A	TBD	TBD
Non-MCI								
Definite & Assist-Definite	0	0	N/A	0	0	N/A	TBD	TBD
New to Hawai'i	0	0	N/A	0	0	N/A	TBD	TBD
Tentative & Assist-Tentative	0	0	N/A	0	0	N/A	TBD	TBD

COMMENTS

Market Conditions

- South Korea's Economy to Grow in 2020:** The United Nations (UN) says South Korea's economy is likely to grow +2.3 percent in 2020, a modest rebound rising from 2 percent in 2019. The UN report said the government's planned increase in fiscal expenditure will boost domestic demand, particularly for private consumption, although export growth will likely remain sluggish amid high downside risks arising from slowing electronics business and an ongoing trade row with Japan.
- Exchange Rate/Fuel Surcharges:** The average USD/WON exchange rate in January was 1162.43 won, a slight decrease from the previous rate of 1172.45 won in December. Fuel surcharges remained the same as in December since they were imposed in January up to 69,600 won (US\$59.77) for a round trip between Korea and the U.S.
- South Korea's business sentiment:** According to Bank of Korea (BOK) data on January 30th, the business sentiment of South Korean manufacturers significantly improved for the upcoming month, amid signs of a rebound in exports. While business sentiment for the next 12 months surged to a 22-month high, the China virus scare could hurt confidence if the death toll keeps rising and business disruptions continue for a while longer. The business sentiment index (BSI) of manufacturing companies reached to 77 for February, up from 73 for this month. (A reading below the benchmark 100 means pessimists outnumber optimists.) Meanwhile, the BSI for all industries came to 76 for February, up from 74 for this month. The BSI of non-manufacturing firms, including the service industry, slipped to 74 from 75 over the cited period. However, this survey didn't reflect the outbreak of a rapidly spreading new coronavirus in China that has claimed scores of lives, disrupted travel and tourism across many countries and stoked fears of a broad hit to global growth.

Sales Production Analysis

Hawai'i Tourism Korea's (HTK) MCI team missed its KPI target in the following measures during January 2020. HTK was not able to generate any citywide leads nor fulfill the KPI target of single property MCI definite/assist-definite room nights, which was 2,300 definite room nights. The decline in January MCI leads was mainly due to 1) the Lunar New Year holidays (Jan 24-27) and 2) the outbreak of Wuhan Coronavirus from the late January. Koreans went on short-term overseas leisure trips to celebrate the holidays with their families during the Lunar New Year holidays, which made corporates hold off their MCI trips. Meanwhile, with the spread of the Coronavirus over Korea, South Korea's government raised its infectious disease alert level one notch to orange and redoubled quarantine inspections with more efforts. Some major retailers, including duty-free shops and supermarket chains across the country have temporarily shut down some of their stores to prevent possible contamination. According to Hana Tour, as the issue has been increasingly impacting outbound leisure/MICE travel industry, some corporates have canceled or postponed their MCI trips to Hawai'i.

Highlight of Key Definites

None to report for January.

Highlight of Key Tentatives

None to report for January.

Highlight of Key Cancellations

None to report for January.

Advertising and PR Activity

Hawai'i MCI Golf Advertorial Development: In collaboration with trade media partners, HTK is developing advertorials to feature Hawai'i as top-of-mind premium golf/MCI trip destination. It will introduce various signature golf courses visited during the Celebrity Golf FAM as well as major golf events held in Hawai'i, such as Sony Open & Lotte LPGA Championship. It will be distributed via three travel magazines, one golf magazine and HTK's owned social media channels. Estimated advertising value (EAV) and impression will be shared once it's published on each media outlet.

- Advertising Period: February – March 2020
- Media: Tour de Monde, Lonely Planet, Global Travel News, Golf Digest, HTK Official YouTube, HTK Official Instagram

**Table 2g: Hawai'i Tourism Oceania Single Property Sales Production
January 2020**

Room Nights	2020 Actual Month	Prior Year	Variance to Prior Year	2020 Year-to-Date	Prior Year	Variance to Prior Year	Annual Goal	YTD as % of Annual Goal
Combined Total								
Definite & Assist-Definite	76	81	-6%	76	81	-6%	TBD	TBD
New to Hawai'i	76	0	N/A	76	0	N/A	TBD	TBD
Tentative & Assist-Tentative	1,806	1,822	-1%	1,806	1,822	-1%	TBD	TBD
MCI								
Definite & Assist-Definite	76	0	N/A	76	0	N/A	TBD	TBD
New to Hawai'i	76	0	N/A	76	0	N/A	TBD	TBD
Tentative & Assist-Tentative	1,806	1,662	9%	1,806	1,662	9%	TBD	TBD
Non-MCI								
Definite & Assist-Definite	0	81	-100%	0	81	-100%	TBD	TBD
New to Hawai'i	0	0	N/A	0	0	N/A	TBD	TBD
Tentative & Assist-Tentative	0	160	-100%	0	160	-100%	TBD	TBD

COMMENTS

Market Conditions

- **Currencies** – At the end of January, the NZD sat at USD 0.65, with little change amid ongoing worry about both the spread of China's coronavirus and the economic impact of measures aimed at countering it. The AUD finished the first month of the year sitting at USD 0.67 following the slow month of activities after long holiday periods and the bushfires across the country.
- The ongoing bushfire crisis continues to draw international attention to Australia and continues to impact locals across the country. The results of a survey published on January 22 suggest a tough period ahead for many Australian industries. Consumer sentiment fell by 6.2 percent in January compared with the same month last year, according to the Westpac-Melbourne Institute Index. Agriculture is also badly affected, although losses in this industry may be less visible than in other sectors of the economy. Tourism industry accounts for 3.1 percent of Australia's economy and employs 666,000 people, or 5.2 percent of the country's workforce, according to government figures. More than nine million people visited Australia last year from overseas, and spent more than \$30bn, both figures higher than the previous year. Domestic tourism has also been on the rise so the damages from the bushfires will impact inbound and domestic market.
- Australian businesses are being urged to hold major conferences and events in Australia this year, under a new campaign by the Australian Government to get more business events into fire-affected regions. The Federal Government has announced that Business Events Australia is Coordinating a domestic campaign to encourage Australia to “Event Here This Year”, to help provide a boost to the events industry in the wake of the bushfires. Part of the National Bushfire Recovery Fund, the campaign urges organizations to hold their business events at home this year rather than abroad.

- “Event Here This Year” aligns with Tourism Australia’s broader tourism campaign encouraging Australians to “Holiday Here This Year”.
- HTO will be closely monitoring the spread of Coronavirus and how this may affect people's desire to travel over the next few months.

Sales Production Analysis

Despite being a month of slow activities due to long holiday periods and the devastating bushfires, HTO obtained many leads with potential 1,800 room nights in total. One of the highlights is the group relocating from China due to the coronavirus. The exchange rate continues to be one of the main challenges HTO faces for meeting planners who are looking for additional value when booking conference, meeting and incentive groups.

Highlight of Key Definites

- Meeting – engineering association, February 2020 (76 room nights)

Highlight of Key Tentatives

- Incentive – incentive corporation, September 2020 (1,440 room nights)
- Meeting – confidential group, July 2020 (210 room nights)
- Incentive – manufacturing association, April 2021 (80 room nights)
- Meeting – engineering association, February 2020 (76 room nights)

Advertising and PR Activity

- *Spice News*, major MCI publisher, has published an article regarding incentive program in Hawai‘i
 - <https://bit.ly/2SBnNii>

**Table 2h: Hawai'i Tourism Southeast Asia Single Property Sales Production
January 2020**

Room Nights	2020 Actual Month	Prior Year	Variance to Prior Year	2020 Year-to-Date	Prior Year	Variance to Prior Year	Annual Goal	YTD as % of Annual Goal
Combined Total								
Definite & Assist-Definite	0	0	N/A	0	0	N/A	TBD	TBD
New to Hawai'i	0	0	N/A	0	0	N/A	TBD	TBD
Tentative & Assist-Tentative	0	0	N/A	0	0	N/A	TBD	TBD
MCI								
Definite & Assist-Definite	0	0	N/A	0	0	N/A	TBD	TBD
New to Hawai'i	0	0	N/A	0	0	N/A	TBD	TBD
Tentative & Assist-Tentative	0	0	N/A	0	0	N/A	TBD	TBD
Non-MCI								
Definite & Assist-Definite	0	0	N/A	0	0	N/A	TBD	TBD
New to Hawai'i	0	0	N/A	0	0	N/A	TBD	TBD
Tentative & Assist-Tentative	0	0	N/A	0	0	N/A	TBD	TBD

COMMENTS

Market Conditions

For the MCI market in Southeast Asia, one of the main concerns that MCI group has is the visa restriction to the U.S. as most of the countries in the region are required to apply for a U.S. visitor visa (except for Singapore and Brunei). Hawai'i Tourism Southeast Asia (HTSEA) is seeking assistance from the U.S. embassy here in Kuala Lumpur to do an awareness campaign to educate the public on the visa application process. On the competitive landscape, other national tourism organizations (NTO) in the region still continue to give incentive support to attract more MCI groups to their destinations.

Sales Production Analysis

HTSEA started relationship building with MCI customers in the Southeast Asia market and will continue to drive more leads and to connect MCI intermediaries, associations, and corporates with Hawai'i.

Highlight of Key Definites

None to report for January.

Highlight of Key Prospects

- Incentive group, November 2020
- Incentive group, October 2020
- Incentive group, September 2020
- Incentive group, June 2020

Advertising and PR Activity

None to report for January.

**Table 2i: Hawai'i Tourism Taiwan Single Property Sales Production
January 2020**

Room Nights	2020 Actual Month	Prior Year	Variance to Prior Year	2020 Year-to-Date	Prior Year	Variance to Prior Year	Annual Goal	YTD as % of Annual Goal
Combined Total								
Definite & Assist-Definite	0	0	N/A	0	0	N/A	TBD	TBD
New to Hawai'i	0	0	N/A	0	0	N/A	TBD	TBD
Tentative & Assist-Tentative	0	0	N/A	0	0	N/A	TBD	TBD
MCI								
Definite & Assist-Definite	0	0	N/A	0	0	N/A	TBD	TBD
New to Hawai'i	0	0	N/A	0	0	N/A	TBD	TBD
Tentative & Assist-Tentative	0	0	N/A	0	0	N/A	TBD	TBD
Non-MCI								
Definite & Assist-Definite	0	0	N/A	0	0	N/A	TBD	TBD
New to Hawai'i	0	0	N/A	0	0	N/A	TBD	TBD
Tentative & Assist-Tentative	0	0	N/A	0	0	N/A	TBD	TBD

COMMENTS

Market Conditions

In 2020, economic growth is expected to decelerate somewhat due to weaker momentum with key trading partners. China and the U.S. trade diversion from China and the healthy domestic demand should support the economy. According to *FocusEconomics*, Taiwan's GDP is forecasted to grow +2.3 percent in 2020, and +2.2 percent in 2021.

Taiwan's outbound travel was affected by the Presidential Election. People were reluctant to travel due to the uncertainty of the outcome and possible economy changes. The Chinese New Year Holiday on January 23-29 also affected outbound travel, with most people opting to stay home for the holiday. Bookings for outbound travel is expected to grow in the following months for summer vacation when schools plan for exchange programs.

Hawai'i continues to be a major outbound MCI market for Taiwan. There is huge potential for people to consider Hawai'i as a perfect MCI destination. Although Hawai'i is considered as a popular destination for many travel agents, most agents and leads don't know the benefits of hosting MCI in Hawai'i. Therefore, Hawai'i Tourism Taiwan (HTT) will reach out and educate potential MCI groups so they understand what the destination has to offer.

Sales Production Analysis

HTT started off relationship building with 3rd party MCI agents in Taiwan and will continue to work closely with HCC to drive more leads and to connect MCI intermediaries, associations, and corporates in Taiwan with Hawai'i.

Highlight of Key Definites

HTT is following up with the Rotary Club and 3rd Parties to build attendance for the June 2020 Rotary Club International Convention. According to major MCI agents, China Airlines will operate two fully booked flights with some Rotary members travel via other airlines. A total of 1,000 attendees are expected from Taiwan for the Rotary Club Convention.

Highlight of Key Tentatives

None to report for January.

Highlight of Key Prospects

- Friendship Tour, who works closely with ASUSTeK Computer Inc., is going to host a company event to introduce travel destinations including Hawai'i.
- Artisan Tour is in close relationship with Mayors of communities for hosting travel groups. HTT will keep following up to get opportunities to meet with the decision makers.
- Lion Travel, Taiwan's biggest wholesaler, organizes individual family retreats as well as corporate travel. HTT will speak at the Quanta Computer Taiwan Travel Seminar to promote Hawai'i as a MCI destination.

Advertising and PR Activity

Travel Trend News (TTN) for HTT's Chinese New Year Greetings

- Every year, TTN invites airlines, key agents and DMOs to share a greeting message with the travel industry. HTT shared the core brand message of "Hawai'i – Sanctuary of Aloha" with greetings as the team kicked off duties in Taiwan market.

**Table 3: Island Distribution of HVCB Single Property Sales – Year-to-Date
January 2020**

Island	Tentative Room Nights YTD Actual*	Tentative Room Nights YTD Annual Goal	Definite Room Nights Month Actual	Definite Room Nights YTD Actual	Percent of Goal	Lead-to-Booking Conversion (Room Nights) Goal	Lead-to-Booking Conversion (Room Nights) Actual
O‘ahu	27,722	TBD	1,485	1,485	TBD	TBD	5%
Kaua‘i	5,660	TBD	0	0	TBD	TBD	0%
Maui County	39,346	TBD	842	842	TBD	TBD	2%
Hawai‘i	25,609	TBD	0	0	TBD	TBD	0%
Total	98,337	-	2,327	2,327	-		

*Tentative room nights do not match those in Table 2b because many leads are distributed to more than one island.

‘ELELE PROGRAM

January meetings and updates from Deborah Zimmerman, ‘Elele Program Director from New Millennium Meetings (NMM):

Promising Prospects

‘Elele Program Director visited with the executive director of an international trade association during their annual meeting in Hawai‘i. This year’s meeting had a record attendance of 2,500 people, a +20% growth. Accordingly, the association is now interested in pursuing the Hawai‘i Convention Center for future years. Director of Accounts – East Coast for citywide sales will be working with the ‘Elele Program Director on this opportunity.

‘Elele Program Director met with a University of Hawai‘i faculty member who is willing to lobby to bring his professional society relating to physics to Hawai‘i. The program usually meets in February with 6,000 attendees. Part of the association’s strategic plan is to “foster a global community” and “establish mutually beneficial relationships with international societies.” The ‘Elele has several contacts on the board of directors whom he will approach during the upcoming convention in San Diego.

Sr. Director of Accounts for single property sales and the ‘Elele Program Director had an office meeting with an ‘Elele and his team at the University of Hawai‘i Cancer Center to discuss booking a meeting in Hilo for June 2021 with 100 attendees. The ‘Elele also reached out to an international medical society where he has previously served as the national president, which has a program that meets in January with an estimate of 500 attendees. Moreover, he is willing to partner with Meet Hawai‘i on a national medical society that meets in October with 5,000 attendees.

LOST BUSINESS

January is traditionally the audit month for single property sales from the previous year which results in the larger than usual number of lost bookings.

**Table 4a: HVCB Citywide Lost Business
January 2020**

Market	Vertical Market Segment	Total Room Nights	Total Attendees	Meeting Dates	Competing Destinations	Reason for Lost Business
MCI: Convention - Domestic (18577)	Educational	11,665	6,000	11/01/2024 - 11/09/2024	Initially, Hawai'i only	Program lost due to high cost of hotel rates.

**Table 4b: HVCB Single Property High Profile Lost Business
January 2020**

Market	Vertical Market Segment	Total Room Nights	Total Attendees	Meeting Dates	Competing Destinations	Reason for Lost Business
MCI: Convention - Domestic (15377)	High Tech	8,670	1,750	01/18/2021 - 01/22/2021	Los Angeles, San Diego, Mexico, Las Vegas, San Francisco, New York, Madrid, Hong Kong, London.	Program lost to Los Angeles.
MCI: Convention - Domestic (16846)	High Tech	5,150	2,500	02/28/2021 - 03/13/2021	Singapore, Orlando, New York, Nashville, San Diego	Program lost to Nashville.
MCI: Convention - Domestic (16768)	Manufacturing, Distrib.	4,380	850	10/02/2020 - 10/09/2020	U.S. West Coast: San Diego, Los Angeles, Anaheim, Seattle, Portland, Vancouver, Denver; Asia: Singapore, Shanghai, Hong Kong, Taipei, Seoul, Macau	Program was cancelled.
MCI: Convention - Domestic (17949)	Engineering	4,188	1,500	12/06/2022 - 12/09/2022	Phoenix, San Diego, Cancun	Client no longer considering Hawai'i.
MCI: Convention - Domestic (16383)	Finance, Banking	3,989	625	07/11/2023 - 07/21/2023	Vancouver, Toronto,	Program lost to New York.

					Chicago, New York, Reno, Las Vegas, New Orleans, Seattle, Bahamas	
MCI: Convention - Domestic (18618)	Medical, Pharm	3,630	600	11/01/2020 - 11/07/2020	Latin America	Client issued new RFP for same program.
MCI: Convention - Domestic (18016)	High Tech	3,530	720	01/25/2020 - 02/01/2020	Initially, Hawai'i only	Client no longer considering Hawai'i.
MCI: Convention - International (13562)	Medical, Healthcare	3,500	1,000	10/03/2022 - 10/09/2022	Initially, Hawai'i only	Client no longer considering Hawai'i.
MCI: Incentive (13729)	Manufacturing, Distrib.	3,435	1,600	04/15/2021 - 04/23/2021	Initially, Hawai'i only	Client no longer considering Hawai'i.
MCI: Incentive (16443)	Business Services, Consulting	2,592	432	12/05/2020 - 12/11/2020	Initially, Hawai'i only	Program was cancelled.
MCI: Convention - Domestic (18496)	Medical, Healthcare	2,420	450	04/24/2022 - 05/02/2022	Initially, Hawai'i only	Client no longer considering Hawai'i.
MCI: Incentive (16740)	High Tech	2,048	800	05/01/2021 - 05/07/2021	Bahamas	Program lost to the Bahamas.
MCI: Convention - International (12446)	Technology	1,630	1,100	04/24/2022 - 04/28/2022	Initially, Hawai'i only	Program lost to Macau.
MCI: Meeting (15269)	Other (add tags)	1,565	450	04/30/2021 - 05/07/2021	Initially, Hawai'i only	Program was cancelled.
MCI: Convention - Domestic (12649)	Trade Assns	1,551	650	02/05/2022 - 02/13/2022	Las Vegas, San Diego, and New Orleans	No response from client.
MCI: Incentive (17959)	Medical, Pharm	1,462	440	04/11/2021 - 04/16/2021	Riviera Maya	Program lost to Cabo San Lucas due to overall cost.
MCI: Incentive (16914)	Finance, Banking	1,375	350	03/17/2022 - 03/24/2022	Initially, Hawai'i only	Program lost due to overall distance and time Away.
MCI: Convention - Domestic (13777)	Consumer Products	1,250	300	06/06/2021 - 06/10/2021	Initially, Hawai'i only	No response from client.
MCI: Convention - Domestic (18152)	Trade Assns	1,225	500	09/13/2020 - 10/08/2020	Initially, Hawai'i only	Program lost to Hershey, PA.
MCI: Meeting (14977)	Unknown	1,200	400	08/24/2020 - 08/29/2020	Panama	Another 3rd party planner booked the program.
MCI: Convention - Domestic (11577)	Religious	1,183	550	09/11/2020 - 09/18/2020	Colorado, Mexico, Chicago, Vancouver, Las Vegas, Reno Tahoe, Bahamas, Puerto Rico, San Francisco, Seattle, Toronto, New Orleans, Memphis,	Client no longer considering Hawai'i.

					Arizona, Banff (Canada), St. Louis, Atlanta, San Antonio, Galveston, Austin, Orlando, Miami, Palm Beach, Fort Lauderdale, Michigan, Indianapolis, Cleveland, Washington DC, California, Greensboro, New England, Louisville, Santa Fe, Carolinas,	
MCI: Convention - International (12611)	Legal	1,145	350	06/18/2020 - 06/26/2020	Initially, Hawai'i only	Program lost to Washington, DC.
MCI: Incentive (14869)	High Tech	1,125	450	02/20/2020 - 02/25/2020	Mexico	Client no longer considering Hawai'i.
MCI: Convention - Domestic (18176)	Educational	1,067	460	01/11/2021 - 01/18/2021	Initially, Hawai'i only	Program was cancelled.
MCI: Incentive (18006)	Travel	1,047	314	06/01/2020 - 06/05/2020	Initially, Hawai'i only	Program lost to Budapest.
MCI: Meeting (16537)	Medical, Pharm	985	225	01/26/2020 - 01/31/2020	Phoenix, Scottsdale, Tucson, San Diego	Program lost to San Diego.
MCI: Convention - Domestic (13094)	Medical, Healthcare	950	250	03/02/2020 - 03/08/2020	Initially, Hawai'i only	Program has been postponed.
MCI: Incentive (16869)	Medical, Pharm	943	248	03/25/2021 - 03/30/2021	Initially, Hawai'i only	Program lost to Cabo San Lucas.
MCI: Convention - Domestic (16795)	Unknown	925	350	02/01/2021 - 02/06/2021	Initially, Hawai'i only	Program lost to Mexico due to overall cost against all inclusive rate.
MCI: Meeting (18133)	Business Services, Consulting	917	200	06/13/2021 - 06/19/2021	Alaska	Program was cancelled.
MCI: Convention - Domestic (16862)	Unknown	870	250	02/10/2020 - 02/14/2020	Aruba, Bahamas, Mexico, Cayman Islands, Costa Rica, Florida, Arizona, Puerto Rico, Spain, Turks and Caicos Islands, and Portugal	Program was cancelled.
MCI: Meeting (15041)	High Tech	850	225	02/01/2021 - 02/05/2021	Initially, Hawai'i only	Program was cancelled.

MCI: Incentive (13172)	High Tech	833	400	04/18/2020 - 04/21/2020	Costa Rica, Los Cabos	Program lost to Costa Rica.
MCI: Incentive (16842)	Business Services, Consulting	812	400	04/21/2021 - 04/25/2021	Cabo, Santa Barbara, Napa, Mexico, Palm Springs, Las Vegas	Client no longer considering Hawai'i.
MCI: Convention - Domestic (18257)	Educational	805	250	03/07/2023 - 03/13/2023	Initially, Hawai'i only	Program lost to Long Beach, CA.
MCI: Meeting (15062)	Unknown	800	100	04/03/2020 - 04/06/2020	Initially, Hawai'i only	Client no longer considering Hawai'i.
MCI: Incentive (14986)	Finance, Banking	777	310	04/21/2020 - 04/30/2020	Caribbean	Program lost to Mexico.
MCI: Convention - Domestic (16632)	Energy, Environment	775	250	06/08/2022 - 06/12/2022	Washington, DC, Austin, San Jose	Client no longer considering Hawai'i.
MCI: Convention - Domestic (17940)	Unknown	775	400	06/02/2020 - 06/07/2020	Texas, Colorado, Nevada, Minneapolis, Washington, Missouri,	Program lost to Chicago.
MCI: Incentive (13649)	High Tech	721	260	03/21/2021 - 03/31/2021	Initially, Hawai'i only	Program was cancelled.
MCI: Convention - International (12444)	Scientific	697	750	07/09/2022 - 07/14/2022	Vancouver, Portland, San Francisco, Denver	Program lost to Denver, CO.
MCI: Incentive (15276)	High Tech	689	250	04/14/2021 - 04/18/2021	Caribbean	Program was cancelled.
MCI: Incentive (18360)	Unknown	660	60	11/01/2020 - 11/07/2020	Initially, Hawai'i only	Client no longer considering Hawai'i.
MCI: Incentive (18041)	Medical, Pharm	655	232	04/16/2021 - 04/22/2021	Caribbean	Client no longer considering Hawai'i.
MCI: Convention - Domestic (17945)	Educational	640	300	05/08/2023 - 05/12/2023	Albuquerque, Las Vegas	Client no longer considering Hawai'i.
MCI: Meeting (15298)	Trade Assns	630	220	03/31/2020 - 04/03/2020	Austin, San Antonio, and Washington DC	Program lost to San Diego.
MCI: Incentive (16840)	Business Services, Consulting	621	400	04/28/2021 - 05/02/2021	Cabo, Santa Barbara, Napa, Mexico, Palm Springs, Las Vegas	Client no longer considering Hawai'i.
MCI: Incentive (18168)	Medical, Pharm	619	280	07/10/2022 - 07/14/2022	Spain, Ireland, Greece, Portugal, Prague, Peru, and Budapest	Program was cancelled.
MCI: Meeting (16847)	Trade Assns	615	200	10/22/2020 - 10/28/2020	Ponte Vedra, St. Augustine, Amelia Island, Ft. Lauderdale, West Palm	Program lost to Puerto Rico due to overall cost of air and hotels.

					Beach, Colorado Springs, CO, Lake Tahoe, Savannah, GA, Puerto Rico	
MCI: Incentive (12724)	Unknown	575	230	04/14/2020 - 04/19/2020	Initially, Hawai'i only	Program was cancelled.
MCI: Meeting (15333)	Entertainment, Media	575	200	10/11/2020 - 10/15/2020	Initially, Hawai'i only	Program was cancelled.
MCI: Meeting (18039)	Unknown	565	110	02/17/2020 - 02/21/2020	Initially, Hawai'i only	Program has been postponed.
MCI: Incentive (16773)	Unknown	557	150	02/24/2021 - 03/03/2021	Initially, Hawai'i only	Program lost to Alaska.
MCI: Convention - Domestic (16801)	Sports	555	300	05/21/2020 - 05/25/2020	Initially, Hawai'i only	Program lost to Michigan.
MCI: Convention - Domestic (13502)	Medical, Healthcare	554	600	05/30/2023 - 06/06/2023	Vancouver	Program lost to Toronto, Canada.
MCI: Incentive (16566)	Consumer Products	542	200	07/13/2020 - 07/19/2020	Initially, Hawai'i only	Program has been postponed.
Non-MCI: Sleeping Rooms Only (16915)	Religious	540	157	06/04/2020 - 06/13/2020	Initially, Hawai'i only	No response from client.
MCI: Incentive (18238)	Multi Level Marketing	524	200	04/05/2021 - 04/11/2021	Initially, Hawai'i only	Client no longer considering Hawai'i.
MCI: Incentive (18174)	Business Services, Consulting	511	220	09/01/2021 - 09/05/2021	Caribbean	Program lost to Costa Rica.
MCI: Incentive (18011)	Consumer Products	500	170	04/12/2021 - 04/18/2021	Caribbean, Mexico, Costa Rica, Rome	Another 3rd party planner booked the program.

**Table 4c: International Single Property Lost Business
January 2020**

Market	Vertical Market Segment	Total Room Nights	Total Attendees	Meeting Dates	Competing Destinations	Reason for Lost Business
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None to report for January.

New-to-Hawai'i Definite Bookings

**Table 5a: HVCB Citywide New to Hawai'i Definite Bookings
January 2020**

Market	Vertical Market Segment	Total Room Nights	Total Attendees	Meeting Dates	Competing Destinations
None to report for January.					
TOTAL NEW TO HAWAI'I CITYWIDE BOOKINGS FOR THE MONTH					0
TOTAL ROOM NIGHTS FOR NEW TO HAWAI'I CITYWIDE BOOKINGS					0

**Table 5b: HVCB Single Property High Profile New to Hawai'i Definite Bookings
January 2020**

Market	Vertical Market Segment	Total Room Nights	Total Attendees	Meeting Dates	Competing Destinations
MCI: Meeting (12943)	Medical, Healthcare	699	225	07/24/2021 - 08/01/2021	U.S. coastal destinations and Mexico.
MCI: Meeting (18450)	Energy, Environment	540	90	02/17/2020 - 02/28/2020	Initially, Hawai'i only

**Table 5c: International Single Property New to Hawai'i Definite Bookings
January 2020**

Market	Vertical Market Segment	Total Room Nights	Total Attendees	Meeting Dates	Competing Destinations
HT China: Non-MCI: Sports (18590)	Sports	600	100	02/28/2020 - 03/04/2020	Initially, Hawai'i only
HT Oceania: MCI: Meeting (18595)	Engineering	76	20	02/14/2020 - 02/22/2020	Initially, Hawai'i only
HT Japan: MCI: Incentive (18622)	Automotive	540	140	02/03/2020 - 02/08/2020	Initially, Hawai'i only
TOTAL NEW TO HAWAI'I SINGLE PROPERTY BOOKINGS FOR THE MONTH					8
TOTAL ROOM NIGHTS FOR NEW TO HAWAI'I SINGLE PROPERTY BOOKINGS					3,162

New to Hawai'i bookings are accounts that have never met in Hawai'i before or, in the case of citywides, have not met in Hawai'i in the last 10 years or for single property bookings, not in the past five years.

MAJOR SALES AND MARKETING ACTIVITIES

Meet Hawai'i participated in the following MCI events in January:

- 1 client promotional event
 - HVCB Citywide
 - International Dairy Queen 2020, New Orleans, LA, January 14-19

- 1 trade show
 - HVCB Citywide & Single Property
 - Professional Convention Management Association (PCMA) Convening Leaders, San Francisco, CA, January 4-9

- 6 major site visits and familiarization (FAM) tours with clients and potential clients
 - HVCB Citywide
 - 2 site visits, O'ahu
 - HVCB Single Property
 - 1 site visit, Island of Hawai'i
 - 1 site visit, Kaua'i, Maui and Island of Hawai'i
 - 1 site visit, Kaua'i, O'ahu and Maui
 - International GMTs
 - HTJ – 1 site visit, O'ahu

FUTURE SALES AND MARKETING ACTIVITIES

Meet Hawai'i will participate in the following MCI events in the upcoming months:

Feb. 2020			
Feb. 3-8	Destination Showcase, Washington DC	Sales Blitz	HVCB CW
Feb. 9-12	CESSE CEO Meeting, Tucson, AZ	Sales Blitz	HVCB CW
Feb. 25 & 27	Destination Marketing Services (DMS) Connect, Melbourne & Sydney, Australia	Trade Show	HTO
Feb. 25-27	New York Society of Association Executives (NYSAE) Meet NY 2020, New York, NY	Trade Show	HVCB SP
Mar. 2020			
Mar. 1-3	ASAE Great Ideas Conference Salt Lake, UT	Trade Show	HVCB CW
Mar. 18-19	Experient Envisions Conference, Las Vegas, NV	Trade Show	HVCB CW

Mar. 21-25	PacificChem 2020, Philadelphia, PA	Attendance Promo	HVCB CW
Mar. 23-27	Meet Hawai'i Roadshow, New Zealand and Australia	Sales Blitz	HTO
Mar. 28-29	Hawai'i Expo 2020, Fukuoka, Japan	Trade Show	HTJ
Apr. 2020			
Apr. 20-23	Sports Events & Tourism Association Annual Meeting, Kansas City, MO	Trade Show	HVCB CW
TBD	2020 Meet Hawai'i Corporate Event, South Korea	Client Promo	HTK

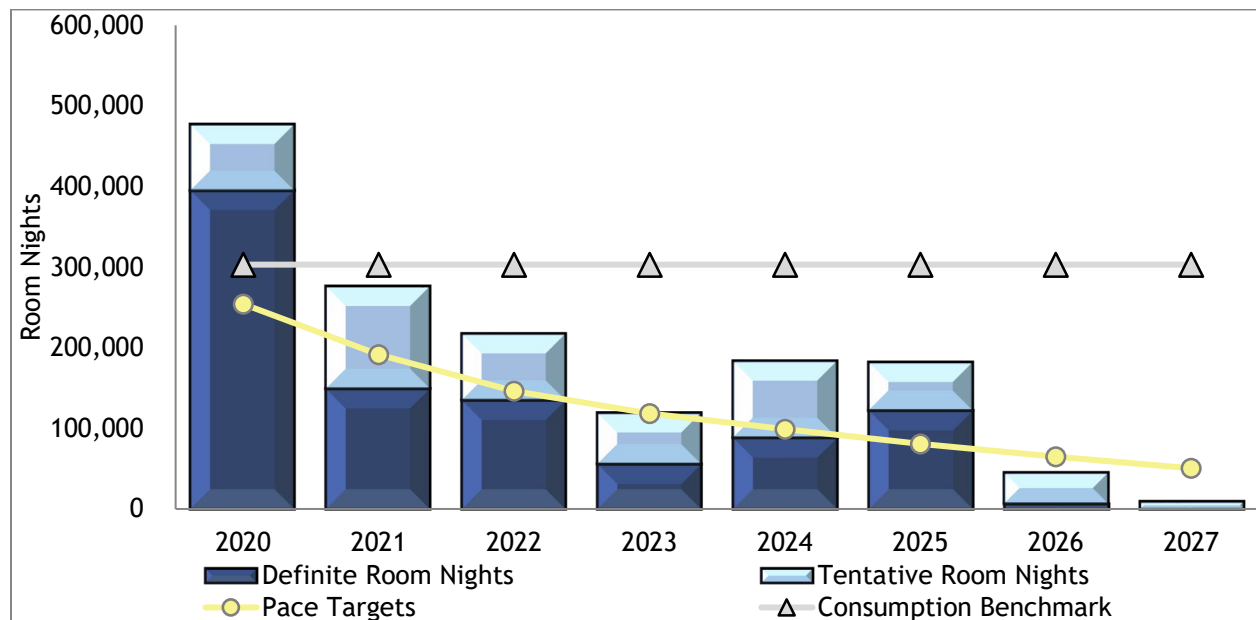
CONSUMPTION

The TAP Reports on the next page show the number of events and room nights on the books for each year 2020-2027 against a rolling 36-month consumption benchmark.

Table 6: The TAP Report: Hawai'i 8-year Pace (citywide and single property)

Period ending: January 31, 2020

Report date: February 10, 2020



Hawai'i R/N	2020	2021	2022	2023	2024	2025	2026	2027	Total
Definite Room Nights	394,568	149,563	135,322	56,233	88,556	122,374	7,014	0	953,630
Pace Targets	254,165	191,513	146,334	118,344	98,945	80,897	64,843	50,479	1,005,520
Variance	140,403	(41,950)	(11,012)	(62,111)	(10,389)	41,477	(57,829)	(50,479)	(51,890)
Consumption Benchmark	303,115	303,115	303,115	303,115	303,115	303,115	303,115	303,115	2,424,920
Pace Percentage	155%	78%	92%	48%	90%	151%	11%	0%	95%
Total Demand Room Nights	847,988	557,979	304,014	173,727	133,798	165,074	71,299	10,525	2,264,404
Lost Room Nights	453,420	408,416	168,692	117,494	45,242	42,700	64,285	10,525	1,310,774
Conversion Percentage	47%	27%	45%	32%	66%	74%	10%	0%	42%
Tentative Room Nights	82,455	127,354	82,602	63,777	95,663	60,317	38,736	10,155	561,059
Tentative Events	394,568	149,563	135,322	56,233	88,556	122,374	7,014	0	953,630

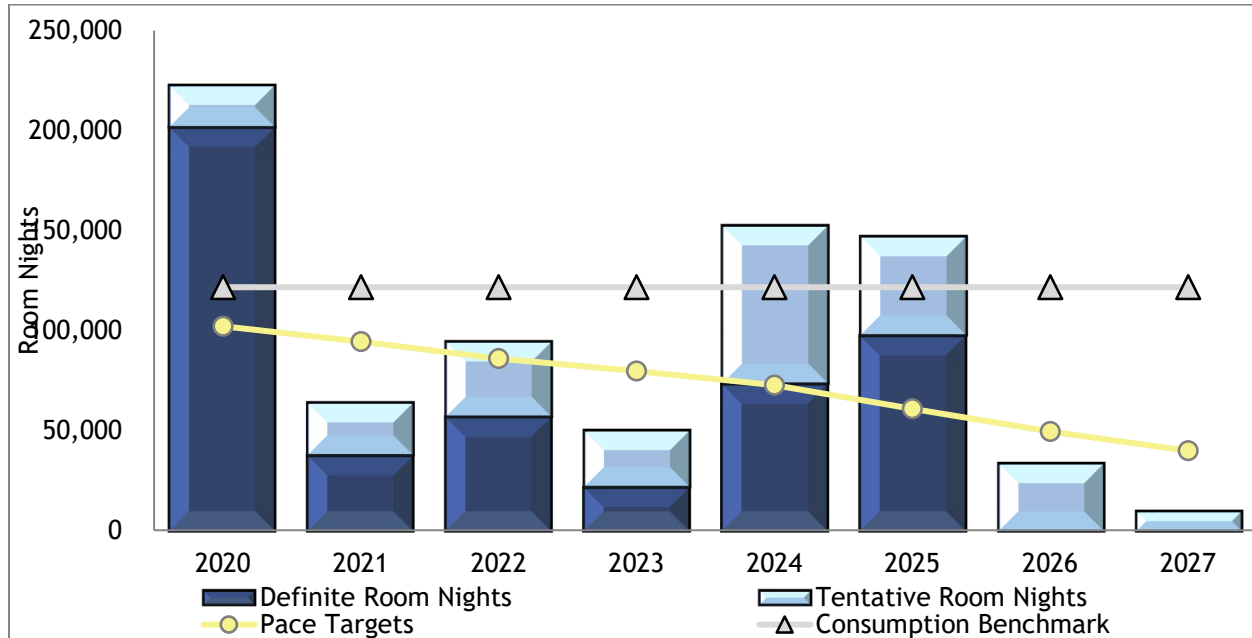
Hawai'i Events	2020	2021	2022	2023	2024	2025	2026	2027	Total
Definite Events	302	115	50	21	17	16	4	0	525
Pace Targets	210	88	41	22	14	7	5	1	388
Variance	92	27	9	(1)	3	9	(1)	(1)	137
Consumption Benchmark	367	367	367	367	367	367	367	367	2,936
Pace Percentage	144%	131%	122%	95%	121%	229%	80%	0%	135%
Total Demand Events	693	239	86	43	23	19	7	1	1,111
Lost Events	391	124	36	22	6	3	3	1	586
Conversion Percentage	44%	48%	58%	49%	74%	84%	57%	0%	47%
Tentative Events	178	184	56	23	15	9	8	1	474

The number of events reported in TAP is slightly higher than the actual number of events due to a number of overflow programs and the splitting of some bookings into two in order to track shared credit.

Table 7: The TAP Report: Convention Center 8-year Pace (citywide only)

Period ending: January 31, 2020

Report date: February 10, 2020



Hawai'i R/N	2020	2021	2022	2023	2024	2025	2026	2027	TOTAL
Definite Room Nights	201,214	37,902	57,045	21,939	73,540	97,529	0	0	489,169
Pace Targets	102,053	94,419	85,823	79,561	72,607	60,785	49,448	39,755	584,451
Variance	99,161	(56,517)	(28,778)	(57,622)	933	36,744	(49,448)	(39,755)	(95,282)
Consumption Benchmark	121,586	121,586	121,586	121,586	121,586	121,586	121,586	121,586	972,688
Pace Percentage	197%	40%	66%	28%	101%	160%	0%	0%	84%
Total Demand Room Nights	370,328	312,871	161,531	86,219	105,307	123,429	64,285	10,525	1,234,495
Lost Room Nights	169,114	274,969	104,486	64,280	31,767	25,900	64,285	10,525	745,326
Conversion Percentage	54%	12%	35%	25%	70%	79%	0%	0%	40%
Tentative Room Nights	21,005	26,355	37,631	28,525	78,852	49,455	33,971	10,155	285,949

Hawai'i Events	2020	2021	2022	2023	2024	2025	2026	2027	TOTAL
Definite Events	24	9	8	3	7	6	0	0	57
Pace Targets	19	13	12	9	7	3	1	1	65
Variance	5	(4)	(4)	(6)	0	3	(1)	(1)	(8)
Consumption Benchmark	35	35	35	35	35	35	35	35	280
Pace Percentage	126%	69%	67%	33%	100%	200%	0%	0%	88%
Total Demand Events	46	33	17	9	10	8	3	1	127
Lost Events	22	24	9	6	3	2	3	1	70
Conversion Percentage	52%	27%	47%	33%	70%	75%	75%	75%	45%
Tentative Events	4	4	6	7	9	5	6	1	42

The number of events reported in TAP is slightly higher than the actual number of events due to a number of overflow programs and the splitting of some bookings into two in order to track shared credit.

Glossary of TAP Report Terms

Consumption Benchmark – The average number of definite room nights produced by Meet Hawai'i for each month and year for the last three twelve month periods. Each month the “oldest” month is dropped from the calculation and the most recent month is added.

Conversion Index – A measurement for each month and year of the Meet Hawai'i's Conversion Percentage compared to the Peer Set's Conversion Percentage. A value greater than 100 indicates that Meet Hawai'i is converting more demand to definite room nights than the Peer Set.

Conversion Index Rank – The position of Meet Hawai'i's Conversion Index compared to the Peer Set.

Conversion Percentage – The percentage of Total Demand Room Nights that Meet Hawai'i converts to Definite Room Nights for each month a year at the time the report is published.

Definite Room Nights – Number of definite room nights, confirmed by Meet Hawai'i for each month and year at the time the report is published.

Definite Room Night Share % – A percentage indicating the Meet Hawai'i's portion of the Peer Set's Definite Room Night.

Lost Room Nights – The number of room nights, both definite and tentative, that have been lost for each month and year at the time the report is published.

Pace Index – A measurement for each month and year of the Meet Hawai'i's Pace Percentage compared to the Peer Set's Pace Percentage. A value greater than 100 indicates that the Meet Hawai'i's Pace Percentage is higher than that of the Peer Set. A number less than 100 indicates that the Meet Hawai'i's Pace Percentage is less than that of the Peer Set.

Pace Index Rank – The position of the Meet Hawai'i's Pace Index compared to the Peer Set.

Pace Percentage – The percentage of Definite Room Nights compared to the Pace Target. If Meet Hawai'i continues to book at current trends the same percentage can be applied to the Consumption Benchmark when each month and year passes.

Pace Target – Number of definite room nights that should be confirmed for each month and year at the time the report is published (updated every month). Pace targets are determined by analyzing a minimum of the last three years definite room nights and all definite room nights confirmed for the future. The analysis is completed by comparing the date a booking was confirmed to that of the arrival date for each confirmed booking and computing the number of months in advance of arrival that each booking was confirmed.

Room Night Demand Share % – A percentage indicating Meet Hawai'i's portion of the Peer Set's Demand.

Tentative Room Nights – The number of tentative room nights pending for each future month and year at the time the report is published.

Total Demand Room Nights – Number of total lead room nights issued by Meet Hawai'i for each month and year at the time the report is published.

Variance – The difference between the Definite Room Nights and the Pace Target.

CONVENTION CENTER PERFORMANCE

Table 8: Convention Center Performance – December 31, 2019 Year-to-Date

PERFORMANCE MEASURE	YTD	TARGET	VARIANCE
Occupancy	32%	31%	1%
Total Events	238	200	38
Total Attendance	391,449	394,172	(2,723)
Visitor Spending	\$346,511,983	\$451,335,665	(\$104,823,682)
Tax Revenue	\$33,611,692	\$43,779,589	(\$10,167,897)
Revenue per Attendee	\$42.49	\$39.71	\$2.78

COMMENTS

For the Hawai'i Convention Center (HCC), 2019 ended on a positive note. The pick-up of a corporate event, the inaugural ice skating event, Winter Wishes, and 10 other events in-house brought in over \$1.5 million in gross revenues and a net loss of \$154,300 for the month of December, which was a significant improvement over budget in both regards.

HCC posted gross revenues of \$16.8 million, which was \$1.2 million more than planned and a net loss of \$881,600, which was \$1.1 million improvement versus the budget. While 2019 was initially challenged with multiple cancellations, HCC was able to rebound during the year with events outperforming budgeted expectations from both the local and offshore market, like a scientific association, which generated \$676,000 in food and beverage, \$400,000 more than originally planned.

For the year ending December 31 ,2019, HCC exceeded performance measures in the following categories, occupancy, events and revenue per attendee. Due to the cancellation of a religious group and an art event, HCC's performance measures in attendance, visitor spending and tax revenue dropped below target.

DEFINITIONS

- **Single Property Group:** A group that can be booked into a single hotel for both guest rooms and meeting space.
- **Citywide Group:** A group that books Hawai'i Convention Center for meeting space; and which needs two or more hotels and has a minimum of 1,000 out-of-town attendees.
- **Group Bookings:** The total number of group room nights booked for the future. A group is defined as needing a minimum of 10 hotel rooms.
- **MCI and Non-MCI Bookings:** Both MCI and Non-MCI Bookings must primarily be off-shore bookings requiring attendees to stay in visitor accommodations. An MCI booking is an association or corporate meeting, convention or incentive program that requires meeting space. A Non-MCI booking requires off-site meeting space or no meeting space, or is public/consumer-facing like expos, sporting events, etc.
- **Definite Room Night:** Room nights associated with groups that have a signed contract or letter of commitment with the convention center and or a signed contract with a hotel.
- **Tentative Room Night:** Room nights associated with groups that have indicated interest in holding a meeting or convention in Hawai'i and a lead has been sent to the convention center and/or the hotels. Citywide leads are considered tentative when space is blocked at the convention center. Includes leads generated by partners at HVCB coordinated trade shows.
- **Economic Impact:** The direct and induced spending generated from a group meeting in Hawai'i. The economic impact formulas are based on research of attendee spending patterns.
- **Lead-to-Booking Conversion:** Conversion of tentative leads into definite bookings as measured by dividing tentative room nights generated in the month/year by definite room nights for the same month/year.
- **Consumed Room Night:** Room nights generated from groups that have convened in Hawai'i. For citywide events, this figure is calculated from the number of attendees. For single property meetings, the figure is the contracted room nights.
- **Goal:** A level of achievement that has been determined through the goal setting process that includes industry stakeholders and the HTA board.
- **International Markets:** Current areas of focus for international groups. These markets are supported by contractors of HTA.
- **New to Hawai'i – New Business:** A group that has never met, or has not had a single property meeting in Hawai'i over the past five years or a citywide meeting within the past 10 years.
- **Repeat Business:** A group that has had a single property meeting in Hawai'i within the past five years or a citywide meeting in Hawai'i within the past 10 years.

- **Island Distribution:** The breakdown of room nights that have been booked on the neighboring islands. This includes Maui, Kaua'i, O'ahu and the Island of Hawai'i.
- **Pace:** A calculation that evaluates the annual sales activity level by comparing production to the same time frames for previous years. This calculation shows if the current year-to-date room night bookings are at the same or higher/lower levels than the past year.
- **Need Period:** A future timeframe where the projections for room night demand are lower, therefore warranting specific sales strategies to attract business.
- **Lost Business:** A group where a lead has been generated due to client interest and Hawai'i was not chosen for the meeting or convention.
- **Total Events:** Total licensed events held at the Hawai'i Convention Center.
- **Total Attendance:** Total delegate attendees at licensed events at the Hawai'i Convention Center.
- **Visitor Spending:** State economic impact of offshore licensed events.
- **Tax Generation:** State tax generation of offshore licensed events.

January 2020

Contract No.	Contractor	Description	Contract Amount	Total Contract Value	Start Date	End Date
20096	Hawai'i Ag and Culinary Alliance dba Hawai'i Food & Wine Festival	Hawai'i Food & Wine Festival 2020	\$ 300,000.00	\$ 300,000.00	12/31/2019	3/31/2021
19005 S1	HonBlue, Inc. dba Electric Pencil	Printing, Storage and Delivery of In-Flight forms for Calendar years 2020	\$ 204,254.00	\$ 534,082.62	12/19/2019	10/31/2022
*20187	Office of the Auditor, State of Hawai'i	Financial Audit	\$ 105,000.00	\$ 105,000.00	12/19/2019	6/30/2021
18178 S2	Kloninger & Sims Consulting LLC	Visitor Plant Inventory Survey 2020	\$ 100,000.00	\$ 292,500.00	12/19/2019	1/31/2021
*20182	Association of Surfing Professionals LLC dba World Surf League	Surfing in the Hawaiian Islands - Lead up to the 2020 Tokyo Olympics	\$ 100,000.00	\$ 100,000.00	1/22/2020	6/30/2020
20178	Kupu	Hawai'i Youth Conservation Corps	\$ 100,000.00	\$ 100,000.00	1/22/2020	3/31/2021
20141	Awaiiaulu, Inc.	Māhuhua Translation Training Project: Phase IV	\$ 100,000.00	\$ 100,000.00	1/22/2020	3/31/2021
17007 S3	County of Maui	County of Maui Enrichment Program	\$ 100,000.00	\$ 310,000.00	1/24/2020	3/31/2021
18190 S2	Team Unlimited LLC	XTERRA World Championship 2020	\$ 90,000.00	\$ 270,000.00	1/29/2020	1/31/2022
20157	Maui Nui Marine Resource Council, Inc. Dbai Maui Nui Marine Resource Council	Fire and Oysters: Improving Ma'alaea Bay's Ocean Water Quality	\$ 85,000.00	\$ 85,000.00	1/14/2020	3/31/2021
17004 S3	County of Hawai'i	Hawai'i County Enrichment Program	\$ 70,000.00	\$ 280,000.00	12/30/2019	3/31/2021
20088	The Kaua'i Marathon	The 12th Annual Kaua'i Marathon and Half Marathon	\$ 60,000.00	\$ 60,000.00	12/30/2019	2/28/2021
20145	Polynesian Voyaging Society	Preparing for Moananuiakea: Exploring the Pacific	\$ 60,000.00	\$ 60,000.00	1/22/2020	3/31/2021
20162	Moloka'i Land Trust	Expanding Critical Habitat Restoration for Ground Nesting Seabirds and Endangered Species	\$ 50,000.00	\$ 50,000.00	12/30/2019	3/31/2021
20166	Mālama Maunaloa	Site Model of Marine Restoration at Maunaloa Bay	\$ 50,000.00	\$ 50,000.00	1/7/2020	3/31/2021
20133	PA'I Foundation	PA'I Presents	\$ 50,000.00	\$ 50,000.00	1/7/2020	3/31/2021
17101 S4	Kai 'Opua Canoe Club	Queen Lili'uokalani Long Distance Outrigger Canoe Race 2020	\$ 50,000.00	\$ 200,000.00	1/24/2020	1/31/2021
*20186	University of Hawai'i Department of Intercollegiate Athletics	University of Hawai'i Department of Intercollegiate Athletics Partnership - UH Men's Volleyball v. Nittaidai University	\$ 50,000.00	\$ 50,000.00	2/12/2020	6/30/2021
20175	Hui o Laka dba Kokee Natural History Museum	Kōke'e - Nature Interpreted 2020	\$ 40,000.00	\$ 40,000.00	12/30/2019	3/31/2021
17214 S4	Anthology Marketing Group, Inc	Design and Maintenance of HTA Website	\$ 38,023.00	\$ 393,601.04	1/7/2020	12/31/2020
20181 S1	Cades Schutte A Limited Liability Law Partnership LLP	Board and Committee Meeting Minutes	\$ 36,000.00	\$ 40,600.00	1/29/2020	12/31/2020
†19173 S1	North Star Research Corp dba HVS Convention, Sports & Entertainment Facilities Consulting	Market / Futures Study of the Hawai'i Convention Center	\$ 33,600.00	\$ 112,900.00	12/30/2019	6/30/2020
20137	Hui Malama O Kaneioulouma	Uhau Humu Pōhaku Reconstruction	\$ 30,000.00	\$ 30,000.00	12/30/2019	3/31/2021
20116	Unda Kava 808, Inc.	2020 Maui Middle School Makahiki Championships!	\$ 30,000.00	\$ 30,000.00	1/10/2020	3/31/2021
20121	Council for Native Hawaiian	No'eau Series	\$ 30,000.00	\$ 30,000.00	1/24/2020	3/31/2021
19156 S1	Spire Hawai'i LLP	Audit Advisory Services 2020	\$ 25,000.00	\$ 50,000.00	12/30/2019	3/31/2022
*20188	The Hula Bowl, LLC	Hula Bowl 2020	\$ 25,000.00	\$ 25,000.00	1/22/2020	12/31/2020
20087	Po'ipū Beach Foundation	Po'ipū Food & Wine Festival 2020	\$ 25,000.00	\$ 25,000.00	1/22/2020	2/28/2021
20135	Ulu A'e Learning Center	Ulu A'e Kaiāulu Project	\$ 25,000.00	\$ 25,000.00	1/22/2020	3/31/2021
20082	Kaua'i Japanese Cultural Society Inc.	Kaua'i Matsuri Festival 2020	\$ 22,000.00	\$ 22,000.00	1/22/2020	3/31/2021
20138	Hui o Laka dba Kokee Natural History Museum	Eo e Emalani 2020	\$ 20,000.00	\$ 20,000.00	1/14/2020	1/31/2021
20076	Hale Puna	4th Annual Kaua'i Old Time Gathering	\$ 15,000.00	\$ 15,000.00	1/22/2020	4/30/2021
20134	Ulu A'e Learning Center	Kapu'uola Hula Festival	\$ 15,000.00	\$ 15,000.00	1/22/2020	7/31/2020
20086	Po'ipū Beach Foundation	New Year's Eve Celebration @ Po'ipū Beach Park	\$ 15,000.00	\$ 15,000.00	1/23/2020	4/30/2021
20042	Lāna'i Community Association	Annual Tree Lighting Festival	\$ 4,000.00	\$ 4,000.00	1/14/2020	4/30/2021
19169 S1	Maui Nui Marine Resource Council, Inc. dba Maui Nui Marine Resource	Coral Reef Sign Project	\$ -	\$ 47,144.00	12/27/2019	6/30/2020
14002 S8	AEG Management HCC, LLC dba Hawai'i Convention Center	Hawai'i Convention Center	\$ -	\$ 129,180,503.00	12/30/2019	12/31/2020
			\$	<u>2,152,877.00</u>		

Contract Type:
• Sole Source
† Procurement Exemption

Agenda Item

5

Presentation by the Visitor Aloha Society of Hawaii (VASH) of their Services to Visitors in Need



HTA Board of Directors Meeting

February 27, 2020



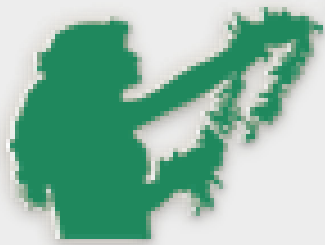
Visitor Aloha Society of Hawaii (VASH)

Jessica Lani Rich

President & CEO

&

Board of Directors Travelers Aid International



VISITOR ALOHA
Society of Hawaii

THE MISSION OF VASH

To share Aloha with visitors who have been victims of a crime or other adversities and to provide follow-up and assistance in an effort to create a positive memory of their stay in Hawai'i.



FREQUENTLY ASKED QUESTIONS

Q. How does a visitor qualify for your services?

A. They must be a mainland or international visitor with a round-trip ticket who is staying here less than 60 days.

VASH IS FUNDED BY:



HAWAII TOURISM

AUTHORITY

TOURISM IN HAWAII



The visitor plays a major role in our economy since tourism is our number one industry in Hawaii. One negative incident affects the entire industry.

For example, Natalee Holloway's disappearance had a negative impact on tourism in Aruba for years.



VASH HAD A BUSY YEAR IN 2019



Our agency had more serious high profile incidents than any other year, such as:

- Drunk driving crash in Kakaako
- Helicopter crash in Kailua
- Plane crash in Mokuleia
- Visitors robbed at gunpoint
- A large number of drownings.



INCIDENT TYPES



The most common incident types are:

- Thefts on the beach – (visitors leave valuables unattended)
- Passports, I.D.'s, cash, credit cards, jewelry stolen
- Car break-ins
- Robberies
- Medical Emergencies
- Drownings and near-drownings
- Deaths



ANOTHER INCIDENT WAS AIR CANADA



The New York Times

<https://nyti.ms/36PVwn1>

Australia-Bound Flight Lands in Honolulu With Dead Passenger

By The Associated Press

Jan. 13, 2020, 3:15 p.m. ET

Honolulu – An Air Canada flight bound for Australia diverted to Honolulu over the weekend because of a dead passenger.

Passenger Christopher Woodgate, 38, was pronounced dead when the flight landed in Honolulu on Saturday, said Kira Paiva-Kimura, an administrative services officer for the Honolulu medical examiner's office. An autopsy will be conducted.

The flight from Vancouver was headed for Brisbane, Australia, when it diverted to Honolulu because of a medical emergency, said Peter Fitzpatrick, an Air Canada spokesman.

He would not provide details about what happened to the passenger.

"Out of respect for the privacy of our customers, Air Canada cannot confirm the details about the medical emergency," he said in an email.

The man that had been sick prior to the flight, Jessica Lani Rich of the [Visitor Aloha Society of Hawaii](#), a nonprofit that assists visitors in distress, told the Honolulu Star-Advertiser.

The man was traveling with his five children, his wife and another family member, Rich said. Her organization also hired a nurse to care overnight for an 11-year old passenger traveling alone.

There were 257 passengers and 13 crew members on the flight. The airline provided passengers with hotel and food vouchers. The passengers left Honolulu Sunday on a different flight, Fitzpatrick said.

GRATEFUL VISITORS



VASH ASSISTED THOMAS, AN UNACCOMPANIED MINOR ON AN AIR CANADA FLIGHT IN WHICH A PASSENGER DIED.



CORONAVIRUS



Our office has also received calls asking if it's safe to travel to Hawaii.



TYPES OF ASSISTANCE



We offer:

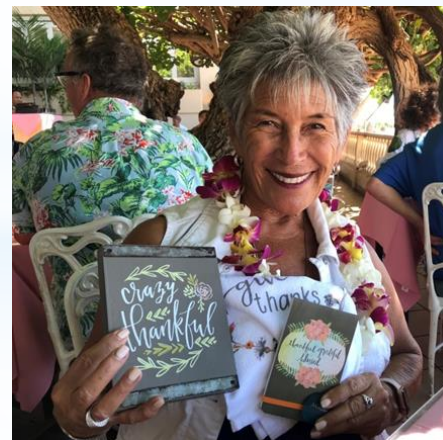
- Counseling and moral support
- Bereavement assistance
- Emergency Meals/Meal Vouchers
- Referrals to long-term agencies
- Goods and Services
- Gift bags
- Clothing
- Store gift cards
- Ground transportation
- Discounted hotel rooms



VISITOR ASSISTANCE

We assist a large number of visitors from the mainland, Asia, and other parts of the world.

In 2019, we assisted 1,897 visitors.



GRATEFUL VISITORS



VASH HELPS HONEYMOONERS FROM SOUTH KOREA.



GRATEFUL VISITORS



ASSAULT VICTIM RETURNS TO HAWAII.



**Christina is a
grateful visitor
from Taiwan.**

GRATEFUL VISITORS



AUSTRALIAN VISITORS THANKFUL.



GRATEFUL VISITORS



**VASH ASSISTS VICTIMS FROM JAPAN ROBBED
AT GUNPOINT.**



GRATEFUL VISITORS

Visitors Chris and Gizelle D'Souza
from Australia



GRATEFUL VISITORS

Visitor Marielle from Tahiti



GRATEFUL VISITORS

Visitor Shun from Japan



GRATEFUL VISITORS

Visitors Daniel and Anna from Germany



VISITOR SAFETY



- VASH actively promotes visitor safety.
- VASH helped sponsor “Travel Smart Hawai’i” Travel Safety Tips rack cards, which are available in English, Japanese, Chinese and Korean.



VISITOR SAFETY

VISITOR PUBLIC SAFETY CONFERENCE



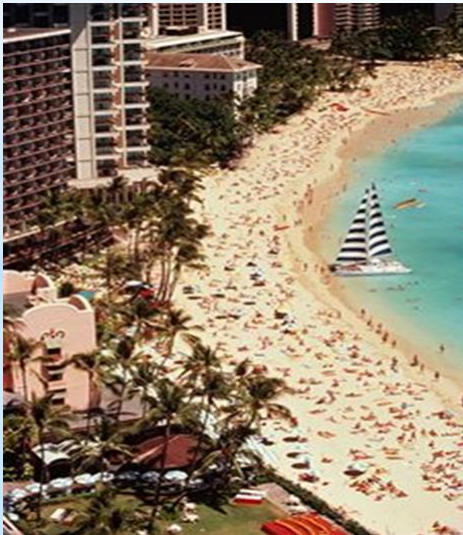
Our agency participated in the 2019 Visitor Public Safety Conference. President Jessica Lani Rich was one of the presenters at the event.



TRAVEL TIPS

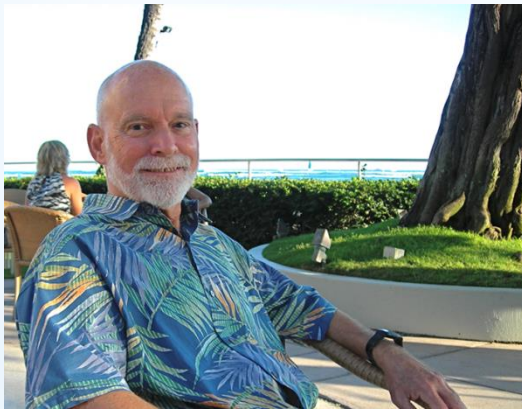


- When planning a trip, always take out travelers insurance.
- Use your room safe for all valuables.
- Don't leave your valuables unattended on the beach.
- Do not open your trunk to place valuables in plain view.



VASH VOLUNTEERS!

Our volunteers come from a diverse background and speak a number of different languages.



Visitor Aloha Society of Hawaii

VASH shares Aloha every day.

“There are no strangers here;
Only friends you haven’t yet met.”

William Butler Yeats



Agenda Item

6

Presentation on the
Resident Sentiment Survey Results

HTA Resident Sentiment Survey 2019 Highlights



Prepared for Hawai'i Tourism Authority
February 2020
Field Dates: September 27 to November 14, 2019

Research Objectives

- Resident sentiment toward Hawai'i's tourism industry is vital to maintaining sustainable growth in the industry and in the state's economy overall.
- The primary objectives of the Resident Sentiment Survey research are:
 - To track **key resident attitudes** toward tourism in Hawai'i over time.
 - To identify perceived **positive and negative impacts** of the tourism industry on local residents.
 - To identify for the tourism industry and HTA, **issues or concerns** regarding tourism expressed by residents.



Impact of Hawai'i
Tourism

General
Perceptions of
Hawai'i Tourism

What's the Big Idea?

1

With Hawai'i's visitor industry heading toward its eighth consecutive year of record visitor arrivals to the state, resident sentiment has generally weakened, though the key indicators showed mixed results.

2

The visitor industry's impact on residents' overall quality of life becomes key to improving resident sentiment, as resident attitudes shift toward seeking an equal balance of Economic/Social and Cultural/Community benefits from the industry.

3

To improve resident sentiment – a key part of responsible growth for the state's visitor industry:

- Provide residents with a voice in tourism development
- Create jobs with opportunities for advancement
- Create shopping, restaurants and entertainment opportunities

Sample Plan and Methodology

Sample Plan

OmniTrak used a region-based stratified sampling for the study, the same approach used in earlier Resident Sentiment Survey efforts conducted by OmniTrak. The sampling plan divided the State into 12 sub-regions with consideration to population proportion, and allocated sufficient sample for each area to achieve an acceptable sampling error. Within each region, data was collected randomly. The resulting sample of residents was weighted proportionate to population distribution per the latest State Census from the State of Hawai'i Department of Business, Economic Development and Tourism. The telephone sample includes both landline (26%) and cellular (15%) phones; and an online component (59%).

Statewide sampling produced a total of $n = 1,707$ (i.e., up from 1,635 in 2018) respondents as follows:

- O'ahu: 683 (+74 from 609 in 2018 to increase sample from North Shore area)
- Hawai'i Island: 451 (Same)
- Maui County: 373 (-2 from 375 in 2018)
- Kaua'i: 200 (Same)

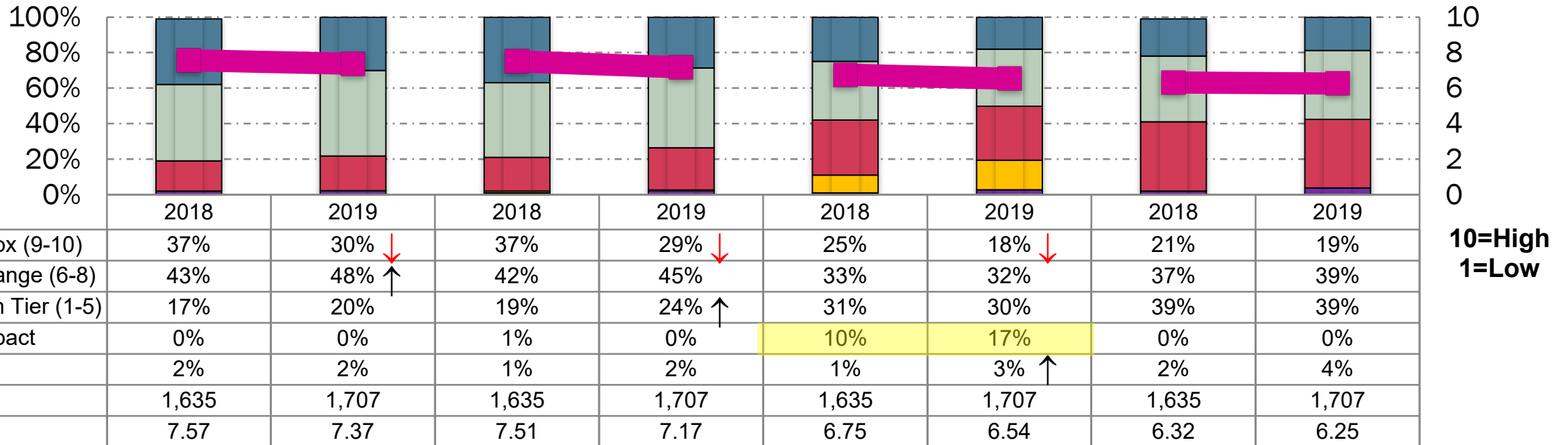
Methodology

- A mixed methodology was used for this survey, including a combination of Computer Assisted Telephone Interviews (CATI) and online surveys. Just over four-in-ten (41%) respondents completed the survey via telephone and the remainder (59%) completed the survey online.
- All calls were placed from OmniTrak's continuously quality-controlled calling center in the Davies Pacific Center building in Downtown Honolulu.
- Field Dates: Online: September 27 to November 12, 2019; Phone: September 28 to November 14, 2019

Key Resident Sentiment Indicators – Impact of Hawai‘i Tourism

Significant Decline Significant Decline Significant Decline Decline

Perception of tourism industry in Hawai‘i - Favorability Perceived impact of tourism on the State Perceived impact of tourism on You and Your Family Tourism has brought more benefits than problems



Q1. Using a 10-point scale where 10 means Extremely Favorable and 1 means Not Favorable at All, please give me your opinion of tourism as an industry in Hawai‘i.

Q2a/b. Using a 10-point scale where 10 means Extremely Positive and 1 means Extremely Negative, how would you rate the overall impact tourism has on...The State as a whole/You and Your Family?

Q4.1. Using a 10-point scale where 10 means Completely Agree and 1 means Do Not Agree at All, how much do you agree or disagree that... Tourist has brought more benefits than problems?

Impact of Hawai'i Tourism

Significant Decline Relatively Stable Significant Decline Relatively Stable Significant Decline

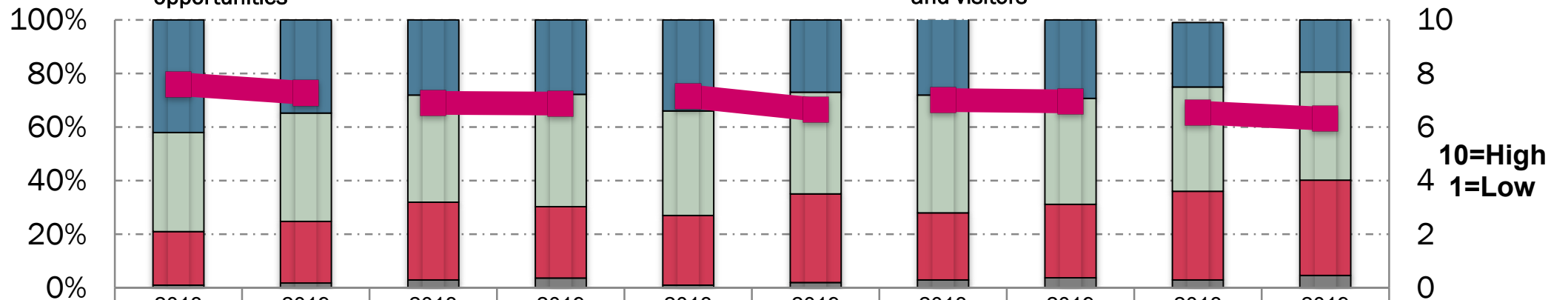
Creates shopping, restaurants & entertainment opportunities

Creates jobs that have opportunities for advancement

Creates many well-paying jobs for residents

Sponsors festivals, activities & sports events for residents and visitors

Provides opportunities for residents to be involved



	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019
Top Box (9-10)	42%	35% ↓	28%	28%	34%	27% ↓	29%	29%	24%	19% ↓
Mid-Range (6-8)	37%	40%	40%	42%	39%	38%	44%	40%	39%	40%
Bottom Tier (1-5)	20%	23%	29%	27%	26%	33% ↑	25%	27%	33%	36%
DK	1%	2%	3%	4%	1%	2%	3%	4%	3%	5%
Base	1,635	1707	1,635	1707	1,635	1707	1,635	1707	1,635	1707
MEAN	7.60	7.28 ↓	6.90	6.88	7.15	6.66 ↓	7.01	6.95	6.54	6.31

Q3. I'm going to read you some ways tourism may affect your island, please tell me how much you agree or disagree with each statement using a scale of 1 to 10 with 10 being Completely Agree and 1 being Do Not Agree At All?

Impact of Hawai'i Tourism

Relatively Stable Relatively Stable Significant Decline Significant Decline Significant Decline

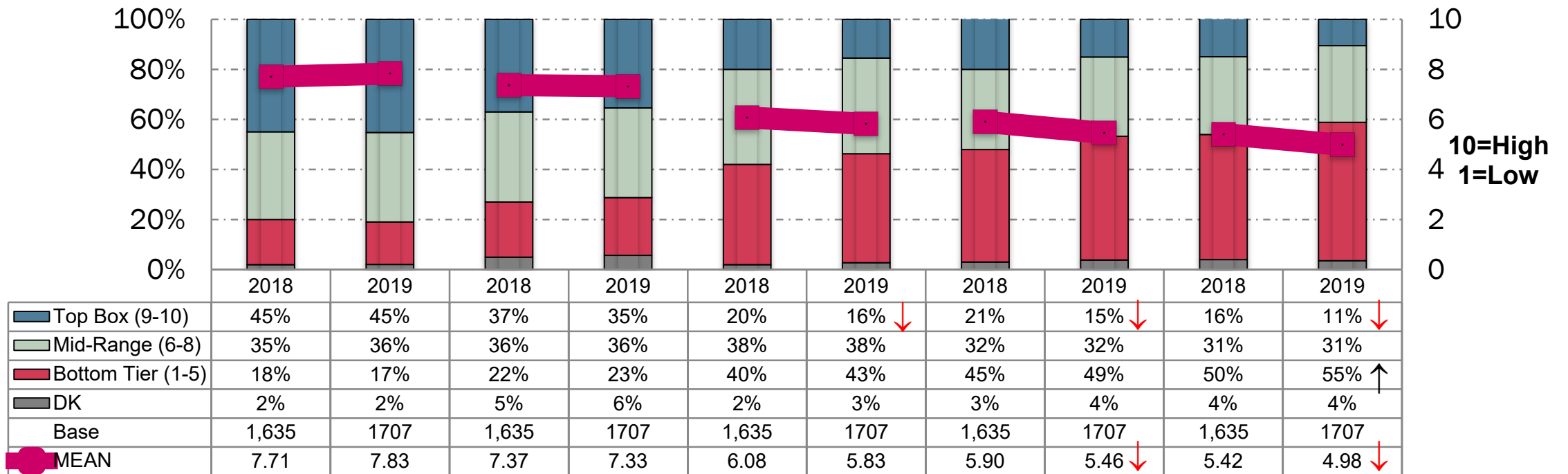
Tourism increases traffic problems

Tourism results in a higher cost of living

Enhances residents' quality of life

Helps sustain Hawai'i's natural resources, parks and cultural sites

Helps preserve Native Hawaiian culture and language



Q3 & Q4. I'm going to read you some ways tourism may affect your island, please tell me how much you agree or disagree with each statement using a scale of 1 to 10 with 10 being Completely Agree and 1 being Do Not Agree At All?

General Perceptions

Decline

Decline

Significant Decline

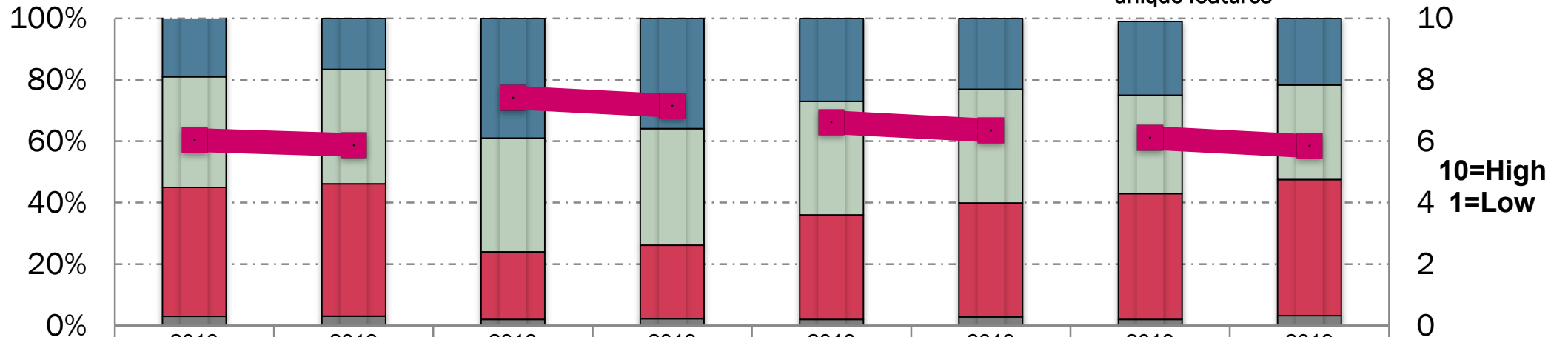
Decline

Funds should be spent to promote tourism in Hawai'i

Tourism reminds me we have a unique culture to share

Tourism should be actively encouraged on my island

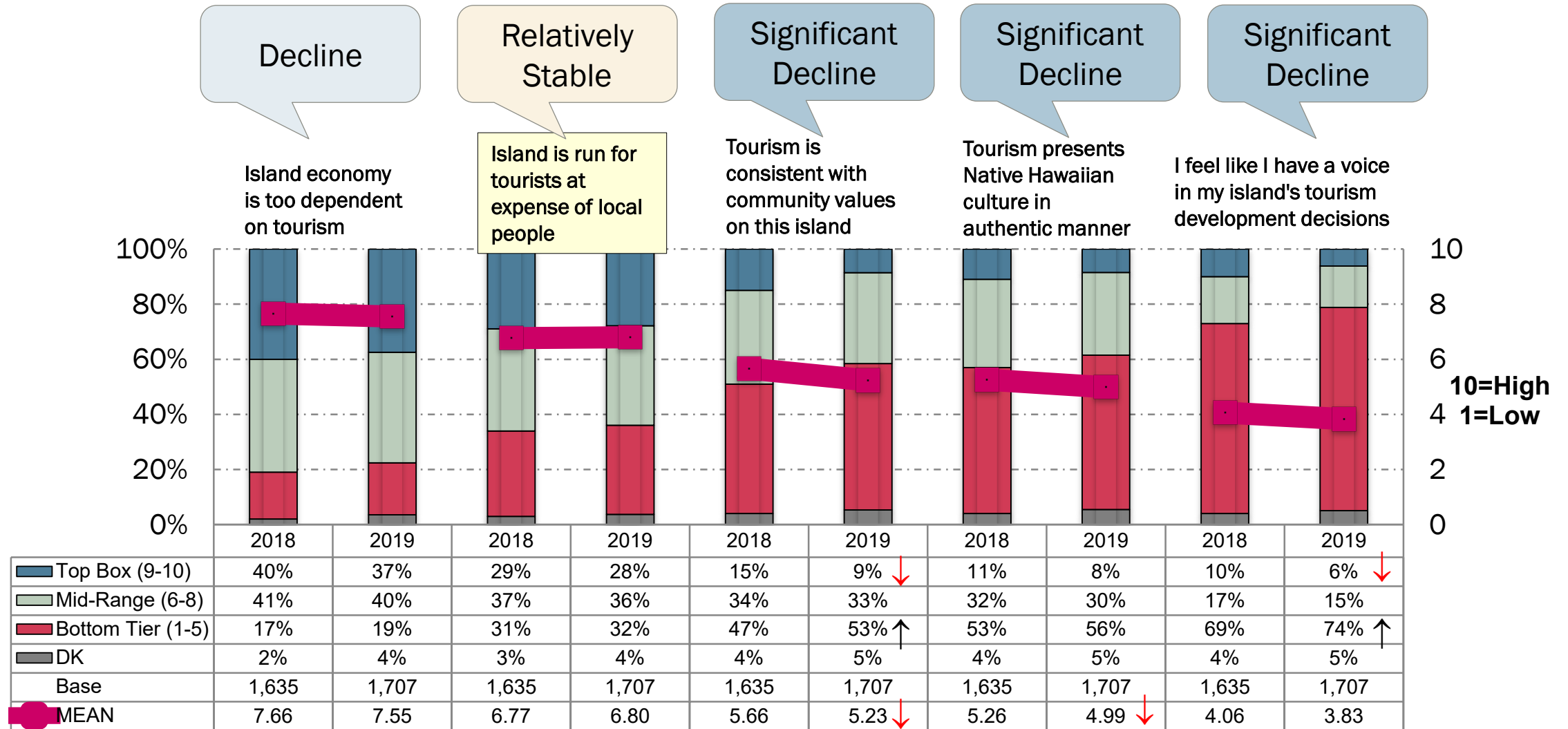
Tourism makes me feel special because people travel to see my island's unique features



	2018	2019	2018	2019	2018	2019	2018	2019
Top Box (9-10)	20%	17%	39%	36%	27%	23%	24%	22%
Mid-Range (6-8)	36%	37%	37%	38%	37%	37%	32%	31%
Bottom Tier (1-5)	42%	43%	22%	24%	34%	37%	41%	44%
DK	3%	3%	2%	2%	2%	3%	2%	3%
Base	1,635	1,707	1,635	1,707	1,635	1,707	1,635	1,707
MEAN	6.04	5.88	7.42	7.15	6.62	6.35 ↓	6.11	5.84

Q4. Using a 10-point scale where 10 means Completely Agree and 1 means Do Not Agree at All, how much do you agree or disagree that ...

General Perceptions

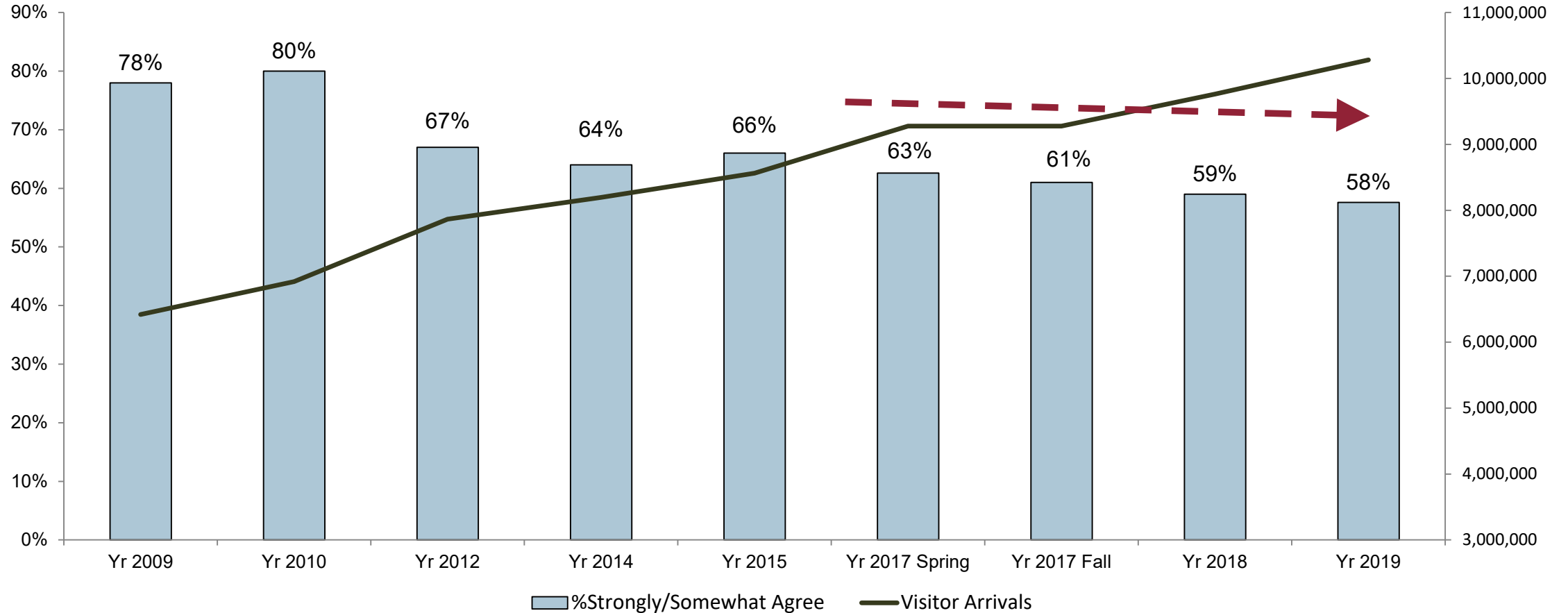


Q4. Using a 10-point scale where 10 means Completely Agree and 1 means Do Not Agree at All, how much do you agree or disagree that ...

“Tourism has brought more benefits than problems”

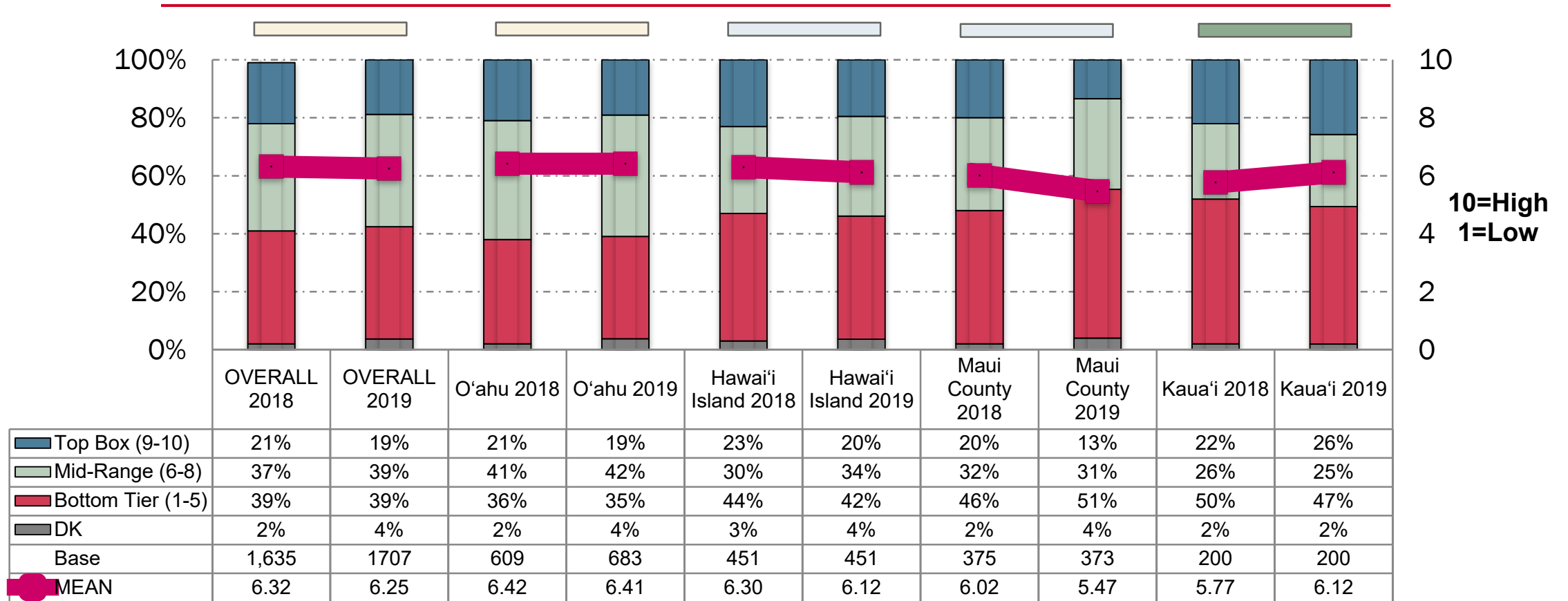
% Strongly/ somewhat agree tourism has brought more benefits than problems
(Rating of 6-to-10 on 10 Point Scale)

Annual Visitor Arrivals (by Air)



Q4.1. Using a 10-point scale where 10 means Completely Agree and 1 means Do Not Agree at All, how much do you agree or disagree that...?

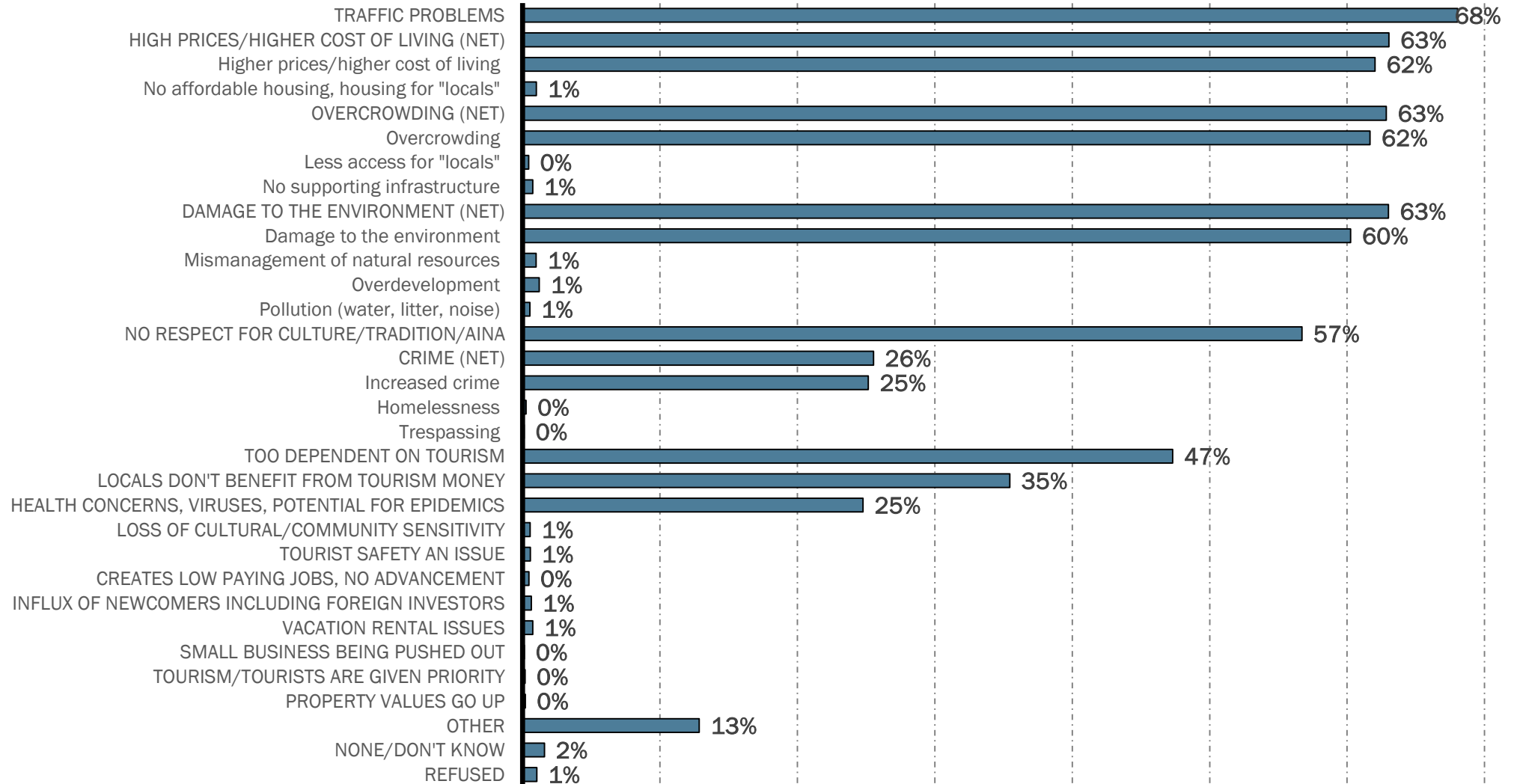
“Tourism has brought more benefits than problems” – *By Island*



Q4.1. Using a 10-point scale where 10 means Completely Agree and 1 means Do Not Agree at All, how much do you agree or disagree that...?

Problems Created by Tourism in Hawai'i (2019 only)

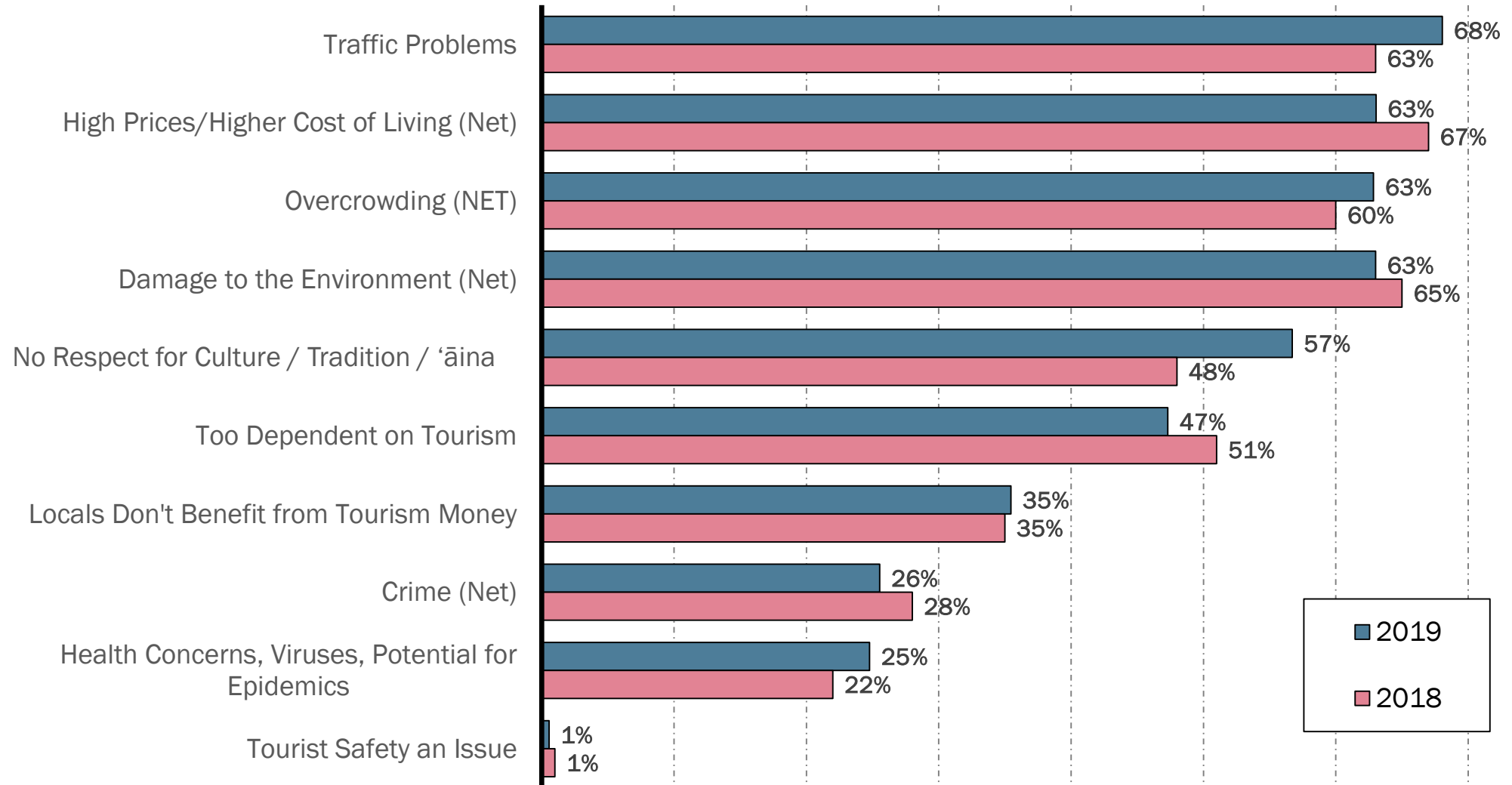
(According to residents saying Hawai'i tourism creates more problems than benefits)



Q5a. In your opinion, what problems do you think tourism has created in Hawai'i?

Problems Created by Tourism in Hawai'i (Category Trends)

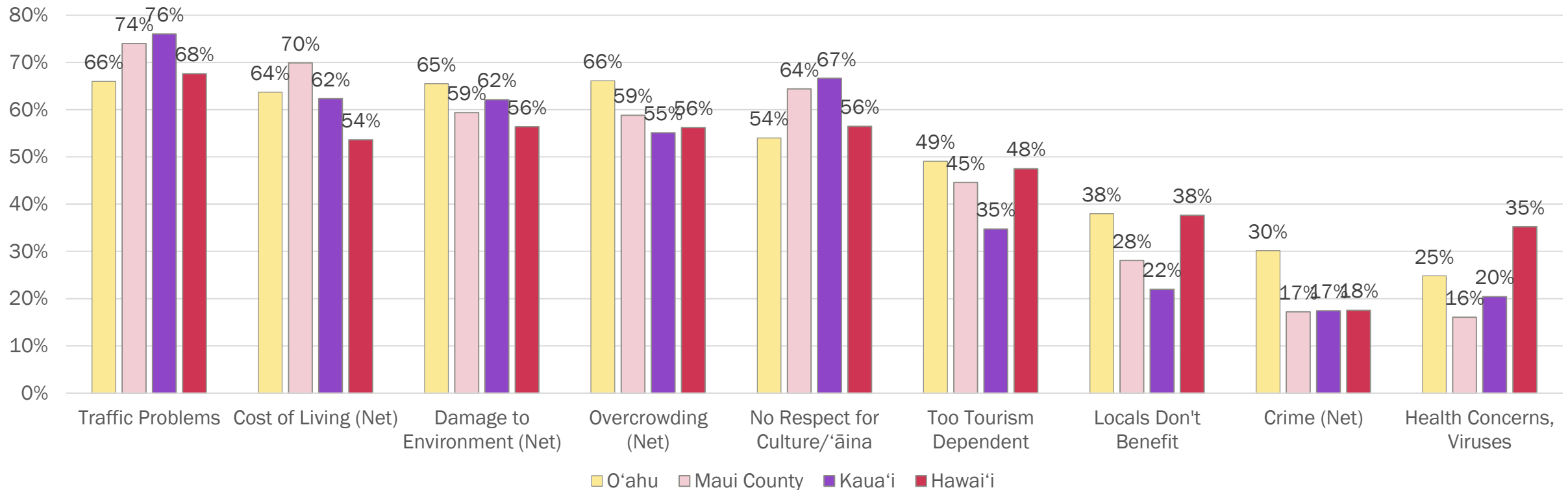
(According to residents saying Hawai'i tourism creates more problems than benefits)



Q5a. In your opinion, what problems do you think tourism has created in Hawai'i?

Problems Created by Tourism in Hawai'i by Island

(According to residents saying Hawai'i tourism creates more problems than benefits)

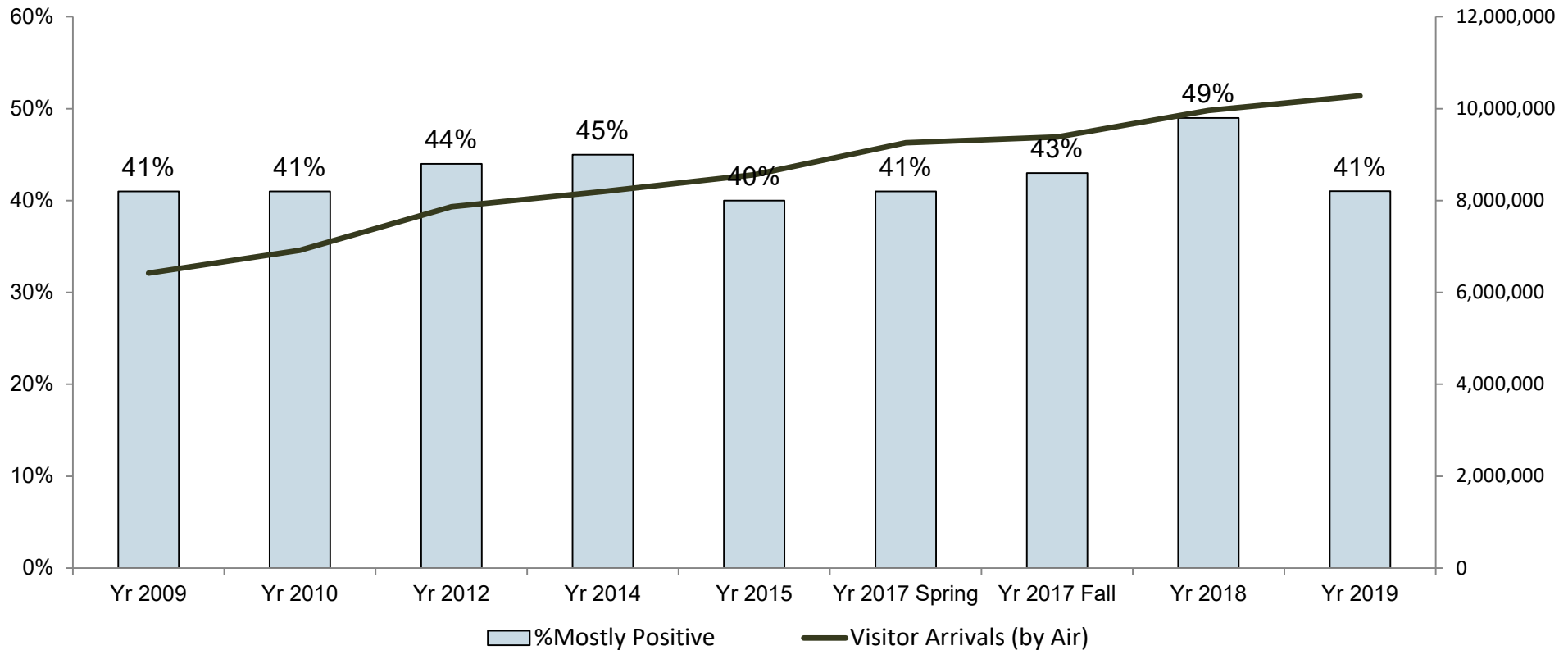


Q5a. In your opinion, what problems do you think tourism has created in Hawai'i?

Impact on You & Your Family

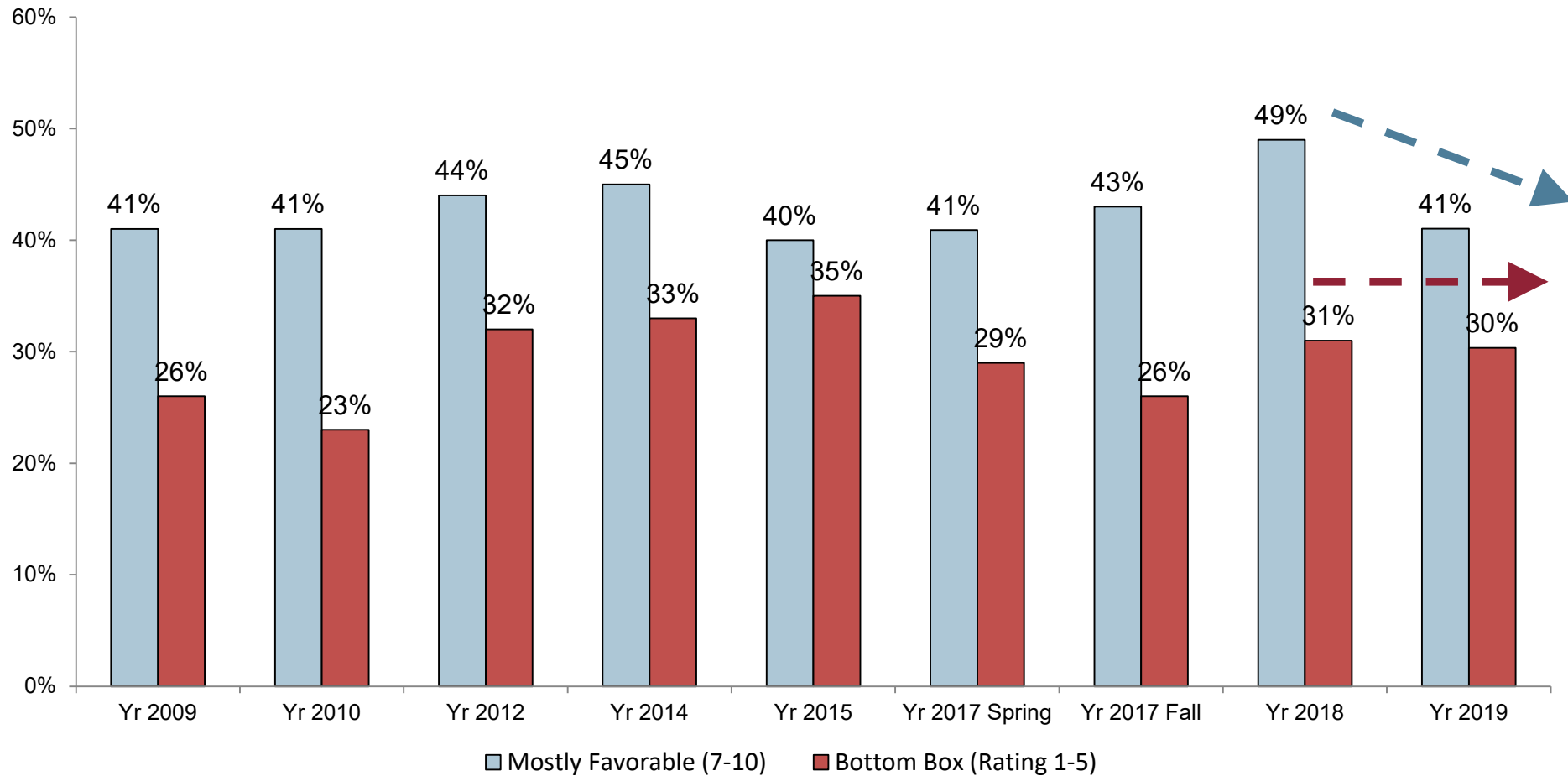
**% saying Tourism has been “mostly positive”
for you and your family**
(Rating of 7-to-10 on 10 Point Scale)

Annual Visitor Arrivals (by Air)



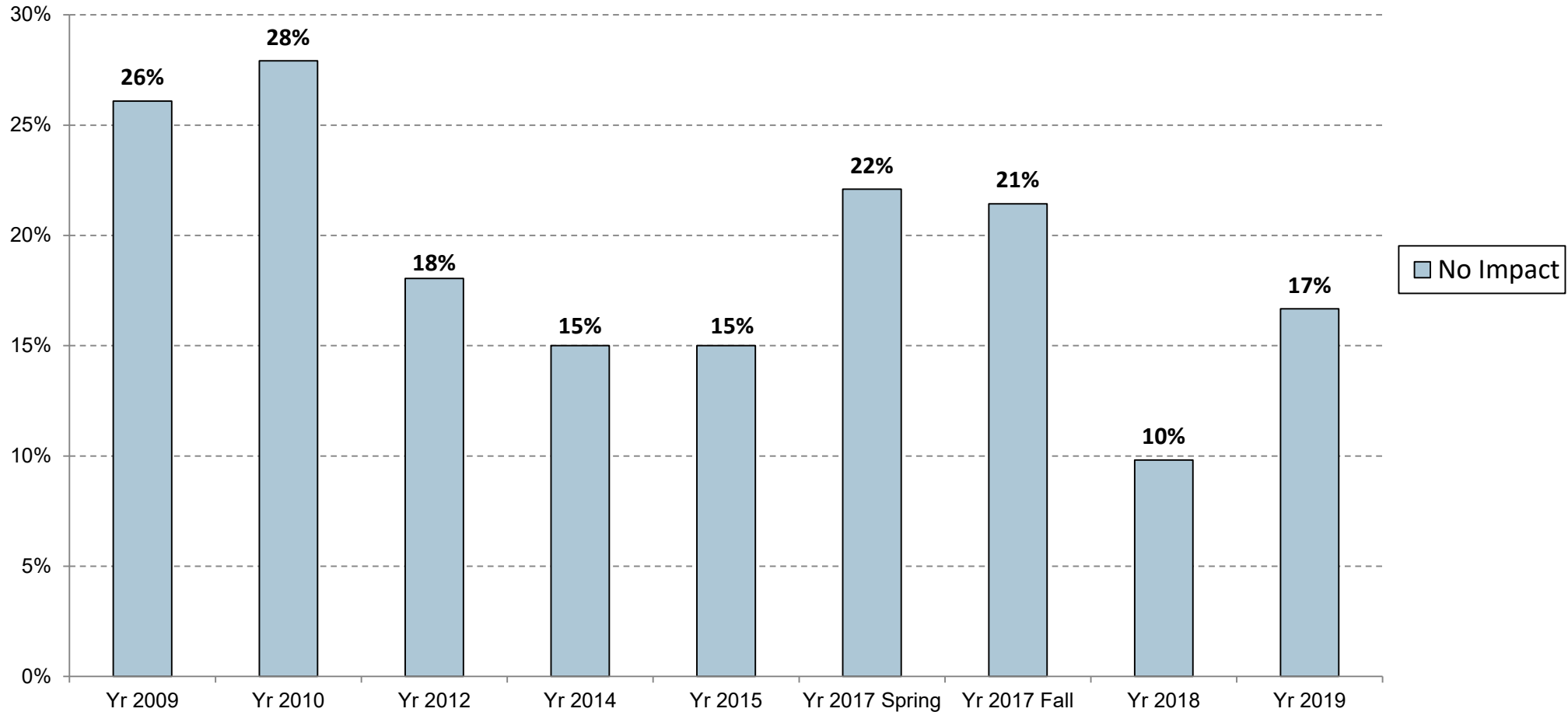
Q2b. Using a 10-point scale where 10 means Extremely Positive and 1 means Extremely Negative, how would you rate the overall impact tourism has on...you and your family?

Impact of Tourism on You & Your Family



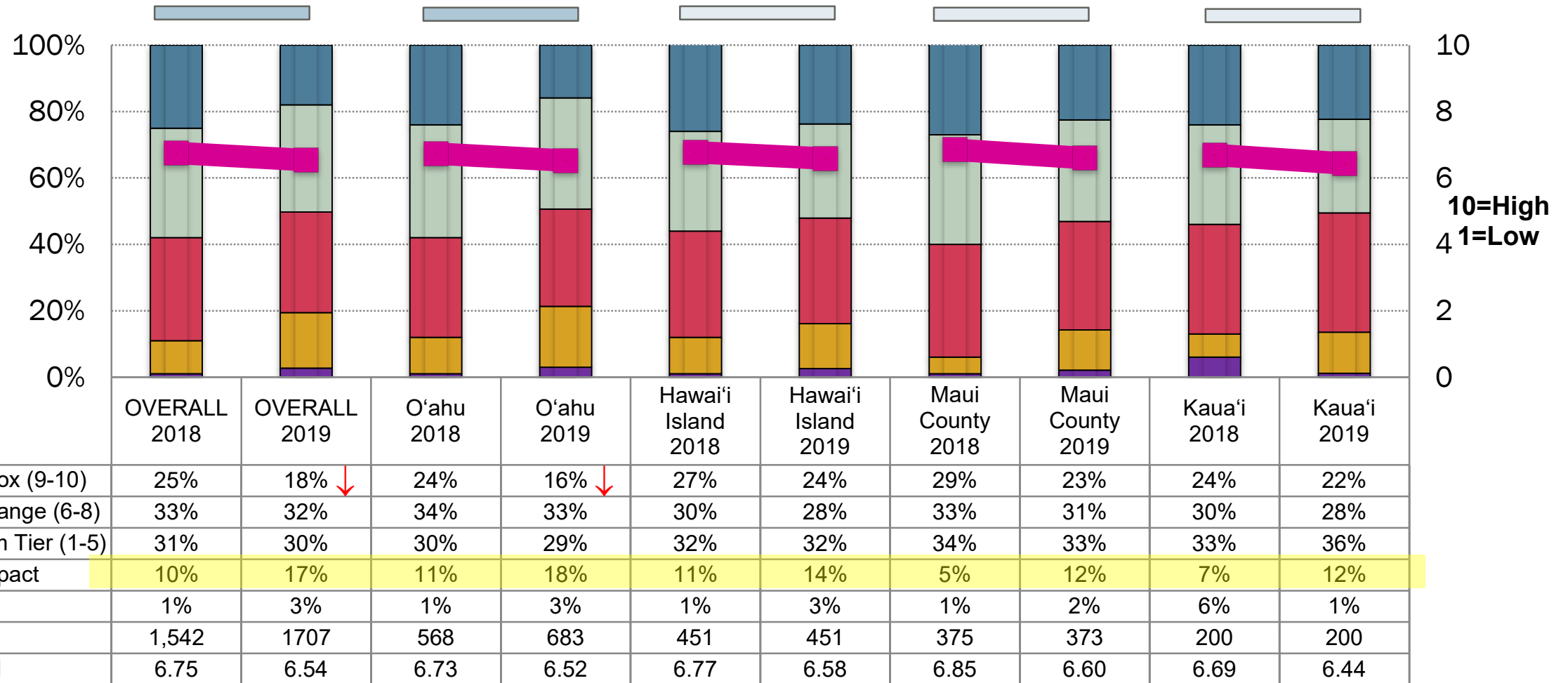
Q2b. Using a 10-point scale where 10 means Extremely Positive and 1 means Extremely Negative, how would you rate the overall impact tourism has on...you and your family?

Impact of Tourism on You & Your Family – No Impact



Q2b. Using a 10-point scale where 10 means Extremely Positive and 1 means Extremely Negative, how would you rate the overall impact tourism has on...you and your family?

Impact of Tourism on You & Your Family - *By Island*

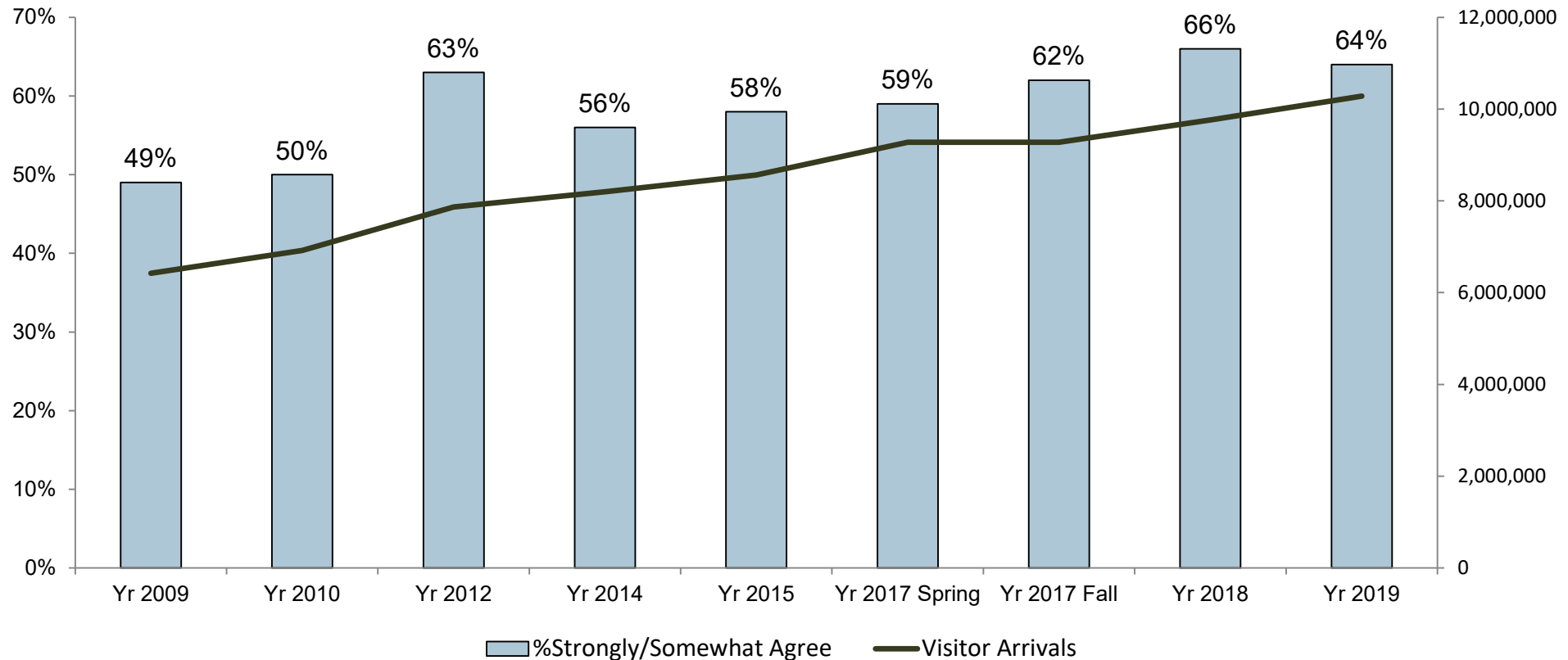


Q2b. Using a 10-point scale where 10 means Extremely Positive and 1 means Extremely Negative, how would you rate the overall impact tourism has on...you and your family?

“This island is being run for tourists at the expense of local people”

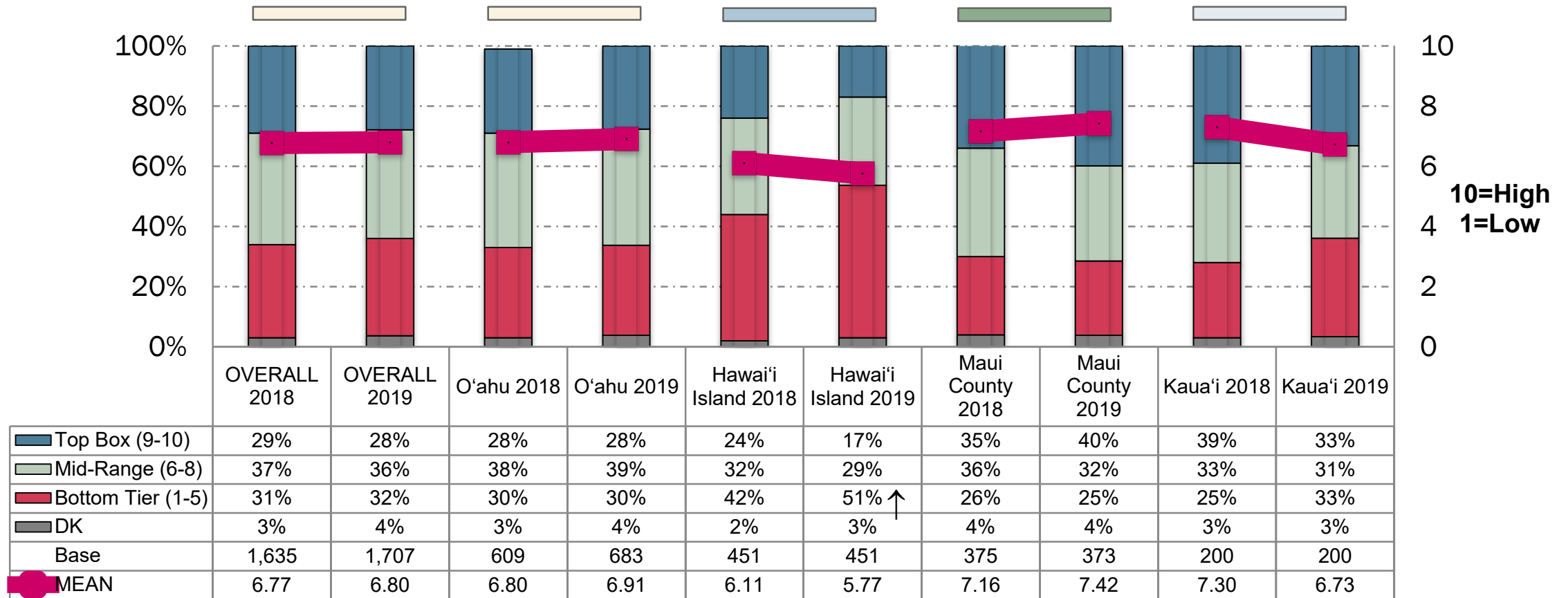
% Strongly/ somewhat agree island is being run for tourists at expense of local people
(Rating of 6 to 10)

Annual Visitor Arrivals



Q4.2. Using a 10-point scale where 10 means Completely Agree and 1 means Do Not Agree at All, how much do you agree or disagree that...?

“This island is being run for tourists at the expense of local people” – *By Island*



Q4.2. Using a 10-point scale where 10 means Completely Agree and 1 means Do Not Agree at All, how much do you agree or disagree that...?

Drivers of Resident Sentiment

Drivers (Driver Weight)	Attribute	Attribute Weights
Economic & Social Benefits (42%) 2018: 20% Fall '17: 40% Spring '17: 47%	Creates jobs that have opportunities for advancement	11%
	Creates shopping, restaurants and entertainment opportunities for residents	11%
	Creates many well-paying jobs for residents	10%
	Sponsors festivals, activities & sports events for residents & visitors	6%
	Provides opportunities for residents to be involved	4%
	Is an industry that enhances residents' quality of life	0%
Cultural & Community Benefits (42%) 2018: 55% Fall '17: 40% Spring '17: 29%	I feel like I have a voice in my island's tourism development decisions	14%
	Tourism presents Native Hawaiian language and culture in an authentic manner	10%
	Tourism makes me feel special because people travel to see my island's unique features	6%
	Helps to preserves Native Hawaiian culture and language	6%
	Tourism is consistent with community values on this island	5%
	Tourism in Hawai'i reminds me that we have a unique culture to share with visitors	1%
	Helps sustain Hawai'i's natural resources, parks and cultural sites	0%
Negative Impacts (16%) 2018: 25% Fall '17: 20% Spring '17: 24%	Tourism results in a higher cost of living	5%
	Tourism in Hawai'i increases traffic problems	4%
	My island's economy is too dependent on tourism	4%
	This island is being run for tourists at the expense of local people	3%

Moving Forward: What's the Big Idea?

1

With Hawai'i's visitor industry heading toward its eighth consecutive year of record visitor arrivals to the state, resident sentiment has generally weakened, though the key indicators showed mixed results.

2

The visitor industry's impact on residents' overall quality of life becomes key to improving resident sentiment, as resident attitudes shift toward seeking an equal balance of Economic/Social and Cultural/Community benefits from the industry.

3

To improve resident sentiment – a key part of responsible growth for the state's visitor industry:

- Provide residents with a voice in tourism development
- Create jobs with opportunities for advancement
- Create shopping, restaurants and entertainment opportunities



Mahalo from the OmniTrak Group

Agenda Item

7

Presentation and Discussion of Current Market Insights and Conditions in Hawaii and Key Major Hawaii Tourism Markets, Including the United States, Japan, Canada, Oceania, Other Asia, Europe and Cruise



Market Insights – January 2020

The HTA Monthly Market Insights reports on the most recent key performance indicators that the Hawai'i Tourism Authority (HTA) uses to measure success. The following measures provide indicators of the overall health of Hawai'i's visitor industry and help to gauge if the HTA is successfully attaining its goals.

Report on Economic Impact

For the first month of 2020, Hawai'i's tourism economy experienced:

- \$1.71 billion in visitor spending, an increase of 5.0 percent compared to January 2019. On a statewide level, average daily visitor spending was up (+2.9% to \$205 per person) in January 2020 versus last year.
- Total visitor arrivals rose 5.1 percent to 862,574 visitors, supported by growth in arrivals from air service (+5.3% to 852,037) which offset fewer arrivals by cruise ships (-8.6% to 10,538). Total visitor days¹ rose 2.0 percent compared to January 2019.
- The average daily census (i.e. number of visitors on any given day) in January 2020 was 269,421, an increase of 2.0 percent compared to a year ago.
- Hawai'i's tourism economy experienced \$200.0 million in generated state tax revenue, up 5.0 percent (+\$9.5 million) compared to January 2019.
- Through December 2019, the state collected \$319.7 million in TAT, an increase of 13.1% compared to FY 2019 through December 2018.
- Total air capacity into Hawai'i grew 6.0 percent from last January to 1,202,300 seats.

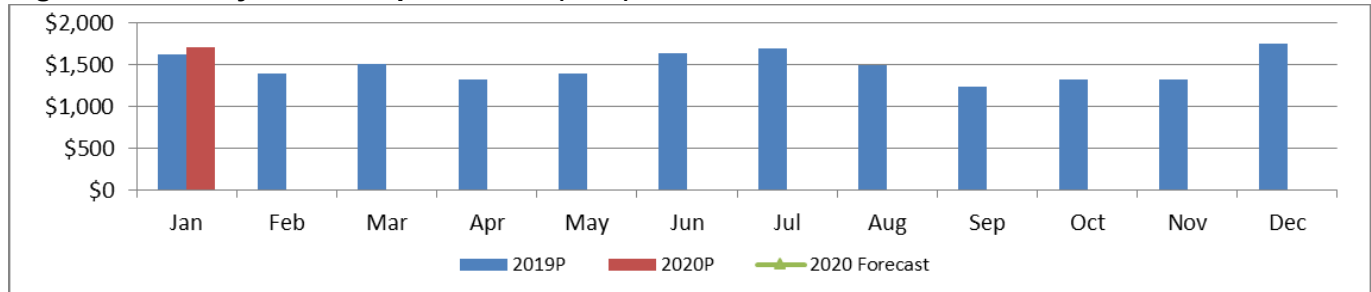
Table 1: Overall Key Performance Indicators – Total (Air + Cruise) – January 2020

	% of Forecast	YOY Rate	Jan. YTD	Forecast
Visitor Spending (\$mil)*	NA	5.0%	1,713.0	NA
Daily Spend (\$pppd)	NA	2.9%	205.1	NA
Visitor Days	NA	2.0%	8,352,039	NA
Arrivals	NA	5.1%	862,574	NA
Airlift (scheduled seats)	NA	5.9%	1,194,820	NA

DBEDT 2020 forecasts were not available at the time of report publication.

¹ Aggregate number of days stayed by all visitors.

Figure 1: Monthly Visitor Expenditures (\$mil)



Major Market Areas (MMAs)

USA

Table 2: Key Performance Indicators - U.S. Total

	% of Forecast	YOY Rate	Jan. YTD	Forecast
Visitor Spending (\$mil)*	NA	10.5%	1,129.1	NA
Daily Spend (\$pppd)	NA	3.2%	202.0	NA
Visitor Days	NA	7.0%	5,588,753	NA
Arrivals	NA	10.5%	552,578	NA
Airlift (scheduled seats)	NA	10.4%	843,040	NA

DBEDT 2020 forecasts were not available at the time of this report.

- The U.S. Gross Domestic Product (GDP) growth rate is expected to fall below the two to three percent ideal range.
- The Conference Board Consumer Confidence Index increased in January 2020 to 131.6, up from 128.2 in December 2019. The Travel Trends Index (TTI) report is consistent with those of recent months, with domestic travel outperforming international inbound travel. These trends are expected to continue through the first half of 2020, with domestic travel growing, but slowing, and international inbound travel declining slightly. This is also consistent with an outlook for the economic expansion continuing in 2020, although at a slightly more moderate pace, according to the U.S. Travel Association.
- The U.S. economy may be somewhat insulated from impacts from the Coronavirus outbreak if the epidemic remains mostly confined to Asia. It has been suggested that the duration of the pandemic event will be less than six months.
- The U.S. domestic carriers to Hawai'i for the months of February through April 2020 continue to operate on an expanded schedule for the winter and spring season. U.S. non-stop seats for February are 785,638, a 15.6 percent increase over 2019. March and April seats are 906,050, and 857,054, respectively, a 8.3 percent and 10.2 percent increase over 2019. Much of the increase in capacity is due to the addition of Southwest. In March, the airline will mark one year of service to Hawai'i.
- All U.S. domestic carriers have extended grounding of the Boeing MAX through June 2020 at the earliest. This continues to have impact on direct neighbor island service from the mainland as seen in route suspensions or decreased frequencies.

US WEST

Table 3: Key Performance Indicators - U.S. West

	% of Forecast	YOY Rate	Jan. YTD	Forecast
Visitor Spending (\$mil)*	NA	11.2%	621.7	NA
Daily Spend (\$pppd)	NA	3.3%	186.3	NA
Visitor Days	NA	7.7%	3,337,398	NA
Arrivals	NA	10.9%	352,525	NA
Airlift (scheduled seats)	NA	7.7%	719,637	NA

DBEDT 2020 forecasts were not available at the time of report publication.

- In January 2020, the U.S. West market reported a 11.2 percent gain in visitor spending to \$621.7 million. Visitor arrivals (+10.9% to 352,525 visitors) and visitor days (+7.7%) increased and daily visitors spending was higher (+3.3% to \$186 per person) compared to January 2019. Lodging and shopping expenses increased, while food and beverage, transportation, and entertainment and recreation expenses were similar to a year ago.

US EAST

Table 4: Key Performance Indicators - U.S. East

	% of Forecast	YOY Rate	Jan. YTD	Forecast
Visitor Spending (\$mil)*	NA	9.6%	507.4	NA
Daily Spend (\$pppd)	NA	3.4%	225.4	NA
Visitor Days	NA	6.0%	2,251,355	NA
Arrivals	NA	9.8%	200,053	NA
Airlift (scheduled seats)	NA	29.4%	123,403	NA

DBEDT 2020 forecasts were not available at the time of report publication.

- In January 2020, spending by U.S. East visitors rose 9.6 percent to \$507.4 million, boosted by growth in visitor arrivals (+9.8% to 200,053 visitors), visitor days (+6.0%) and increased daily visitor spending (+3.4% to \$225 per person) compared to last year. Lodging and transportation expenses increased, food and beverage expenses were slightly lower, while shopping and entertainment and recreation expenses were similar to January 2019.

CANADA

Table 5: Key Performance Indicators – Canada

	% of Forecast	YOY Rate	Jan. YTD	Forecast
Visitor Spending (\$mil)*	NA	-4.3%	160.4	NA
Daily Spend (\$pppd)	NA	2.3%	175.6	NA
Visitor Days	NA	-6.5%	913,550	NA
Arrivals	NA	-4.9%	65,123	NA
Airlift (scheduled seats)	NA	-9.0%	65,590	NA

DBEDT 2020 forecasts were not available at the time of report publication

- In January 2020, spending by Canadian visitors dropped 4.3 percent to \$160.4 million. Visitor arrivals (-4.9% to 65,123) and visitor days (-6.5%) decreased while daily visitor spending (+2.3% to \$176 per person) was higher compared to a year ago. Food and beverage, transportation, entertainment and recreation, and shopping expenses increased, while lodging expenses were about the same compared to January of last year.

- Canada's economy seems to have stabilized with support by strong labor markets and modest growth in consumer spending. Real GDP is forecast to expand by 1.8 percent in 2020 and 1.9 percent in 2021, up slightly from 2019's 1.7 percent gain.
- The loonie has been fairly stable so far this year at 75.3 cents U.S., the year-to-date value is 3.0 percent lower than recorded throughout the same period in 2018. Canadians have gotten used to the price of the American Dollar, after a lot of fluctuation in 2018 and early 2019. Economists are predicting the exchange rate to move to 77 U.S. cents by the end of 2020.
- Following a significant drop in December, the national consumer confidence rating jumped up to 114.1 points in January. The current rating is 12.0-points above the previous month and 4.4-points higher than January 2019. Regionally, consumer confidence registered a monthly increase in every region. In addition, 30.2 percent of respondents nationally indicated now would be a good time to make a major purchase.
- With a population of over 36 million, Canadians made almost 19 million overnight trips to the U.S. throughout the first eleven months of 2019, compared to 18.5 million the previous year. While some destinations recorded a decline in direct air arrivals, most of the tracked cities in Florida, California, Texas and Nevada saw an increase in activity.
- Air Canada and WestJet have extended their grounding of the MAX through April 2020, which has severely affected Air Canada's capacity on the West Coast. According to the airline, more than 20 percent of their flights out of Vancouver and Calgary are being affected, especially in mid-haul destinations like Hawai'i.

JAPAN

Table 6: Key Performance Indicators – Japan

	% of Forecast	YOY Rate	Jan. YTD	Forecast
Visitor Spending (\$mil)*	NA	7.1%	184.4	NA
Daily Spend (\$pppd)	NA	0.8%	239.9	NA
Visitor Days	NA	6.3%	768,565	NA
Arrivals	NA	6.9%	128,686	NA
Airlift (scheduled seats)	NA	1.2%	176,196	NA

DBEDT 2020 forecasts were not available at the time of report publication.

- In January 2020, spending by Japanese visitors rose 7.1 percent to \$184.4 million. Visitor arrivals (+6.9% to 128,686) and visitor days (+6.3%) increased and daily visitor spending (+0.8% to \$240 per person) was up slightly compared to January 2019. Lodging, food and beverage, transportation, and entertainment and recreation expenses increased, while spending on shopping declined.
- The exchange rate was at 109.34 JPY to USD in January 2020, maintaining relative stability. Economists forecast the Japanese Yen to moderately advance over the US Dollar. This may lead to greater perceived purchasing power amongst Japanese travelers.
- Economists are warning of a technical recession in course for Japan as the negative impacts of the Coronavirus outbreak threatens to compound the relatively poor performance of the Japanese economy in 2019 Q4. GDP data published on February 10th came in well below forecasts set at -3.7 percent, causing many economists to make downward revisions for 2020 economic forecasts.

- The Coronavirus continues to spread in Japan with over 600 recorded cases. The Japanese Government is being criticized for being too slow in restricting entry of visitors from China as a main reason for the wide dispersion of the virus. With Japan's aging population and strong work ethic, scenarios are created for the outbreak to continue.
- Despite the negative effects of the Coronavirus outbreak on travel, travels to Hawai'i in January 2020 remain mostly unaffected. Although cancellation of outbound travels had occurred, most were for Asian destinations. However, numerous factors such as the Golden Week holidays being shorter in 2020, the Summer Olympic Games, and the Coronavirus outbreak is prompting weaker bookings from March 2020 onwards.
- ANA continues operation of their first and second Airbus A380 aircraft, the ANA Blue livery and Emerald Green livery, with 10 flights A380 per week. ANA has received their third A380 aircraft in the Sunset Orange livery, set for use from July 2020. This will increase A380 service to 14 flights per week.
- Airlines with service to Honolulu has announced plans from the expansion of international flight slots at Haneda. Delta Air Lines will be shifting all air service from Narita to Haneda, including their Honolulu route; Hawaiian Airlines will be introducing a new daily service to be operated from Haneda to Honolulu; Japan Airlines will be shifting two flights from Narita to Honolulu to be from Haneda; All Nippon Airways has not expressed their allocation of additional slots to be used for Honolulu routes. The expansion of international flight slots at Haneda in 2020 will be beneficial for Japanese travelers as Haneda Airport is located closer to the city center, improving convenience for consumers, while also creating more options for connection flights for those in regional cities.
- Hawaiian Airlines launched direct flight service to Fukuoka on November 26, 2019 departing Honolulu on Tuesdays, Fridays, Saturdays and Sundays. Additionally, Hawaiian Airlines also began sales for their third daily service from Haneda Airport set to launch on March 28, 2020.

OCEANIA

Table 7: Key Performance Indicators – Oceania

	% of Forecast	YOY Rate	Jan. YTD	Forecast
Visitor Spending (\$mil)*	NA	-8.2%	71.7	NA
Daily Spend (\$pppd)	NA	-1.8%	262.5	NA
Visitor Days	NA	-6.6%	272,970	NA
Arrivals	NA	-5.7%	29,597	NA
Airlift (scheduled seats)	NA	-6.6%	41,669	NA

DBEDT 2020 forecasts were not available at the time of report publication.

- In January 2020, Visitor arrivals from Australia decreased (-7.4% to 24,559) compared to the same month last year. Daily visitor spending declined (-2.0% to \$267 per person). Visitors spent less on lodging and more on food and beverage, and shopping compared to January 2019.
- The Australian economy is forecast to remain slow in 2020, with wage growth remaining stagnant and GDP growth to stay at or below 2 percent. Household spending was flat in 2019 and economic forecasters predict that Australia's drought, floods and bushfires will increase the cost of food, essential items and energy, thereby increasing inflation. During January 2020 the Australian dollar continued to trade at between US\$0.67 to \$0.68.

- There has been an increase in the number of flights available from Australia to U.S. destinations, resulting in very competitive fares and providing travelers with more choice on where to holiday in the USA.
- Visitor arrivals from New Zealand increased (+3.8% to 5,038) in January 2020 year-over-year.
- The outbreak of Coronavirus has created some uncertainty in the financial markets, but at this stage little impact. In New Zealand the immediate issues have been with inbound tourism and fresh-food exports. The latest global dairy auction has also shown that the outbreak is starting to affect soft-commodity prices. The month saw a decline in the value of the NZ\$ versus the US\$ which is trading at \$0.67 to \$0.64.
- Outbound travel from New Zealand continues to grow, exceeding 3 million trips in a calendar year.

EUROPE

Table 8: Key Performance Indicators – Europe

	% of Forecast	YOY Rate	Jan. YTD	Forecast
Visitor Spending (\$mil)*	NA	-16.5%	16.0	NA
Daily Spend (\$pppd)	NA	-4.3%	154.5	NA
Visitor Days	NA	-12.8%	103,717	NA
Arrivals	NA	-1.3%	7,956	NA
Airlift (scheduled seats)	NA	NA	NA	NA

DBEDT 2020 forecasts were not available at the time of report publication.

- Visitor arrivals from the United Kingdom, France, Germany, Italy and Switzerland declined (-1.3% to 7,956) compared to January 2019.
- The Pound Sterling finished January strongly at \$1.33, the Euro moved down slightly to \$1.10, while the Swiss Franc fell slightly to \$1.01.
- On January 31, 2020 the UK left the European Union (EU). Prime Minister Boris Johnson has vowed to bring the country together and move it “forward”. There will be a transitional period for the remainder of the year, when the UK will be allowed to negotiate new trade deals with other countries, whilst also discussing a free trade deal with the EU.
- British citizens can still travel freely with a passport until the end of the transition period in 2020. There will be no additional border checks and the current Great Britain passport will be valid until date of expiry. Changes to travel after the transition period starting in 2021 will be decided in the negotiations on the EU-UK relationship.
- GDP in Germany improved toward the end of 2019 but has still reported its slowest economic growth in 6 years. The Gross Domestic Product of Germany grew 0.6 percent in 2019 compared to 2018.
- Focus Economics Consensus Forecast panelists expect the German economy to increase 1.4 percent in 2020. The unemployment rate remains consistent at 3.2 percent.
- Following the collapse of Thomas Cook in 2019, Hays Travel has announced that they now have more staff in the 461 former Thomas Cook shops than at the time of its collapse. 2,000 of the 2,500 retail staff employed by Thomas Cook has been retained by Hays Travel and they now have a total of 3,000 employed in the shops. Hays Travel said

that the business made more than £2 billion worth of sales in the year when its acquisition of the Thomas Cook retail estate expanded its network from 180 shops to more than 640.

CHINA

Table 9: Key Performance Indicators – China

	% of Forecast	YOY Rate	Jan. YTD	Forecast
Visitor Spending (\$mil)*	NA	-23.3%	22.9	NA
Daily Spend (\$pppd)	NA	-1.5%	296.6	NA
Visitor Days	NA	-22.1%	77,105	NA
Arrivals	NA	-20.3%	8,729	NA
Airlift (scheduled seats)	NA	-30.6%	7,592	NA

DBEDT 2020 forecasts were not available at the time of report publication.

- Visitor arrivals from China declined (-20.3% to 8,729) compared to January 2019. Daily visitor spending was lower (-1.5% to \$297 per person) as a result of decreased lodging, food and beverage and entertainment and recreation expenses.
- China remains the world's second-largest economy and tops the world in economic growth (+6.1% YOY) in 2019. China may revise down its annual economic growth target for 2020 in response to the impact of the coronavirus outbreak, but will still not give up the overall target of maintaining economic growth "in a reasonable range", according to a Chinese government researcher.
- The outbreak of COVID-19 in China has caused an unprecedented and substantial setback in flight bookings for the Chinese New Year period from January 10 to February 6, 2020. More than 25,000 flights to, from and within China were canceled as more than two dozen airlines suspended services. Because of foreign airlines cutting flights to China, international capacity was expected to fall by 4.4 million seats a week. The loss in seats is equivalent to the entire Indian market. As of February 2, 2020, China Eastern Airlines suspended its direct service (6x per week) from Shanghai to Honolulu.
- A total of 75 destinations, including countries along China's One Belt Road initiative, are offering visa waiver or visa-upon-arrival to entice the Chinese market. Competition continues to intensify as destinations are investing heavily to gain access to the Chinese travel market.

KOREA

Table 10: Key Performance Indicators – Korea

	% of Forecast	YOY Rate	Jan. YTD	Forecast
Visitor Spending (\$mil)*	NA	-21.3%	46.3	NA
Daily Spend (\$pppd)	NA	3.2%	258.8	NA
Visitor Days	NA	-23.7%	178,993	NA
Arrivals	NA	-23.4%	21,371	NA
Airlift (scheduled seats)	NA	-8.4%	30,793	NA

DBEDT 2020 forecasts were not available at the time of report publication.

- Visitor arrivals from Korea were down (-23.4% to 21,371) in January 2020 compared to a year ago. However, daily visitor spending increased (+3.2% to \$259 per person). Visitor spent more on lodging, food and beverage, entertainment and recreation, and slightly less on shopping compared to January 2019.

- The United Nations (UN) says South Korea's economy is likely to grow 2.3 percent in 2020 from 2.0 percent in 2019.
- The average USD/WON exchange rate in January was 1162.43 won, a slight decrease from the previous rate of 1172.45 won in December. Fuel surcharges remained the same as in December since they were imposed in January up to 69,600 won (US\$59.77) for a round trip between Korea and the U.S.
- Korean Air is currently operating two regular flights for ICN-HNL routes with KE051 (4-time weekly) & KE053 (daily). It reported the load factor of additional flight of KE051 and existing daily flight of KE053 reached 92 percent and 93 percent respectively in January. The airlines have enjoyed growing travel demands to Hawai'i for winter peak season right before the outbreak of COVID-19. Meanwhile, the additional flight of KE051 is scheduled to end on March 28, 2020 and it is highly likely to resume its operation in the second half of this year.
- Asiana Airlines decided to extend its daily services on the ICN-HNL route until the end of October this year. It achieved load factor of 88 percent for OZ232 flight in January.
- HTK continues to promote the individual Hawaiian Islands in efforts to increase island distribution by collaborating with key airline partners, tour operators, media and celebrities and influencers.

TAIWAN

Table 11: Key Performance Indicators – Taiwan

	% of Forecast	YOY Rate	Jan. YTD	Forecast
Visitor Spending (\$mil)*	NA	-13.2%	4.3	NA
Daily Spend (\$pppd)	NA	-9.7%	231.7	NA
Visitor Days	NA	-3.9%	18,749	NA
Arrivals	NA	3.9%	1,932	NA
Airlift (scheduled seats)	NA	0.0%	2,754	NA

DBEDT 2020 forecasts were not available at the time of report publication.

- Visitor arrivals from Taiwan increased in January 2020 (+3.9% to 1,932) versus the same month last year.
- The Taiwan Institute of Economic Research (TIER) has raised its forecast for Taiwan's GDP growth for 2020 to 2.7 percent, on the back of higher than expected domestic demand at a time when many Taiwanese companies are investing more at home.
- From January to November 2019, Taiwan total outbound visitation was up 3.4 percent compared to the same period in 2018. Through November, visitation to the U.S. decreased 3.3 percent year-over-year.
- Taiwan's presidential election was on Jan 11th. Tsai Ing-wen retained the presidency with her Democratic Progressive Party maintaining a majority in the legislature. According to Focus Economics, this will ensure a continuation of current pro-growth economic policies. In particular, infrastructure development plans and ongoing efforts to encourage Taiwanese companies to re-shore capital should boost investment.
- Taiwanese startup airline Star Lux Airlines Co. Ltd. launched inaugural flight between Taiwan to Macao, Da Nang, and Penang in January. Due to Wuhan coronavirus

outbreak, the Macao route is suspended from February to March. The plan of direct flights between Taipei and Cebu, the Philippines on April 6, is still on schedule.

- China Airlines and Eva Air are both increasing airlifts and presence in Southeast Asia. Not only because of the potential of Taiwan visitors to the region, the carriers are positioning themselves as the choice for Southeast Asia visitors traveling to North America.
- Taiwanese prefers to take short term travels between 1-4 days, according to a report by Booking.com released in 2019. Top three most popular travel themes in Taiwan are sightseeing (87%), food (81%), city walk (73%) which is different from the international preference of beach vacation (60%), sightseeing (59%), and city walk (58%).

LATIN AMERICA

Table 122: Key Performance Indicators – Latin America

	% of Forecast	YOY Rate	Jan. YTD	Forecast
Visitor Spending (\$mil)*	NA	-25.5%	6.0	NA
Daily Spend (\$pppd)	NA	-15.5%	223.7	NA
Visitor Days	NA	-11.9%	26,787	NA
Arrivals	NA	-5.5%	2,402	NA
Airlift (scheduled seats)	NA	N/A	N/A	NA

DBEDT 2020 forecasts were not available at the time of report publication.

- Visitor arrivals from Mexico, Brazil and Argentina decreased in January 2020 (-5.5% to 2,402).

ISLAND VISITATION:

- **O’ahu** Visitor spending dropped 1.4 percent to \$701.6 million in January 2020. Arrivals increased 4.2 percent to 512,621 visitors, but a shorter length of stay (-3.1% to 7.20 days) led to only a slight growth in visitor days (+0.9%). Daily visitor spending (-2.3% to \$190 per person) was lower compared to January 2019. The average daily census rose slightly (+0.9%) to 118,993 visitors in January 2020.
- **Maui:** In January 2020, visitor spending rose 7.7 percent to \$510.7 million. Visitor arrivals (+3.6% to 242,472) and visitor days (+1.3%) increased and daily visitor spending was higher (+6.3% to \$233 per person) compared to January 2019. The average daily census grew 1.3 percent to 70,806 visitors.
- **Island of Hawai’i:** In January 2020, visitor spending gained 14.1 percent to \$290.5 million, boosted by growth in visitor arrivals (+9.4% to 163,530), visitor days (+8.1%) and higher daily visitor spending (+5.6% to \$202 per person) compared to January 2019. The average daily census rose 8.1 percent to 46,375 visitors.
- **Kaua’i:** In January 2020, visitor spending rose 8.7 percent to \$191.3 million, boosted by higher daily spending (+8.9% to \$208 per person). Arrivals increased 7.3 percent to 113,847 visitors. However, a shorter length of stay (-6.9% to 8.09 days) resulted in no growth in visitor days (-0.2%). The average daily census was 29,728 visitors (-0.2%).

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Jan-20** *Preliminary*

Visitor Industry Performance Measures

Market: **OVERALL**

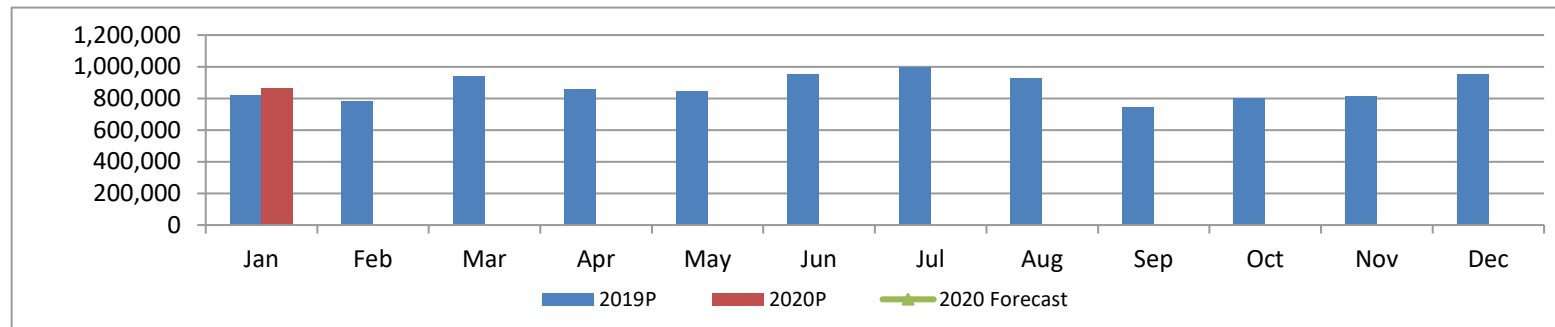
Key Performance Indicators

	% of Forecast*	YOY Rate	YTD	Forecast	Arrivals		
						YOY Rate	YTD
Visitor Spending (\$mil)*	N/A	5.0%	1,713.0	N/A	O'ahu	4.2%	512,621
Daily Spend (\$pppd)	N/A	2.9%	205.1	N/A	Maui	3.6%	242,472
Visitor Days	N/A	2.0%	8,352,039	N/A	Moloka'i	19.2%	6,786
Arrivals	N/A	5.1%	862,574	N/A	Lāna'i	-4.1%	6,064
Airlift (scheduled seats)	N/A	5.9%	1,194,820	N/A	Kaua'i	7.3%	113,847
					Hawai'i Island	9.4%	163,530

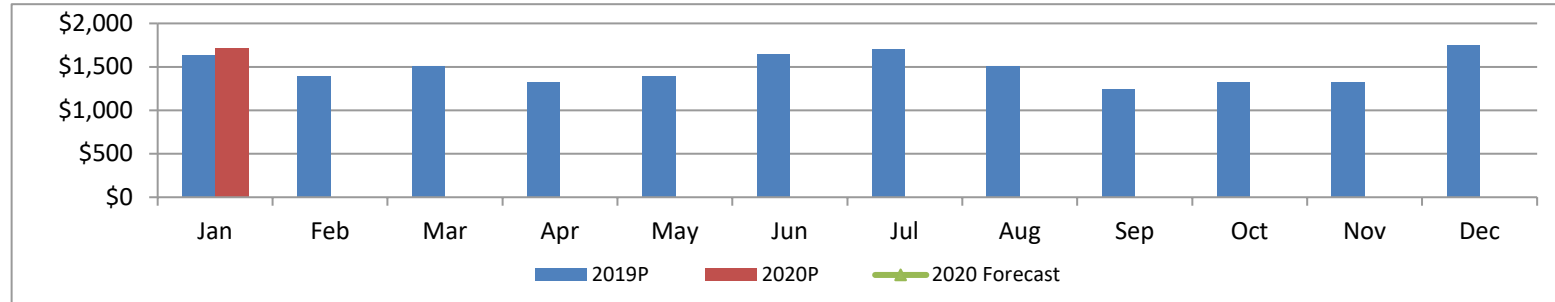
*DBEDT 2020 Forecast not available at time of report publication

Monthly Indicators

Monthly Arrivals

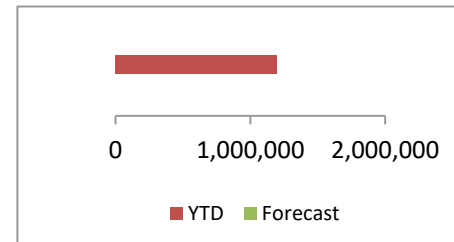
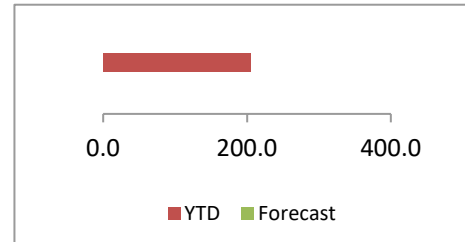
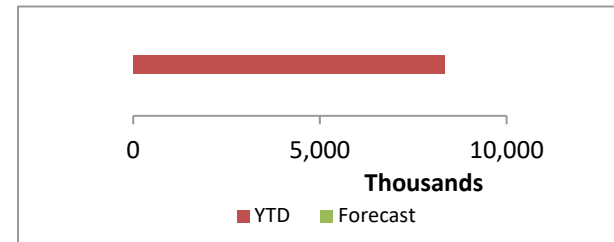


Monthly Visitor Expenditures (\$mil)



Annual Indicators

YTD Visitor Days YTD Daily Spend (\$ per person per day) YTD Scheduled Air Seats



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Jan-20** *Preliminary*

Visitor Industry Performance Measures

Market: **U.S. TOTAL**

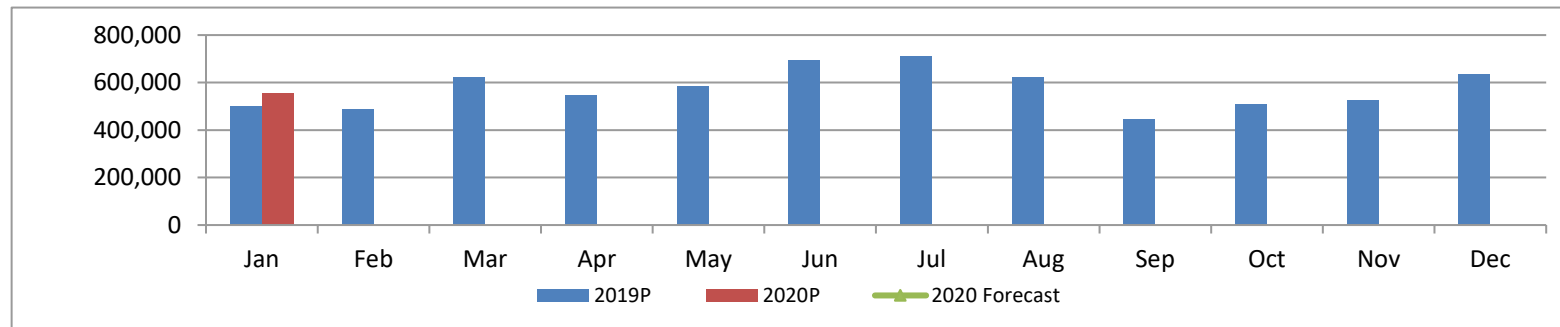
Key Performance Indicators

	% of Forecast*	YOY Rate	YTD	Forecast	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)*	N/A	10.5%	1,129.1	N/A	O'ahu	13.2%	271,707
Daily Spend (\$pppd)	N/A	3.2%	202.0	N/A	Maui	8.7%	185,594
Visitor Days	N/A	7.0%	5,588,753	N/A	Moloka'i	2.6%	3,986
Arrivals	N/A	10.5%	552,578	N/A	Lāna'i	5.7%	4,466
Airlift (scheduled seats)	N/A	10.4%	843,040	N/A	Kaua'i	10.5%	91,504
					Hawai'i Island	14.7%	111,994

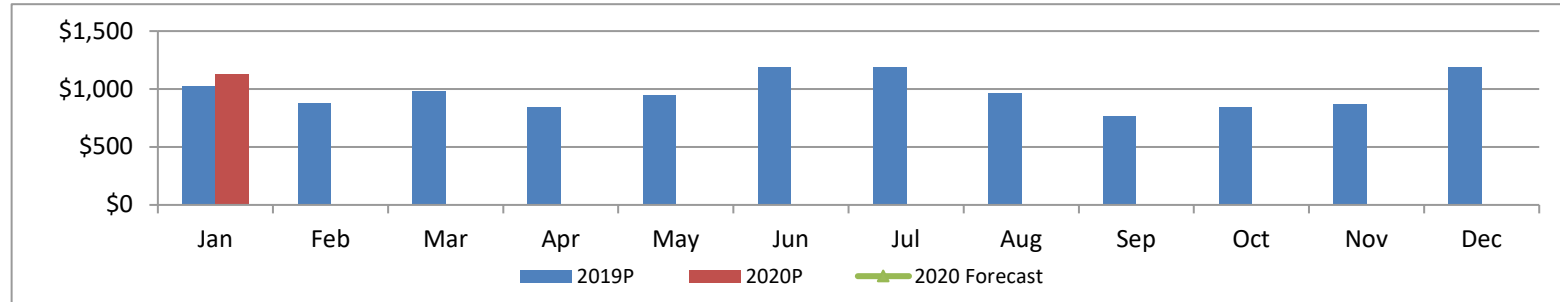
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Monthly Indicators

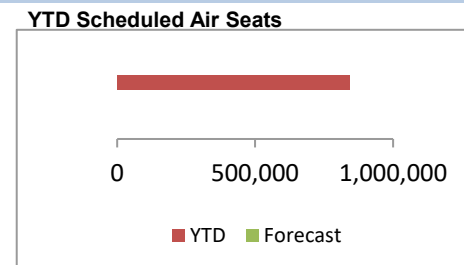
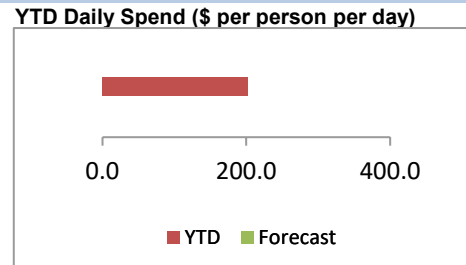
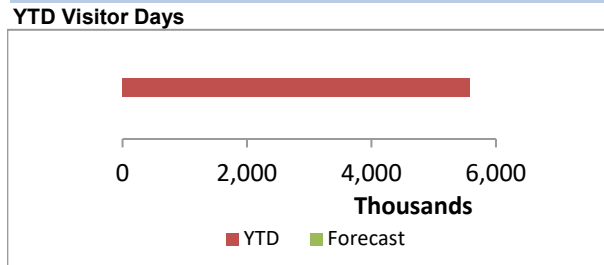
Monthly Arrivals



Monthly Visitor Expenditures (\$mil)



Annual Indicators



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Jan-20** *Preliminary*

Visitor Industry Performance Measures

Market: **U.S. WEST**

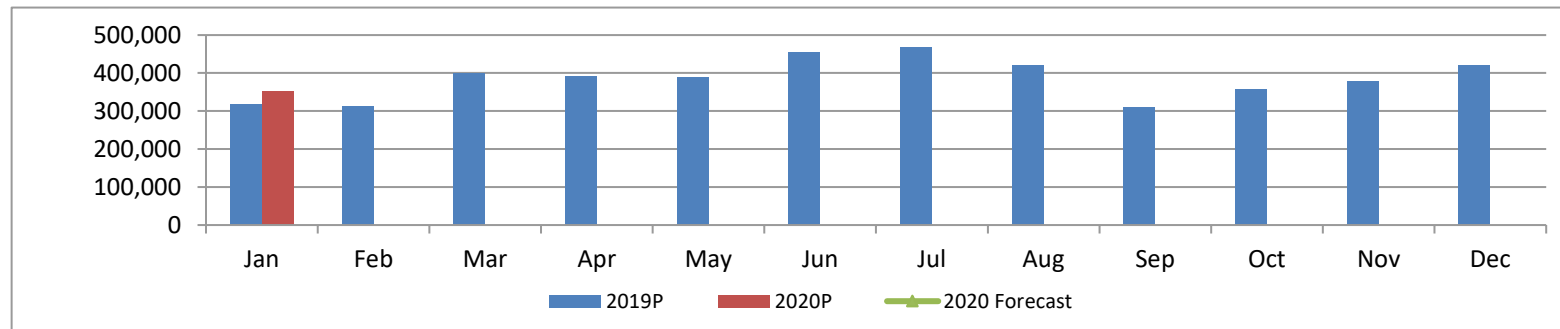
Key Performance Indicators

	% of Forecast*	YOY Rate	YTD	Forecast	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)*	N/A	11.2%	621.7	N/A	O'ahu	13.1%	159,121
Daily Spend (\$pppd)	N/A	3.3%	186.3	N/A	Maui	9.3%	113,963
Visitor Days	N/A	7.7%	3,337,398	N/A	Moloka'i	3.1%	2,405
Arrivals	N/A	10.9%	352,525	N/A	Lāna'i	10.6%	2,429
Airlift (scheduled seats)	N/A	7.7%	719,637	N/A	Kaua'i	13.7%	54,988
					Hawai'i Island	14.8%	69,086

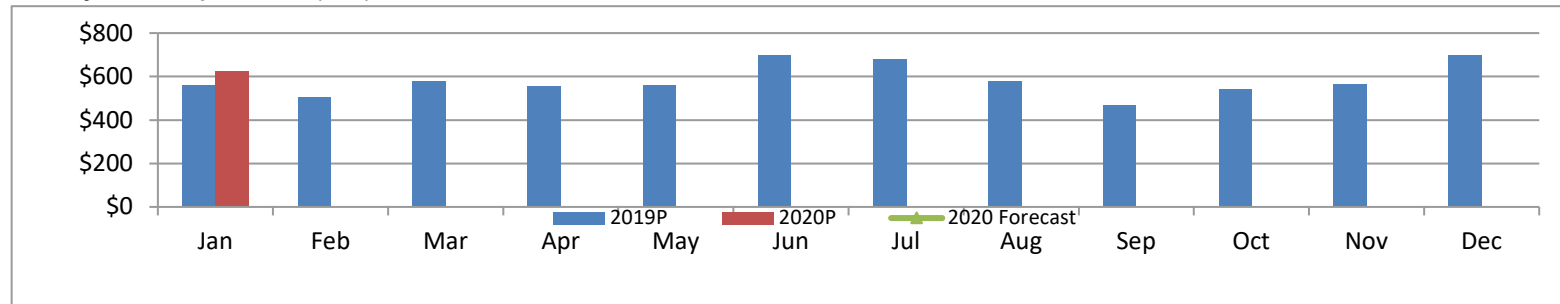
*DBEDT 2020 Forecast not available at time of report publication

Monthly Indicators

Monthly Arrivals

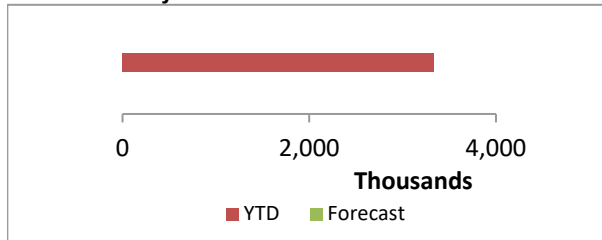


Monthly Visitor Expenditures (\$mil)

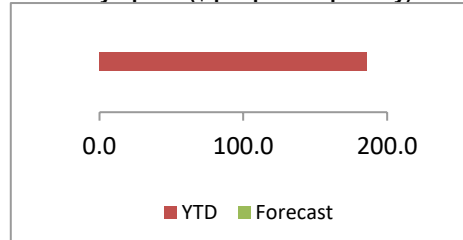


Annual Indicators

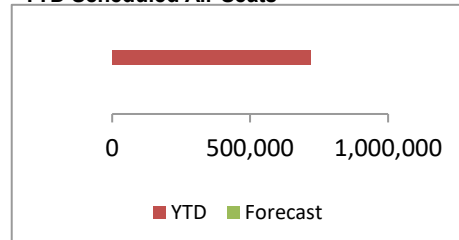
YTD Visitor Days



YTD Daily Spend (\$ per person per day)



YTD Scheduled Air Seats



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Jan-20** *Preliminary*

Visitor Industry Performance Measures

Market: **U.S. EAST**

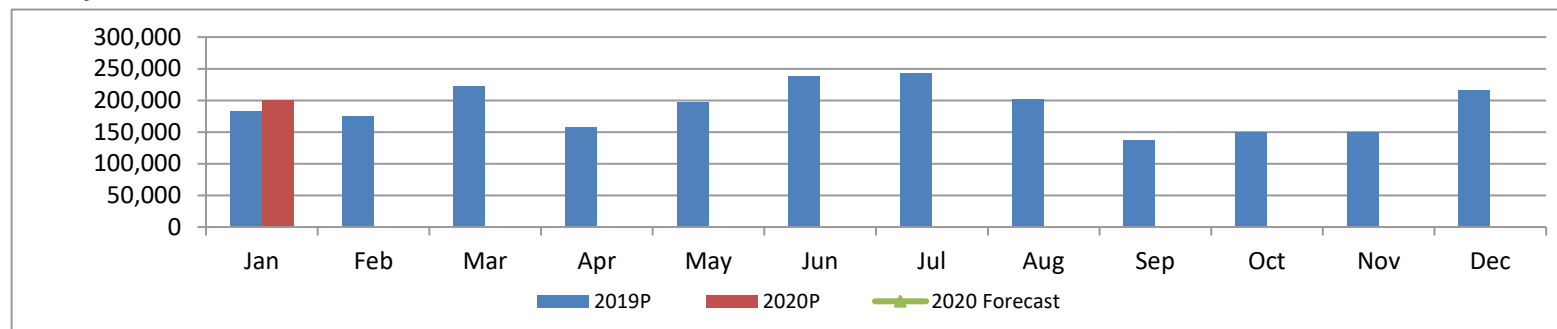
Key Performance Indicators

	% of Forecast*	YOY Rate	YTD	Forecast	Arrivals		
						YOY Rate	YTD
Visitor Spending (\$mil)*	N/A	9.6%	507.4	N/A	O'ahu	13.3%	112,586
Daily Spend (\$pppd)	N/A	3.4%	225.4	N/A	Maui	7.9%	71,631
Visitor Days	N/A	6.0%	2,251,355	N/A	Moloka'i	1.9%	1,582
Arrivals	N/A	9.8%	200,053	N/A	Lāna'i	0.4%	2,037
Airlift (scheduled seats)	N/A	29.4%	123,403	N/A	Kaua'i	5.9%	36,516
					Hawai'i Island	14.5%	42,908

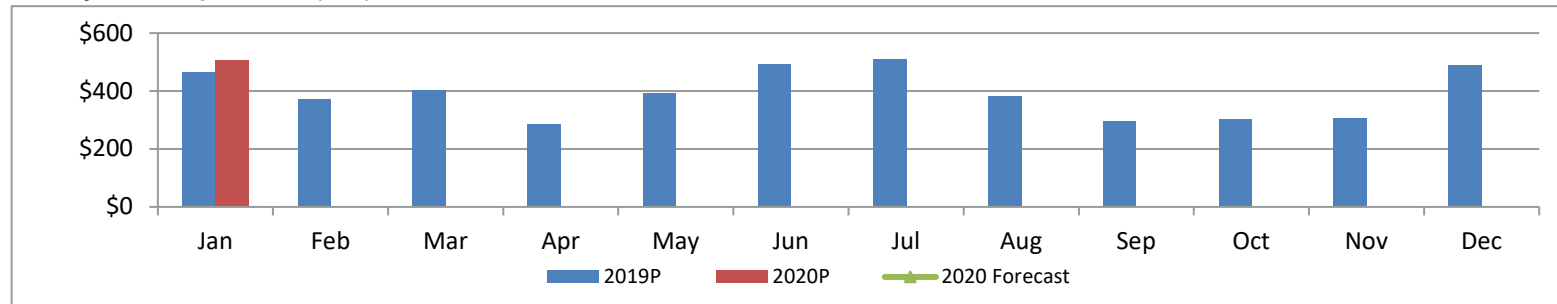
*DBEDT 2020 Forecast not available at time of report publication

Monthly Indicators

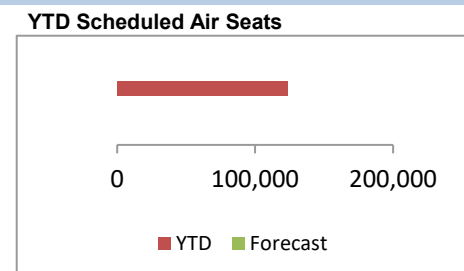
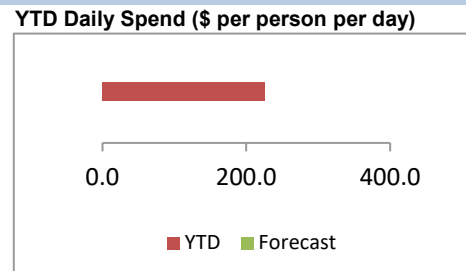
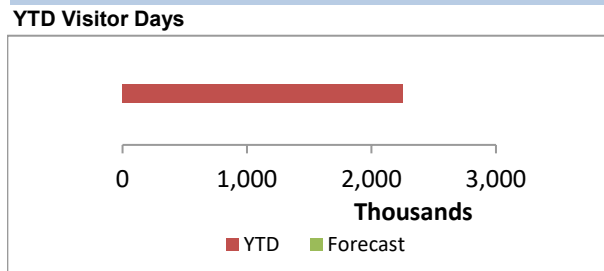
Monthly Arrivals



Monthly Visitor Expenditures (\$mil)



Annual Indicators



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Jan-20** *Preliminary*

Visitor Industry Performance Measures

Market: **CANADA**

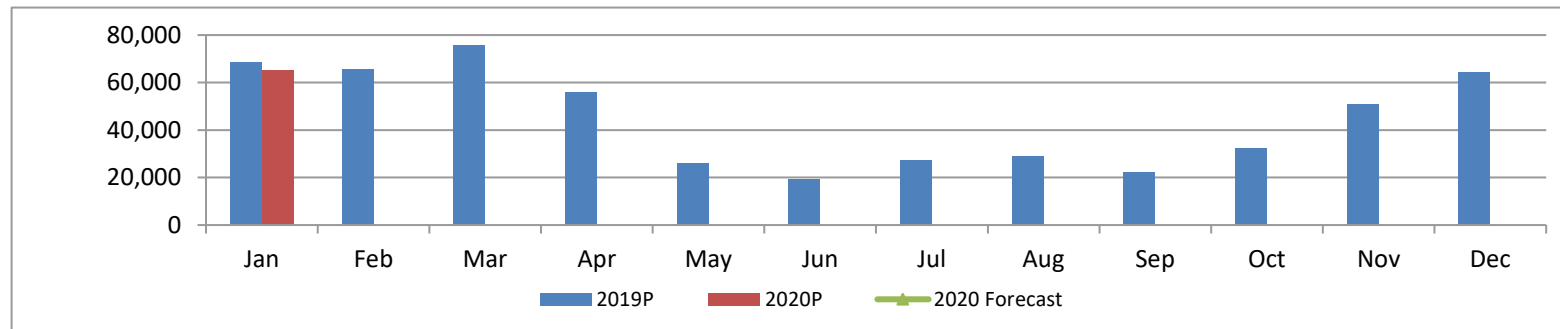
Key Performance Indicators

	% of Forecast*	YOY Rate	YTD	Forecast	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)*	N/A	-4.3%	160.4	N/A	O'ahu	0.9%	26,477
Daily Spend (\$pppd)	N/A	2.3%	175.6	N/A	Maui	-6.7%	31,635
Visitor Days	N/A	-6.5%	913,550	N/A	Moloka'i	-26.7%	355
Arrivals	N/A	-4.9%	65,123	N/A	Lāna'i	-23.6%	722
Airlift (scheduled seats)	N/A	-9.0%	65,590	N/A	Kaua'i	-6.7%	9,956
					Hawai'i Island	1.8%	14,503

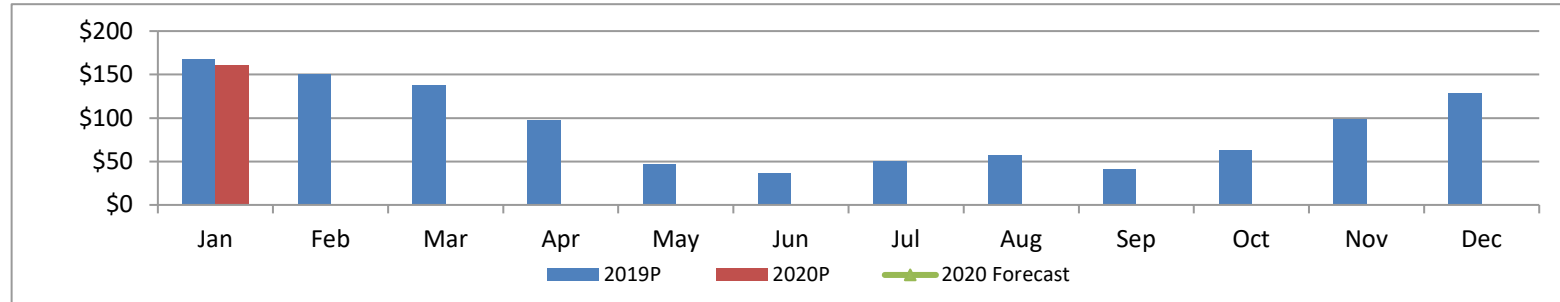
*DBEDT 2020 Forecast not available at time of report publication

Monthly Indicators

Monthly Arrivals

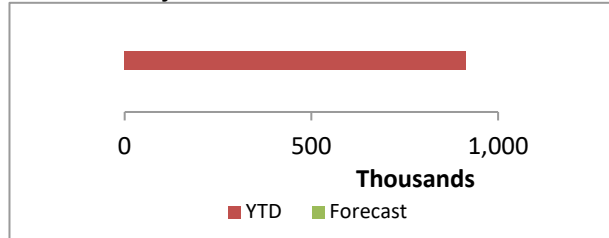


Monthly Visitor Expenditures (\$mil)

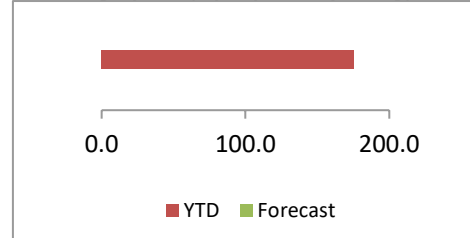


Annual Indicators

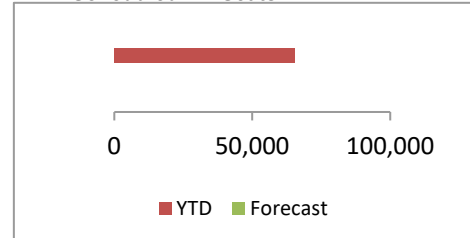
YTD Visitor Days



YTD Daily Spend (\$ per person per day)



YTD Scheduled Air Seats



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Jan-20** *Preliminary*

Visitor Industry Performance Measures

Market: **JAPAN**

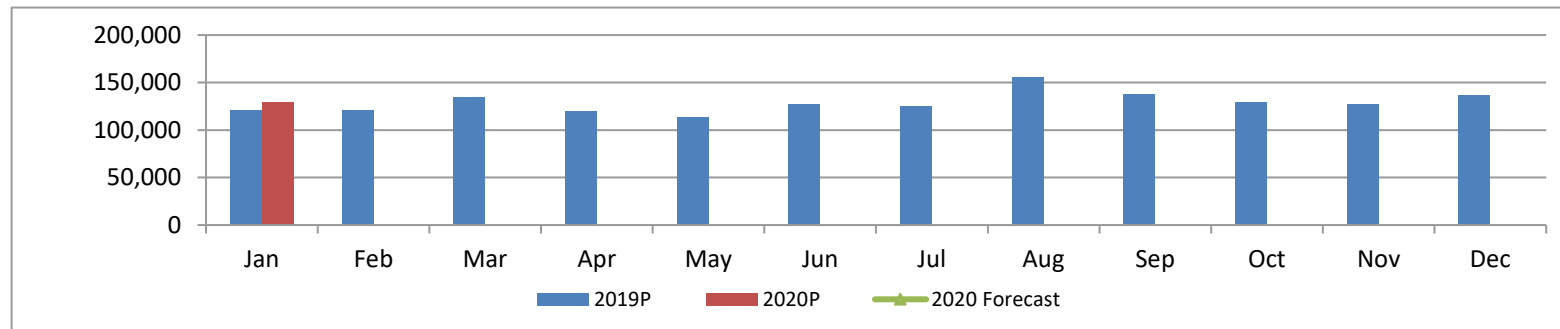
Key Performance Indicators

	% of Forecast*	YOY Rate	YTD	Forecast	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)*	N/A	7.1%	184.4	N/A	O'ahu	3.8%	120,078
Daily Spend (\$pppd)	N/A	0.8%	239.9	N/A	Maui	-10.6%	4,003
Visitor Days	N/A	6.3%	768,565	N/A	Moloka'i	263.5%	165
Arrivals	N/A	6.9%	128,686	N/A	Lāna'i	7.9%	77
Airlift (scheduled seats)	N/A	1.2%	176,196	N/A	Kaua'i	-31.8%	1,677
					Hawai'i Island	37.4%	16,220

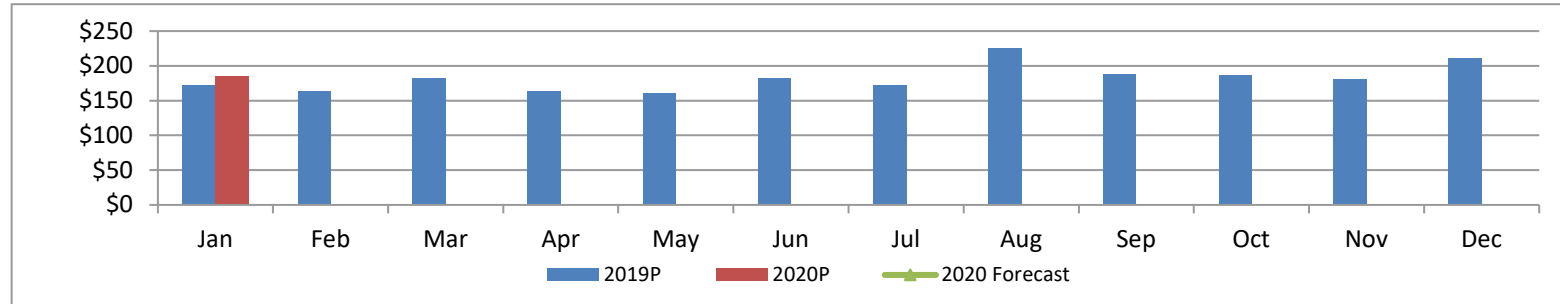
*DBEDT 2020 Forecast not available at time of report publication

Monthly Indicators

Monthly Arrivals

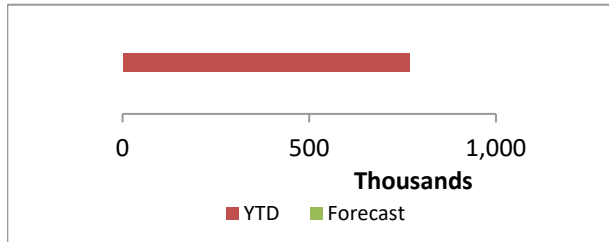


Monthly Visitor Expenditures (\$mil)

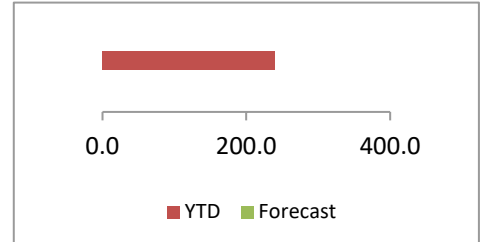


Annual Indicators

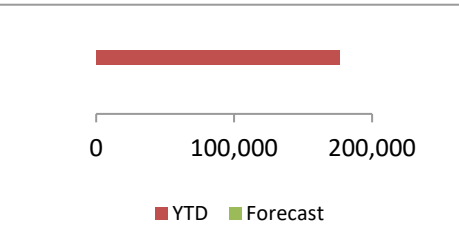
YTD Visitor Days



YTD Daily Spend (\$ per person per day)



YTD Scheduled Air Seats



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Jan-20** *Preliminary*

Visitor Industry Performance Measures

Market: **CHINA**

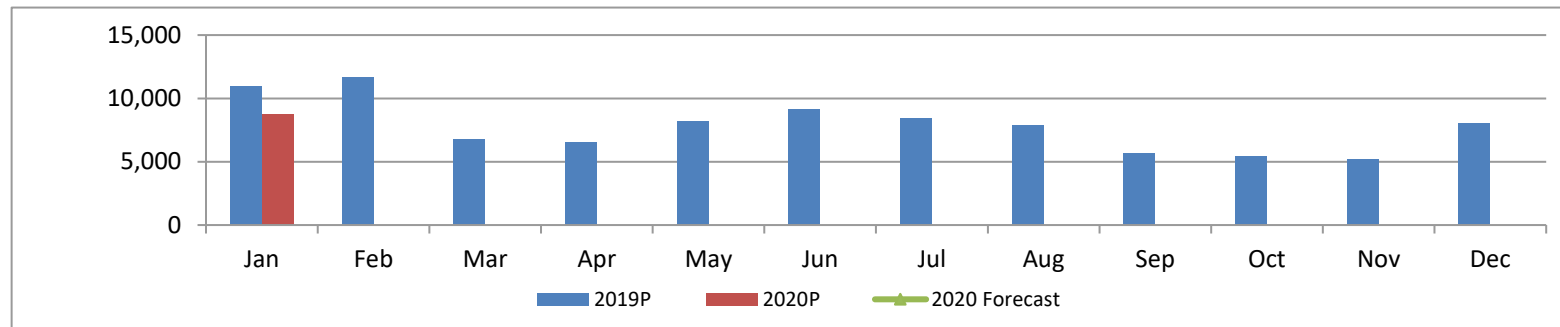
Key Performance Indicators

	% of Forecast*	YOY Rate	YTD	Forecast	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)*	N/A	-23.3%	22.9	N/A	O'ahu	-20.9%	8,397
Daily Spend (\$pppd)	N/A	-1.5%	296.6	N/A	Maui	-27.9%	2,086
Visitor Days	N/A	-22.1%	77,105	N/A	Moloka'i	-7.8%	72
Arrivals	N/A	-20.3%	8,729	N/A	Lāna'i	-49.5%	50
Airlift (scheduled seats)	N/A	-30.6%	7,592	N/A	Kaua'i	-8.6%	527
					Hawai'i Island	-24.8%	3,390

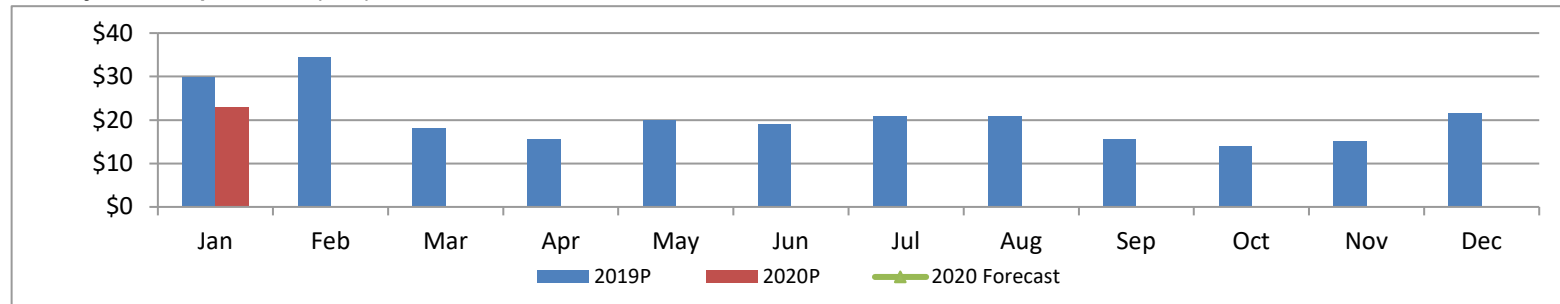
*DBEDT 2020 Forecast not available at time of report publication

Monthly Indicators

Monthly Arrivals

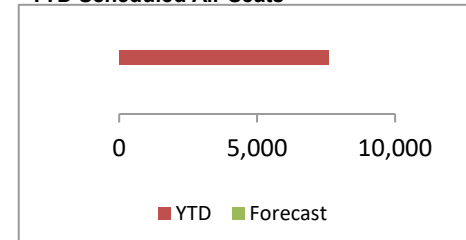
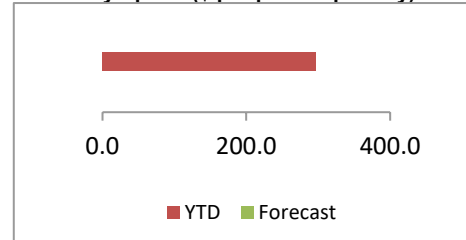
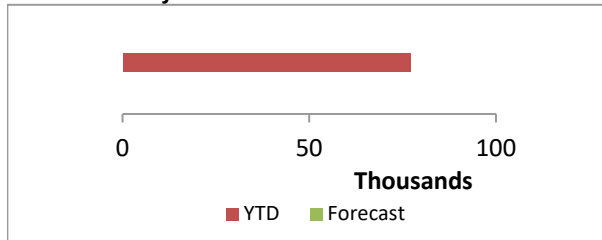


Monthly Visitor Expenditures (\$mil)



Annual Indicators

YTD Visitor Days, YTD Daily Spend (\$ per person per day), YTD Scheduled Air Seats



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Jan-20** *Preliminary*

Visitor Industry Performance Measures

Market: **KOREA**

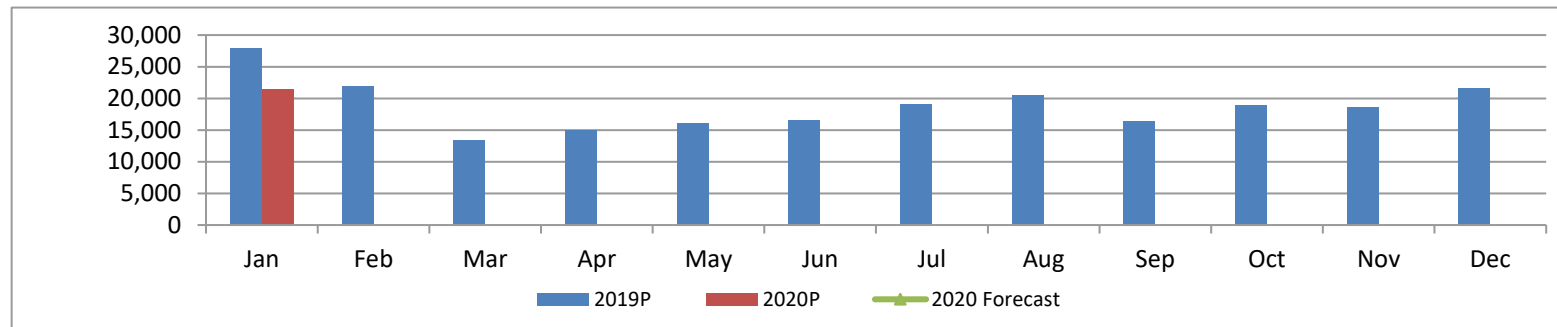
Key Performance Indicators

	% of Forecast*	YOY Rate	YTD	Forecast	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)*	N/A	-21.3%	46.3	N/A	O'ahu	-23.5%	21,075
Daily Spend (\$pppd)	N/A	3.2%	258.8	N/A	Maui	-44.8%	2,068
Visitor Days	N/A	-23.7%	178,993	N/A	Moloka'i	-52.0%	58
Arrivals	N/A	-23.4%	21,371	N/A	Lāna'i	-52.0%	60
Airlift (scheduled seats)	N/A	-8.4%	30,793	N/A	Kaua'i	-33.0%	624
					Hawai'i Island	-30.8%	3,554

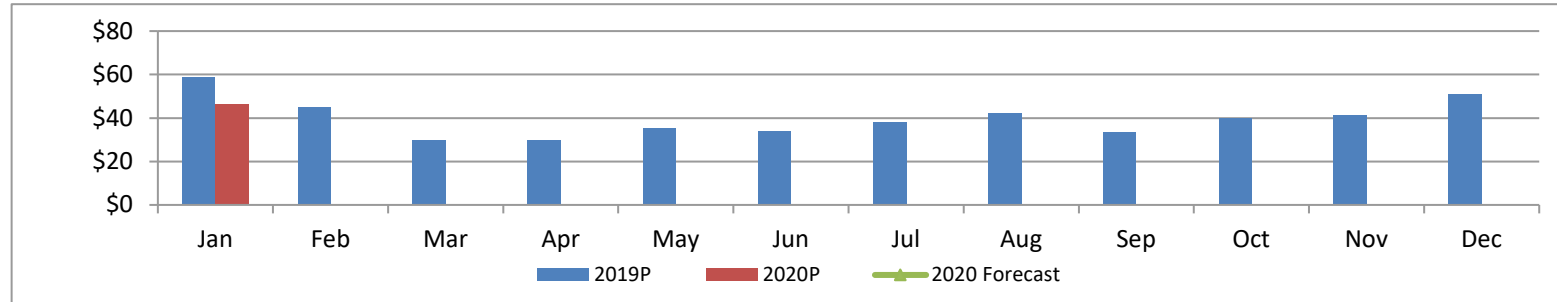
*DBEDT 2020 Forecast not available at time of report publication

Monthly Indicators

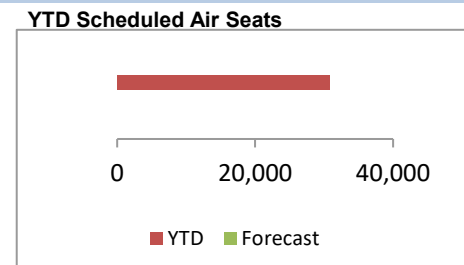
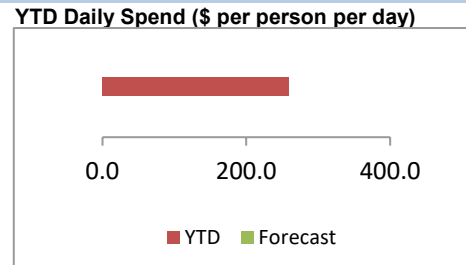
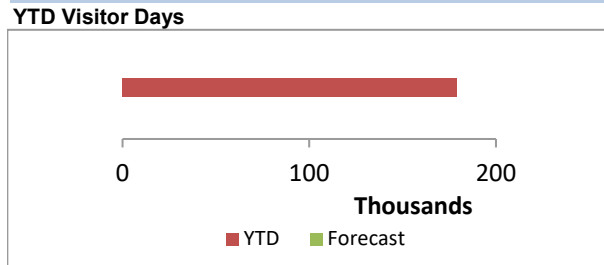
Monthly Arrivals



Monthly Visitor Expenditures (\$mil)



Annual Indicators



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Jan-20** *Preliminary*

Visitor Industry Performance Measures

Market: **TAIWAN**

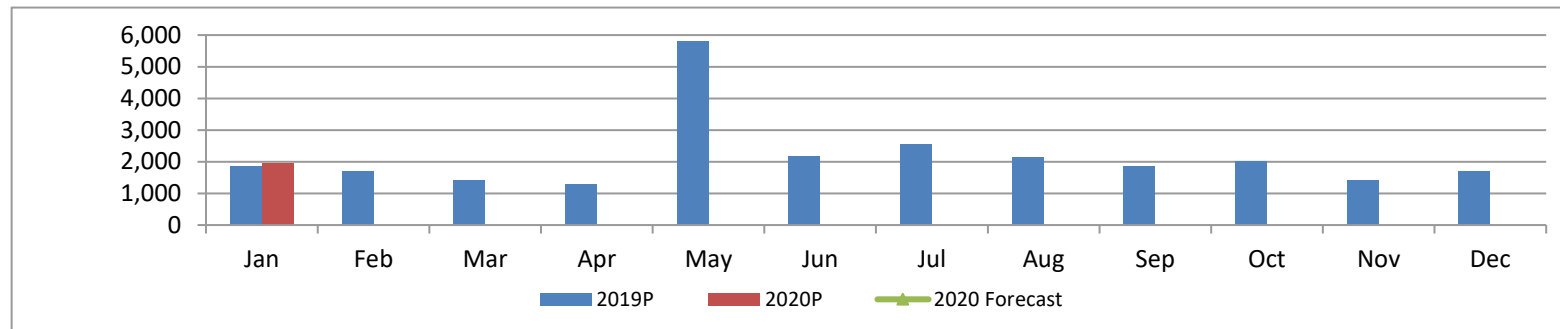
Key Performance Indicators

	% of Forecast*	YOY Rate	YTD	Forecast	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)*	N/A	-13.2%	4.3	N/A	O'ahu	1.0%	1,863
Daily Spend (\$pppd)	N/A	-9.7%	231.7	N/A	Maui	-11.6%	340
Visitor Days	N/A	-3.9%	18,749	N/A	Moloka'i	N/A	1
Arrivals	N/A	3.9%	1,932	N/A	Lāna'i	-54.6%	1
Airlift (scheduled seats)	N/A	0.0%	2,754	N/A	Kaua'i	-44.0%	113
					Hawai'i Island	84.4%	824

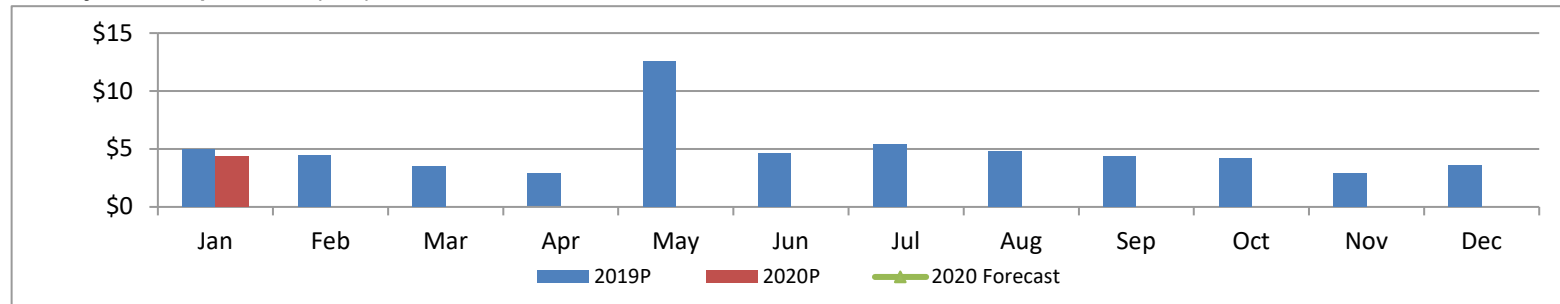
*DBEDT 2020 Forecast not available at time of report publication

Monthly Indicators

Monthly Arrivals

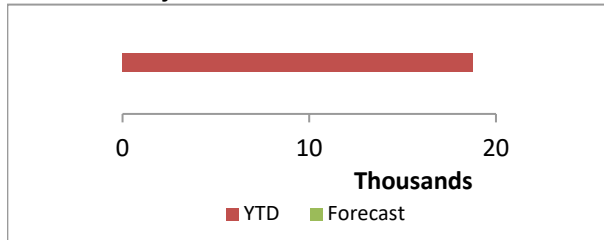


Monthly Visitor Expenditures (\$mil)

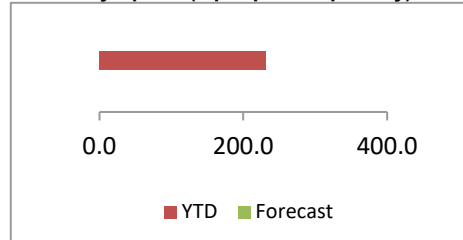


Annual Indicators

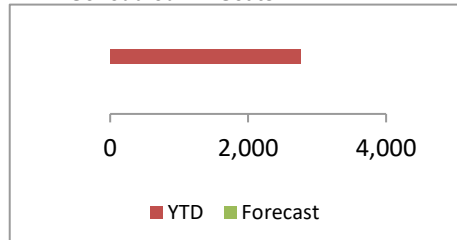
YTD Visitor Days



YTD Daily Spend (\$ per person per day)



YTD Scheduled Air Seats



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Jan-20** *Preliminary*

Visitor Industry Performance Measures

Market: **OCEANIA**

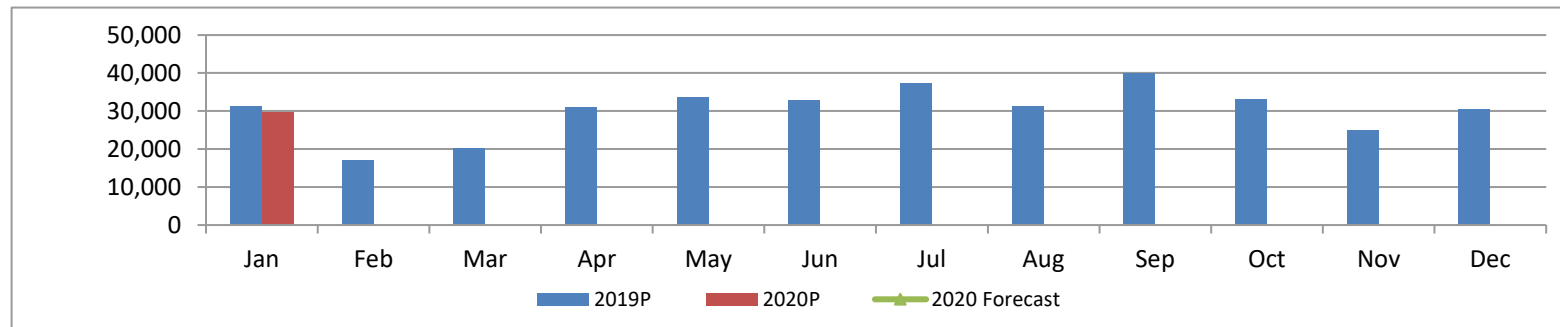
Key Performance Indicators

	% of Forecast*	YOY Rate	YTD	Forecast	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)*	N/A	-8.2%	71.7	N/A	O'ahu	-4.6%	28,946
Daily Spend (\$pppd)	N/A	-1.8%	262.5	N/A	Maui	-17.5%	3,871
Visitor Days	N/A	-6.6%	272,970	N/A	Moloka'i	-10.1%	390
Arrivals	N/A	-5.7%	29,597	N/A	Lāna'i	-38.7%	395
Airlift (scheduled seats)	N/A	-6.6%	41,669	N/A	Kaua'i	-19.4%	2,350
					Hawai'i Island	31.0%	3,952

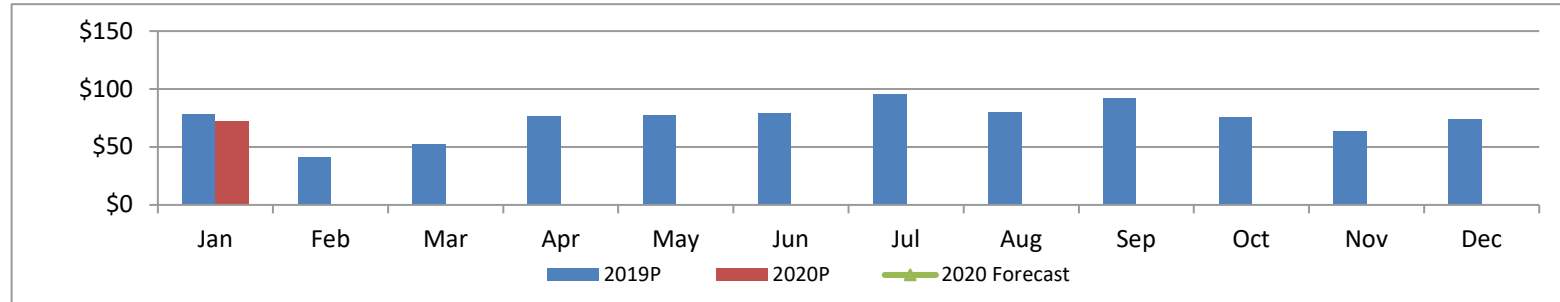
*DBEDT 2020 Forecast not available at time of report publication

Monthly Indicators

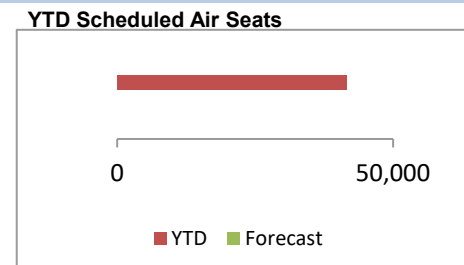
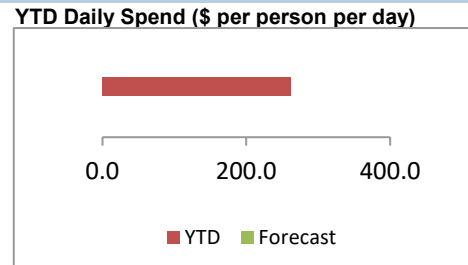
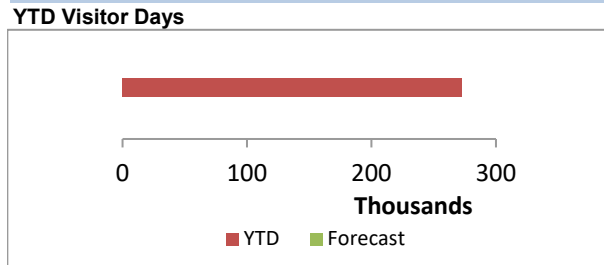
Monthly Arrivals



Monthly Visitor Expenditures (\$mil)



Annual Indicators



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Jan-20** *Preliminary*

Visitor Industry Performance Measures

Market: **EUROPE**

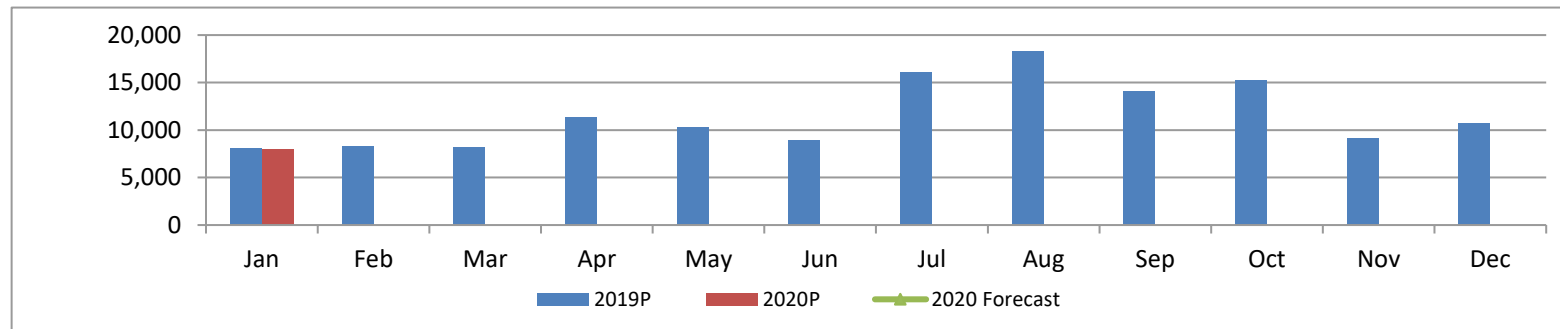
Key Performance Indicators

	% of Forecast*	YOY Rate	YTD	Forecast	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)*	N/A	-16.5%	16.0	N/A	O'ahu	-0.4%	6,215
Daily Spend (\$pppd)	N/A	-4.3%	154.5	N/A	Maui	-19.9%	2,755
Visitor Days	N/A	-12.8%	103,717	N/A	Moloka'i	9.2%	140
Arrivals	N/A	-1.3%	7,956	N/A	Lāna'i	72.5%	116
Airlift (scheduled seats)	N/A	NA	NA	N/A	Kaua'i	-11.0%	1,933
					Hawai'i Island	-15.2%	2,187

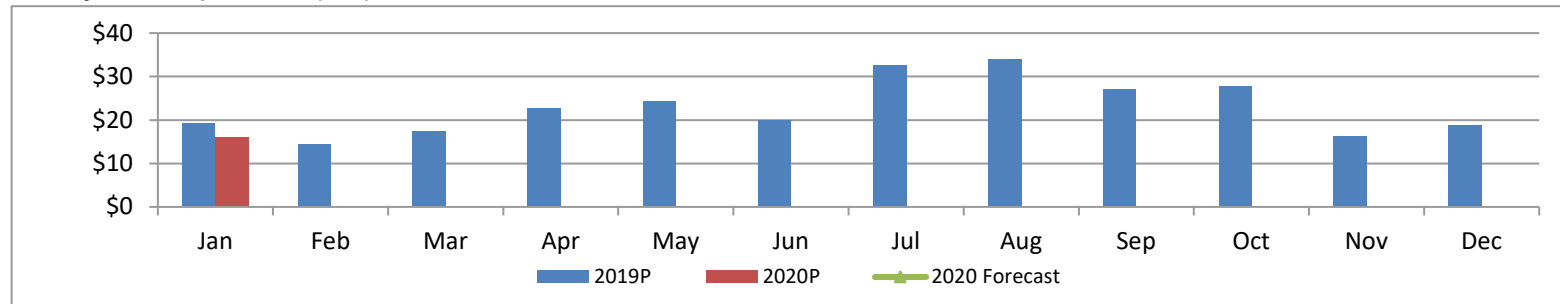
*DBEDT 2020 Forecast not available at time of report publication

Monthly Indicators

Monthly Arrivals

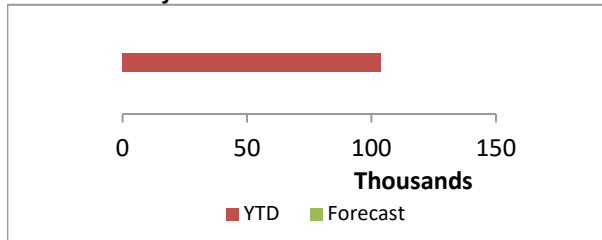


Monthly Visitor Expenditures (\$mil)

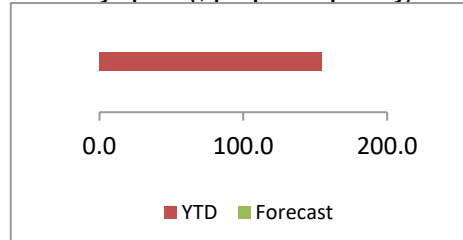


Annual Indicators

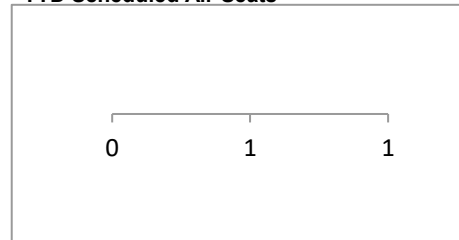
YTD Visitor Days



YTD Daily Spend (\$ per person per day)



YTD Scheduled Air Seats



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Jan-20** *Preliminary*

Visitor Industry Performance Measures

Market: **LATIN AMERICA**

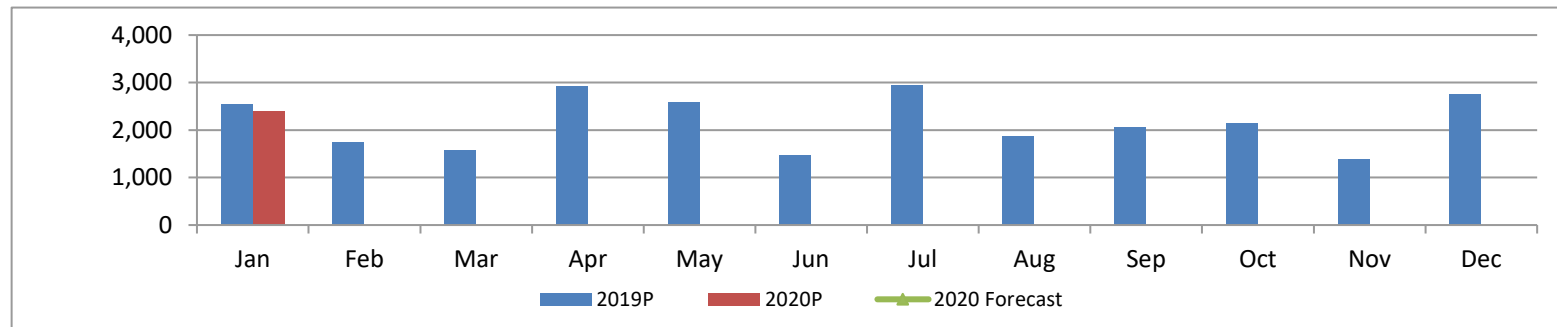
Key Performance Indicators

	% of Forecast*	YOY Rate	YTD	Forecast	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)*	N/A	-25.5%	6.0	N/A	O'ahu	-4.5%	1,987
Daily Spend (\$pppd)	N/A	-15.5%	223.7	N/A	Maui	-7.4%	814
Visitor Days	N/A	-11.9%	26,787	N/A	Moloka'i	-18.8%	12
Arrivals	N/A	-5.5%	2,402	N/A	Lāna'i	26.0%	19
Airlift (scheduled seats)	N/A	N/A	N/A	N/A	Kaua'i	-11.2%	305
					Hawai'i Island	-12.2%	363

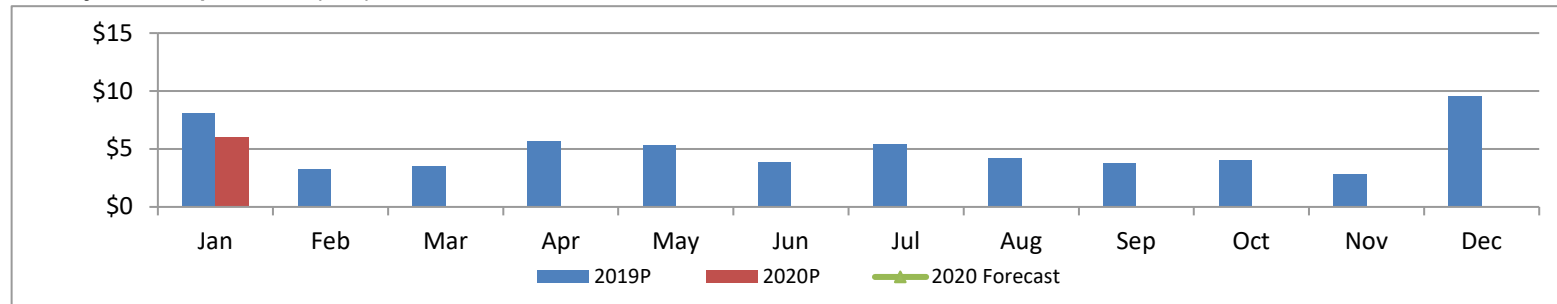
*DBEDT 2020 Forecast not available at time of report publication

Monthly Indicators

Monthly Arrivals

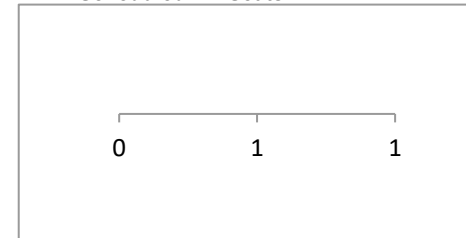
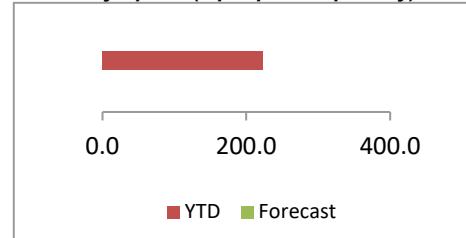
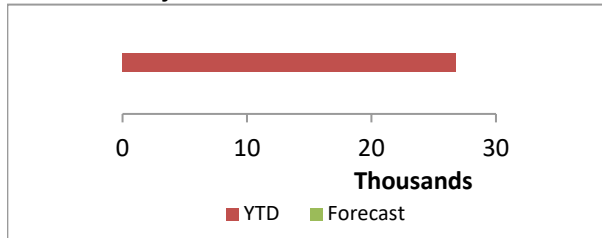


Monthly Visitor Expenditures (\$mil)



Annual Indicators

YTD Visitor Days, YTD Daily Spend (\$ per person per day), YTD Scheduled Air Seats



* Excludes Supplemental Business Expenditures

Agenda Item

8

Presentation, Discussion and Action
on HTA's Financial Reports for
January 2020

Hawaii Tourism Authority
 Budget Statement - Summary
 FY 2020
 As of January 31, 2020

Category	Tourism Special Fund				Convention Center Enterprise Special Fund			
	Fiscal Year 2020				Fiscal Year 2020			
	Budget	YTD Amount of Budget Used	Balance	Activity for January 2020	Budget	YTD Amount of Budget Used	Balance	Activity for January 2020
Revenues								
TAT Revenue Allocation	79,000,000	46,083,333	32,916,667	6,583,333	16,500,000	9,625,000	6,875,000	1,375,000
Prior Year Carryover	7,790,788	-	7,790,788	-	-	-	-	-
Other	-	1,336,835	(1,336,835)	4,121	-	452,492	(452,492)	-
	<u>86,790,788</u>	<u>47,420,168</u>	<u>39,370,620</u>	<u>6,587,454</u>	<u>16,500,000</u>	<u>10,077,492</u>	<u>6,422,508</u>	<u>1,375,000</u>
Expenditures								
Perpetuating Hawaiian Culture								
Hawaiian Culture Programs	8,295,500	1,931,796	6,363,704	42,844	-	-	-	-
In-House Contracted Staff - Hawaiian Culture	34,969	34,121	848	-	-	-	-	-
State Employee Salaries - Hawaiian Culture	263,144	240,497	22,647	-	-	-	-	-
Subtotal	<u>8,593,613</u>	<u>2,206,414</u>	<u>6,387,199</u>	<u>42,844</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Natural Resources (Statute: \$1M minimum)								
Natural Resources Programs	3,980,000	2,081,000	1,899,000	-	-	-	-	-
In-House Contracted Staff - Natural Resources	-	-	-	-	-	-	-	-
State Employee Salaries - Natural Resources	66,950	66,950	-	-	-	-	-	-
Subtotal	<u>4,046,950</u>	<u>2,147,950</u>	<u>1,899,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Community								
Community Programs	6,289,752	3,341,648	2,948,104	80,157	-	-	-	-
In-House Contracted Staff - Community	32,000	31,058	942	-	-	-	-	-
State Employee Salaries - Community	190,000	178,472	11,528	-	-	-	-	-
Subtotal	<u>6,511,752</u>	<u>3,551,178</u>	<u>2,960,574</u>	<u>80,157</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Branding								
Branding Programs	51,022,000	48,273,940	2,748,060	-	-	-	-	-
In-House Contracted Staff - Branding	-	-	-	-	-	-	-	-
State Employee Salaries - Branding	539,050	526,589	12,461	-	72,100	72,100	-	-
Subtotal	<u>51,561,050</u>	<u>48,800,529</u>	<u>2,760,521</u>	<u>-</u>	<u>72,100</u>	<u>72,100</u>	<u>-</u>	<u>-</u>
Sports								
Sports Programs	6,200,000	2,931,364	3,268,636	320,000	-	-	-	-
Subtotal	<u>6,200,000</u>	<u>2,931,364</u>	<u>3,268,636</u>	<u>320,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Safety and Security (Statute: 0.5% minimum = \$395,000)								
Safety and Security Programs	2,150,000	855,720	1,294,280	451,320	-	-	-	-
Subtotal	<u>2,150,000</u>	<u>855,720</u>	<u>1,294,280</u>	<u>451,320</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Tourism Research								
Tourism Research Programs	3,600,394	2,179,901	1,420,493	453,019	-	-	-	-
In-House Contracted Staff - Tourism Research	-	-	-	-	-	-	-	-
State Employee Salaries - Tourism Research	393,000	392,322	678	-	-	-	-	-
Subtotal	<u>3,993,394</u>	<u>2,572,223</u>	<u>1,421,171</u>	<u>453,019</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Hawai'i Convention Center								
Sales & Marketing	-	-	-	-	6,414,097	5,900,426	513,671	-
Operations	-	-	-	-	3,282,883	2,638,564	644,319	-
Major Repair & Maintenance	-	-	-	-	4,753,020	-	4,753,020	-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,450,000</u>	<u>8,538,990</u>	<u>5,911,010</u>	<u>-</u>
Administrative (Statute: Cannot exceed 3.5% = \$2,765,000)								
Operations	816,700	385,413	431,287	42,620	-	-	-	-
In-House Contracted Staff - Admin	-	-	-	-	-	-	-	-
State Employee Salaries - Admin	1,075,000	1,047,630	27,370	-	250,511	250,511	-	-
Subtotal	<u>1,891,700</u>	<u>1,433,043</u>	<u>458,657</u>	<u>42,620</u>	<u>250,511</u>	<u>250,511</u>	<u>-</u>	<u>-</u>
Organizationwide Costs								
State Employee Fringe	1,456,029	1,456,028	1	-	187,389	187,386	3	-
Organization-Wide	240,000	105,000	135,000	105,000	340,000	192,012	147,988	191,762
Governance - Board/Others	146,300	83,157	63,143	193	-	-	-	-
Subtotal	<u>1,842,329</u>	<u>1,644,185</u>	<u>198,144</u>	<u>105,193</u>	<u>527,389</u>	<u>379,398</u>	<u>147,991</u>	<u>191,762</u>
Total Expenditures	<u>86,790,788</u>	<u>66,142,606</u>	<u>20,648,182</u>	<u>1,495,153</u>	<u>15,300,000</u>	<u>9,240,999</u>	<u>6,059,001</u>	<u>191,762</u>
Revenues vs Expenditures	-	(18,722,438)			1,200,000	836,493		
Administrative Cap (3.5%)	2,765,000	2,765,000						
Administrative Costs (AG Definition)	1,891,700	1,433,043	1.8%					
	873,300	1,331,957						

Hawaii Tourism Authority
Budget Statement
FY 2020 - As of January 31, 2020

Program Code	Program Title	Budget - FY20	YTD Encumbered (Budget Used)	Budget Remaining	January 2020 Activity
Perpetuating Hawaiian Culture					
200	Hawaiian Culture Programs - Unallocated	1,055,000.00	116.24	1,054,883.76	0.00
201	Kukulu Ola: Living Hawaiian Cultural Prog	1,585,000.00	1,563,179.14	21,820.86	0.00
202	Hawaiian Culture Initiative	500,000.00	318.96	499,681.04	36.65
203	Ma'ema'e HTA	260,000.00	13,166.43	246,833.57	0.00
204	Market Support	300,000.00	21,845.73	278,154.27	8,807.52
205	Aloha Festivals	250,000.00	0.00	250,000.00	0.00
206	Kahea Program - Harbor Greetings	250,000.00	1,036.00	248,964.00	0.00
207	Kahea Program - Airport Greetings	1,500,000.00	0.00	1,500,000.00	0.00
210	King Kamehameha Celebration	150,000.00	60,000.00	90,000.00	0.00
211	Prince Lot Hula Festival	75,000.00	75,000.00	0.00	0.00
212	Merrie Monarch Hula Festival	150,000.00	0.00	150,000.00	0.00
213	Prince Kuhio Celebration	75,000.00	0.00	75,000.00	0.00
215	Hawaiian Culture Opportunity Fund	240,000.00	46,959.57	193,040.43	0.00
216	Olelo Hawaii	500,000.00	0.00	500,000.00	0.00
217	FESTPAC	500,000.00	0.00	500,000.00	0.00
297	Memberships and Dues - Hawaiian Culture	500.00	345.00	155.00	0.00
298	Travel - Hawaiian Culture	15,000.00	9,828.93	5,171.07	0.00
299	In-House Contracted Staff - Hawaiian Culture	34,969.00	34,121.21	847.79	0.00
373	Duke's OceanFest	50,000.00	0.00	50,000.00	0.00
374	Surfing	150,000.00	0.00	150,000.00	0.00
713	Mele Mei & Na Hoku Music Festival (formerly May Music Month)	150,000.00	50,000.00	100,000.00	0.00
715	Canoe Regatta	130,000.00	90,000.00	40,000.00	34,000.00
716	May Day	85,000.00	0.00	85,000.00	0.00
718	Resort Area Hawaiian Cultural Initiative	325,000.00	0.00	325,000.00	0.00
932	Salaries - Hawaiian Culture	263,144.00	240,497.00	22,647.00	0.00
Subtotal	Perpetuating Hawaiian Culture	8,593,613.00	2,206,414.21	6,387,198.79	42,844.17
Natural Resources					
400	Natural Resources Programs - Unallocated	0.00	0.00	0.00	0.00
402	Aloha Aina (formerly NR and Leg Prov NR)	2,081,000.00	2,081,000.00	0.00	0.00
406	Visitor Impact Program	1,649,000.00	0.00	1,649,000.00	0.00
407	Hawaii Eco Tourism Association	50,000.00	0.00	50,000.00	0.00
415	Natural Resources Opportunity Fund	200,000.00	0.00	200,000.00	0.00
936	State Employee Salaries - Natural Resources	66,950.00	66,950.00	0.00	0.00
Subtotal	Natural Resources	4,046,950.00	2,147,950.00	1,899,000.00	0.00
Community					
353	Community Event Awareness (formerly SMMH)	260,000.00	0.00	260,000.00	0.00
700	Community Opportunity	150,000.00	0.00	150,000.00	0.00
701	Community Enrichment Program	3,564,200.00	2,965,630.29	598,569.71	0.00
702	Community Training Workshops (formerly Capacity)	754,000.00	58,514.08	695,485.92	157.10
705	Community Programs - Unallocated	246,052.00	0.00	246,052.00	0.00
720	World War II Commemorative Event	500,000.00	0.00	500,000.00	0.00
728	In-House Contracted Staff - Community (formerly Prog Supp)	32,000.00	31,058.00	942.00	0.00
797	Memberships and Dues - Community	500.00	0.00	500.00	0.00
798	Travel - Community	15,000.00	8,491.96	6,508.04	0.00
802	Current Workforce Development (Industry Career Dev)	125,000.00	125,000.00	0.00	0.00
803	Future Workforce Development (LEI)	175,000.00	104,011.48	70,988.52	0.00
805	Scholarship Program	500,000.00	80,000.00	420,000.00	80,000.00
933	State Employee Salaries - Community	190,000.00	178,472.00	11,528.00	0.00
Subtotal	Community	6,511,752.00	3,551,177.81	2,960,574.19	80,157.10
Branding					
4	Cruise Infrastructure Improvements and Arrival Experience	250,000.00	75,545.03	174,454.97	0.00
102	Hawai'i Tourism Summit	300,000.00	2,256.54	297,743.46	0.00
306	Island-Based International Marketing	800,000.00	800,000.00	0.00	0.00
316	MICE Asia (formerly MCI Global - Management)	350,000.00	350,000.00	0.00	0.00
318	gohawaii.com (formerly Online Website Coordination)	350,000.00	300,000.00	50,000.00	0.00
320	Island Chapters Staffing and Admin	3,170,000.00	3,170,000.00	0.00	0.00
321	US (formerly North America)	22,525,000.00	22,525,000.00	0.00	0.00
322	Canada	800,000.00	800,000.00	0.00	0.00
323	Japan	10,000,000.00	10,000,000.00	0.00	0.00
324	Korea	1,400,000.00	1,400,000.00	0.00	0.00
325	Oceania	1,900,000.00	1,900,000.00	0.00	0.00
326	Europe	400,000.00	400,000.00	0.00	0.00
329	China	2,000,000.00	2,000,000.00	0.00	0.00
330	Taiwan	500,000.00	500,000.00	0.00	0.00
331	Meetings, Convention & Incentives	2,300,000.00	2,300,000.00	0.00	0.00
336	Southeast Asia	500,000.00	500,000.00	0.00	0.00
339	Global Digital Marketing Strategy (former Intl Online Strat)	500,000.00	380,500.00	119,500.00	0.00
350	Global Mkt Shared Resces (formerly Intellect Prop Data Bank)	797,000.00	787,000.00	10,000.00	0.00
380	Marketing Opportunity Fund	2,000,000.00	8,820.46	1,991,179.54	0.00
397	Memberships and Dues - Branding	100,000.00	62,812.00	37,188.00	0.00
398	Travel - Branding	50,000.00	12,005.78	37,994.22	0.00
723	Hawaii Film Office Partnership	30,000.00	0.00	30,000.00	0.00
934	State Employee Salaries - Branding	539,050.00	526,589.00	12,461.00	0.00
Subtotal	Branding	51,561,050.00	48,800,528.81	2,760,521.19	0.00
Sports					
312	PGA Tour Contracts	2,206,364.00	2,206,364.00	0.00	0.00
341	TEAM Unlimited - Xterra/Xduro	90,000.00	90,000.00	0.00	90,000.00
347	Soccer	0.00	0.00	0.00	0.00
370	Tennis	425,000.00	225,000.00	200,000.00	0.00
377	Polynesian Football HoF	155,000.00	155,000.00	0.00	155,000.00
378	UH Athletics Branding Partnership	100,000.00	100,000.00	0.00	50,000.00
379	Sports Programs - Unallocated	3,068,636.00	0.00	3,068,636.00	0.00
382	Sports Community Outreach	30,000.00	30,000.00	0.00	0.00
383	Surf Marketing	100,000.00	100,000.00	0.00	0.00
384	Football	25,000.00	25,000.00	0.00	25,000.00
Subtotal	Sports	6,200,000.00	2,931,364.00	3,268,636.00	320,000.00
Safety and Security					
601	Visitor Assistance Programs	650,000.00	0.00	650,000.00	0.00
602	Crisis Management	100,000.00	5,334.05	94,665.95	1,320.00
603	Lifeguard Program	700,000.00	450,000.00	250,000.00	450,000.00
604	Preventative Programs	400,000.00	394,386.12	5,613.88	0.00
606	Safety and Security Opportunity Fund	300,000.00	6,000.00	294,000.00	0.00
Subtotal	Safety and Security	2,150,000.00	855,720.17	1,294,279.83	451,320.00

(February 4, 2020)

Hawaii Tourism Authority
 Budget Statement
 FY 2020 - As of January 31, 2020

Program Code	Program Title	Budget - FY20	YTD Encumbered (Budget Used)	Budget Remaining	January 2020 Activity
Tourism Research					
501	Data Dissemination	54,000.00	0.00	54,000.00	0.00
505	Est of Visitor Arrivals by Country by Month	6,000.00	0.00	6,000.00	0.00
506	Infrastructure Research (Accomodations and Airseats)	556,330.00	264,500.00	291,830.00	30,000.00
512	Visitor Arrivals and Departure Surveys	1,314,540.00	1,051,537.10	263,002.90	37,155.42
513	Evaluation and Performance Studies	1,148,405.00	794,132.50	354,272.50	383,272.50
514	Marketing Research	498,797.00	60,976.20	437,820.80	0.00
597	Memberships and Dues - Research	7,322.00	3,488.38	3,833.62	1,649.00
598	Travel - Research	15,000.00	5,266.56	9,733.44	941.72
935	State Employee Salaries - Research	393,000.00	392,322.00	678.00	0.00
Subtotal	Tourism Research	3,993,394.00	2,572,222.74	1,421,171.26	453,018.64
Administrative					
101	Community-Industry Outreach & Public Relations Svcs	265,000.00	173,169.34	91,830.66	0.00
103	hawaiitourismauthority.org (formerly HTA web/Global Social)	100,000.00	38,023.64	61,976.36	38,023.64
901	General and Administrative	401,700.00	157,594.42	244,105.58	4,596.78
930	State Employee Salaries - Admin	1,075,000.00	1,047,630.00	27,370.00	0.00
998	Travel - Admin	50,000.00	16,625.30	33,374.70	0.00
Subtotal	Administrative	1,891,700.00	1,433,042.70	458,657.30	42,620.42
Governance and Organization-Wide					
915	Organization-Wide	240,000.00	105,000.00	135,000.00	105,000.00
919	Governance - Gen Board/Others	146,300.00	83,156.97	63,143.03	193.05
931	State Employees Fringe	1,456,029.00	1,456,028.00	1.00	0.00
Subtotal	Governance and Organization-Wide	1,842,329.00	1,644,184.97	198,144.03	105,193.05
Total	FY 2020 Funds	86,790,788.00	66,142,605.41	20,648,182.59	1,495,153.38
Convention Center Enterprise Special Fund					
934	State Employee Salaries - Branding	72,100.00	72,100.00	0.00	0.00
Subtotal	Branding	72,100.00	72,100.00	0.00	0.00
930	State Employee Salaries - Admin	250,511.00	250,511.00	0.00	0.00
Subtotal	Administrative	250,511.00	250,511.00	0.00	0.00
850	HCC Operating Expense	12,824,694.00	6,137,075.00	6,687,619.00	0.00
850	HCC Operating Expense	12,824,694.00	6,137,075.00	6,687,619.00	0.00
860	HCC Repair and Maintenance	4,753,020.00	0.00	4,753,020.00	0.00
860	HCC Repair and Maintenance	4,753,020.00	0.00	4,753,020.00	0.00
870	HCC Sales and Marketing / MFF	6,414,097.00	5,900,426.00	513,671.00	0.00
870	HCC Sales and Marketing / MFF	6,414,097.00	5,900,426.00	513,671.00	0.00
915	Organization-Wide	340,000.00	192,012.00	147,988.00	191,762.00
931	State Employees Fringe	187,389.00	187,386.00	3.00	0.00
Subtotal	Governance and Organization-Wide	527,389.00	379,398.00	147,991.00	191,762.00
Total	FY 2020 Funds	24,841,811.00	12,739,510.00	12,102,301.00	191,762.00

Budget Reallocation Summary
Through January 31, 2020

Budget Line Item	Program Code	Original Budget	Year-to-Date		January 2020 Activity
			Reallocation	Budget After Reallocations	
Perpetuating Hawaiian Culture					
<i>From:</i>					
Hawaiian Culture Programs - Unallocated	200	7,780,000	(6,725,000)	1,055,000	(40,000)
State Employees Salaries - Hawaiian Culture	932	285,000	(21,856)	263,144	-
			-	-	-
			-	-	-
			-	-	-
			-	-	-
			-	-	-
			(6,746,856)		(40,000)
<i>To:</i>					
Kūkulu Ola: Living Hawaiian Cultural Program	201	-	1,585,000	1,585,000	-
Hawaiian Culture Initiative	202	-	500,000	500,000	-
Maemae HTA	203	-	260,000	260,000	(40,000)
Market Support	204	-	300,000	300,000	-
Aloha Festivals	205	-	250,000	250,000	-
Kahea Harbor Greetings	206	-	250,000	250,000	-
Kahea Airport Greetings	207	-	1,500,000	1,500,000	-
King Kamehameha Celebration	210	-	150,000	150,000	-
Prince Lot Hula Festival	211	-	75,000	75,000	-
Merrie Monarch Hula Festival	212	-	150,000	150,000	-
Prince Kūhiō Celebration	213	-	75,000	75,000	-
Hawaiian Culture Opportunity Fund	215	-	240,000	240,000	40,000
‘ōlelo Hawai‘i	216	-	500,000	500,000	-
FestPac	217	-	500,000	500,000	500,000
Duke's OceanFest	373	-	50,000	50,000	-
Surfing	374	-	150,000	150,000	-
Mele Mei & Na Hōkū Music Festival	713	-	150,000	150,000	-
Canoe Paddling	715	-	130,000	130,000	40,000
May Day	716	-	85,000	85,000	-
Resort Area Hawaiian Cultural Initiative	718	-	325,000	325,000	-
In-House Contracted Staff - Hawaiian Culture	299	-	34,969	34,969	-
			7,259,969		540,000
Natural Resources					
<i>From:</i>					
Natural Resources Programs - Unallocated	400	3,980,000	(3,980,000)	-	-
			-	-	-
			-	-	-
			-	-	-
			-	-	-
			-	-	-
			-	-	-
			-	-	-
			-	-	-
			(3,980,000)		-
<i>To:</i>					
Aloha ‘āina	402	-	2,081,000	2,081,000	-
Environmental Sustainability Fund	406	-	1,649,000	1,649,000	-
Hawai‘i EcoTourism Association	407	-	50,000	50,000	-
Natural Resources Opportunity Fund	415	-	200,000	200,000	-
			-	-	-
			-	-	-

Budget Reallocation Summary
Through January 31, 2020

Budget Line Item	Program Code	Original Budget	Reallocation	Budget After Reallocations	January 2020 Activity
				-	-
				-	-
				-	-
			3,980,000		-
Community					
<i>From:</i>					
Community Programs - Unallocated	705	5,789,252	(5,543,200)	246,052	(825,000)
State Employees Salaries - Community	933	210,000	(20,000)	190,000	-
				-	-
			(5,563,200)		(825,000)
<i>To:</i>					
Community Event Awareness	353	-	260,000	260,000	260,000
Community Program Opportunity Fund	700	-	150,000	150,000	150,000
Community Enrichment Program	701	-	3,564,200	3,564,200	100,000
Community Training Workshops	702	-	754,000	754,000	300,000
World War II Commemorative Event	720	-	500,000	500,000	500,000
Current Workforce Development	802	-	125,000	125,000	-
Future Workforce Development	803	-	175,000	175,000	-
Scholarship Program	805	-	500,000	500,000	-
In-House Contracted Staff - Community	728	-	32,000	32,000	-
				-	-
			6,060,200		1,310,000
Branding					
<i>From:</i>					
None				-	-
				-	-
				-	-
			-		-
<i>To:</i>					
				-	-
				-	-
				-	-
				-	-
			-		-

Budget Reallocation Summary
Through January 31, 2020

Budget Line Item	Program Code	Original Budget	Reallocation	Budget After Reallocations	January 2020 Activity
Sports					
<i>From:</i>					
Sports Programs - Unallocated	379	7,200,000	(4,131,364)	3,068,636	(1,115,000)
				-	-
				-	-
			(4,131,364)		(1,115,000)
<i>To:</i>					
PGA Tour Contracts	312	-	2,206,364	2,206,364	-
Soccer	347	-	-	-	-
Tennis	370	-	425,000	425,000	-
Polynesian Football Hall of Fame	377	-	155,000	155,000	-
UH Athletics Branding Partnership	378	-	100,000	100,000	-
Sports Community Outreach	382	-	30,000	30,000	-
Surf Marketing	383	-	100,000	100,000	-
Football	384	-	25,000	25,000	25,000
Xterra	341	-	90,000	90,000	90,000
			3,131,364		115,000
Safety and Security					
<i>From:</i>					
None				-	-
				-	-
				-	-
			-		-
<i>To:</i>					
				-	-
				-	-
				-	-
				-	-
			-		-
Tourism Research					
<i>From:</i>					
None				-	-
				-	-
				-	-
			-		-

Budget Reallocation Summary
Through January 31, 2020

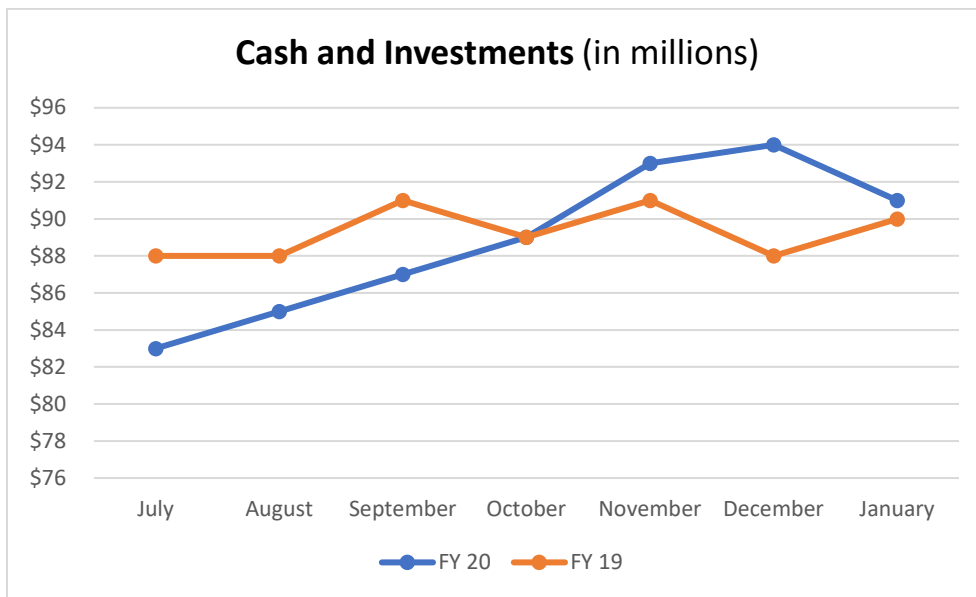
Budget Line Item	Program Code	Original Budget	Reallocation	Budget After Reallocations	January 2020 Activity
To:					
				-	-
				-	-
				-	-
				-	-
			-		-
Administration and Organizationwide Costs					
From:					
				-	-
				-	-
				-	-
			-		-
To:					
Community Industry Outreach & PR Services	101	250,000	15,000	265,000	15,000
				-	-
				-	-
			15,000		15,000
Governance and Organization-Wide					
From:					
State Employees Fringe	931	1,481,142	(25,113)	1,456,029	-
				-	-
				-	-
			(25,113)		-
To:					
				-	-
				-	-
				-	-
			-		-
Board Allocations					
From:					
None				-	-
				-	-
			-		-
			-		-

HAWAII TOURISM AUTHORITY

Financial Statements – Executive Summary January 1, 2020 – January 31, 2020

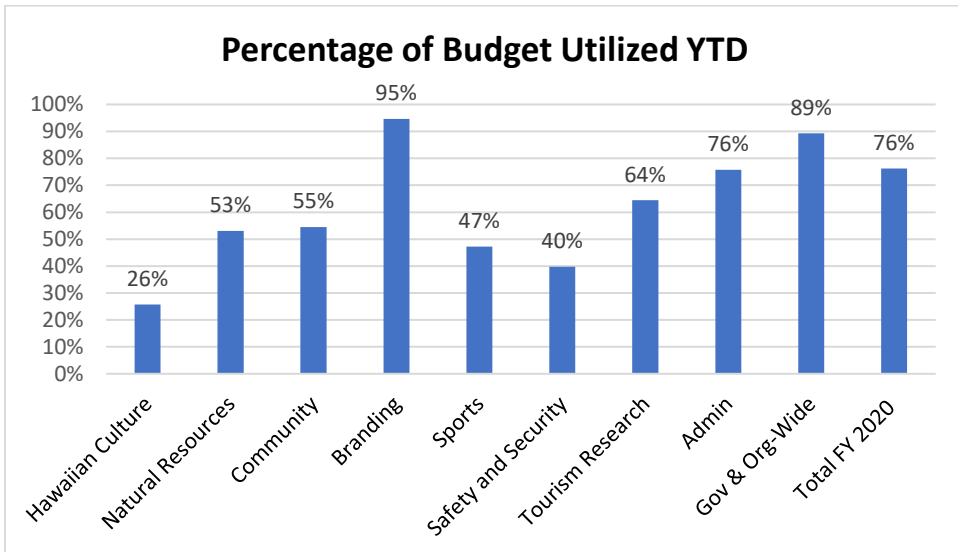
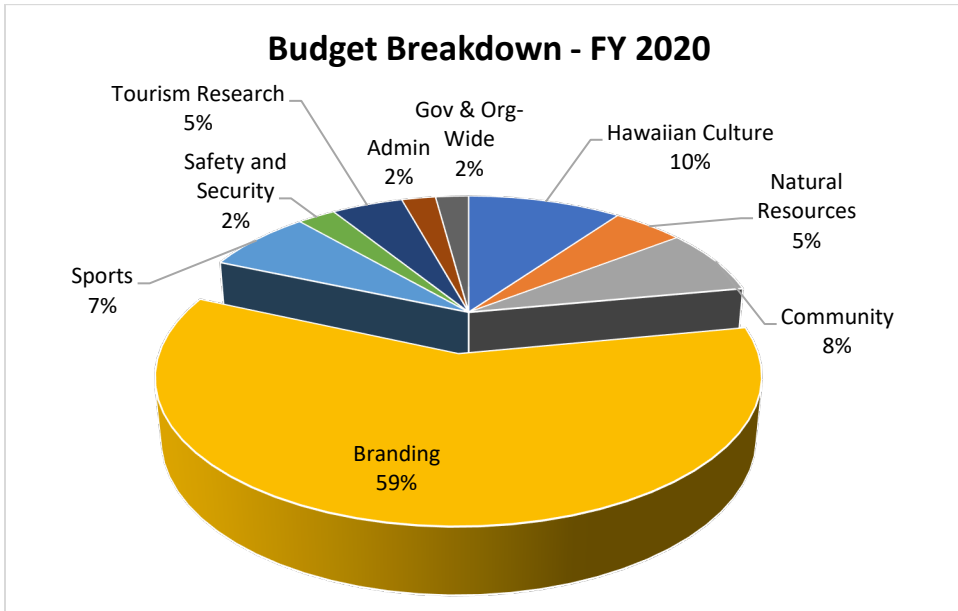
Tourism Special Fund:

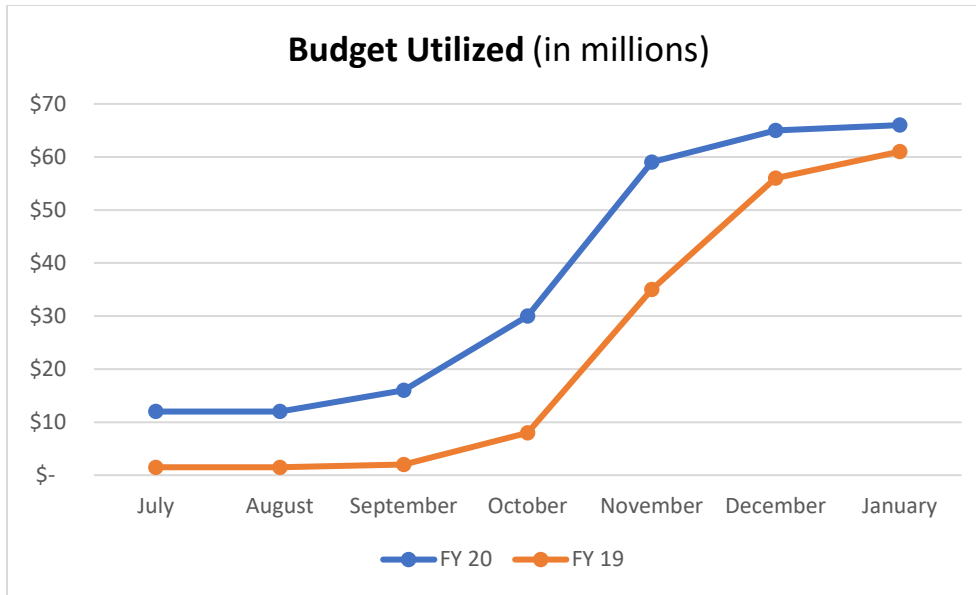
1. \$90.6M in cash and investments



- a. Includes \$5M in Emergency Fund held as investments.
 - b. Decrease from December of \$3M due to:
 - i. Recording \$6.6M in TAT revenue. This was offset by \$9.6M in expenditures.
2. \$18.2M of prior year encumbrances being spent down.
 3. \$22.3M reserved as Board allocations are projected for June 30, 2020. A supporting schedule is embedded in these financial statements to provide greater detail. This number includes:
 - a. \$5M in Emergency Fund established under statute;
 - b. \$3M allocated by the Board for use during a significant economic downturn;
 - c. \$5.2M in funds held for the Center for Hawaiian Music & Dance;
 - d. \$9M earmarked for specific obligations, such as EUTF, ERS, and accrued vacation.

4. \$3.4M of unreserved funds available for the FY 2021 Budget or other emergency purposes.
5. \$66.1M of the \$86.8M FY 2020 budget utilized; contract paperwork currently being submitted for this year's expenditures.
 - a. A summary of year-to-date budget reallocations is included in these financial statements.





6. The following notable budget reallocations were made:
- a. Allocated \$500K from Sports to WWII Commemorative Event
 - b. Allocated \$500K from Sports to FestPAC
 - c. \$25,000 for the Hula Bowl
 - d. \$40,000 for Canoe Paddling (Na Wahine O Ke Kai and Moloka'i Hoe)
 - e. \$810,000 within various Community programs with the intent of funding the following:
 - i. Campbell High School Marching Band's participation in the National Independence Day Parade
 - ii. Community Event Awareness programs to support HTA event and project awareness
 - iii. Moloka'i community tourism strategic plan
 - iv. Community training workshops for agritourism, voluntourism and other capacity-building efforts
7. Operating Income:
- a. Recorded \$6.6M in TAT for January 2020, and \$46.1M in TAT YTD. Recorded \$1.3M in investment income YTD.
 - b. Incurred \$9.6M of program and other expenditures for January 2020, and \$32.9M in expenditures YTD.

Convention Center Enterprise Special Fund:

8. \$37.1M in cash
 - a. Increase of \$1.4M from December due to recording \$1.4M in TAT.
9. \$23.5M in cash with contractor or with DAGS, for R&M projects (as of November 2019).
 - a. Includes \$2M Emergency
 - b. These funds are encumbered or budgeted toward specific projects such as cooling tower replacement, furnishings and enhancements, wall rehabilitation, boiler replacement, and various equipment purchases and upgrades.
 - c. Reflects \$11.3M spent on current and future projects (in-progress costs or preliminary work); this includes recent costs expended on meeting room roof repairs.
10. \$23.6M reserved as Board allocations are projected for June 30, 2020. This includes funds targeted to fund future repair and maintenance projects, large equipment purchases, convention center operating contingencies, operating capital, and convention center incentives. This balance includes the \$1.2M the Board dedicated out of the FY 2020 budget toward increasing the Convention Center Major Repair & Maintenance Reserve.
11. \$1.0M of prior year encumbrances being spent down.
12. \$12.7M of the \$24.8M FY 2020 budget utilized; contract paperwork currently being submitted for remainder of the year expenditures.
13. Operating Income:
 - a. Recorded \$1.4M in TAT for January 2020 and \$9.6M in TAT YTD.
 - b. Convention Center operations:
 - i. \$683K operating loss YTD per HCC financial statements (as of December 2019).

Hawaii Tourism Authority

Balance Sheet

Tourism Special Fund

As of 1/31/20

	<u>Current Year</u>
Assets	
Current Assets	
Checking	85,641,490.57
Petty Cash	5,000.00
Total Current Assets	<u>85,646,490.57</u>
Total Assets	<u><u>85,646,490.57</u></u>
Fund Balance	
Current year payables	
Accounts Payable	135,171.32
Credit Card Payable	636.24
Total Current year payables	<u>135,807.56</u>
Encumbered Funds	
FY 2013 Funds	15,212.64
FY 2014 Funds	6,101.00
FY 2015 Funds	136,504.00
FY 2016 Funds	383,973.52
FY 2017 Funds	1,139,678.05
FY 2018 Funds	1,734,288.16
FY 2019 Funds	14,775,709.52
FY 2020 Funds	57,475,771.13
Total Encumbered Funds	<u>75,667,238.02</u>
Unencumbered Funds	
Total Unencumbered Funds	9,843,444.99
Total Fund Balance	<u><u>85,646,490.57</u></u>

Hawaii Tourism Authority
Balance Sheet
Convention Center Enterprise Special Fund
As of 1/31/20

	<u>Current Year</u>
Assets	
Current Assets	
Checking	37,078,684.07
Total Current Assets	<u>37,078,684.07</u>
Total Assets	<u><u>37,078,684.07</u></u>
Fund Balance	
Encumbered Funds	
FY 2018 Funds	295,003.00
FY 2019 Funds	747,866.26
FY 2020 Funds	12,739,260.00
Total Encumbered Funds	<u>13,782,129.26</u>
Unencumbered Funds	
Total Unencumbered Funds	23,296,554.81
Total Fund Balance	<u><u>37,078,684.07</u></u>

Hawaii Tourism Authority

Balance Sheet

Emergency Trust Fund

As of 1/31/20

	<u>Current Year</u>
Assets	
Current Assets	
Investments	5,089,162.12
Total Current Assets	<u>5,089,162.12</u>
Total Assets	<u><u>5,089,162.12</u></u>
Fund Balance	
Current year net assets	
	48,278.03
Total Current year net assets	<u>48,278.03</u>
Prior years	
Total Prior years	5,040,884.09
Total Fund Balance	<u><u>5,089,162.12</u></u>

HTA Allocations
FY 2019 and FY 2020 (Projected)

HTA Allocations:

<p>Annual Budgets: -\$86.8M FY 2020 HTA Tourism Special Fund (\$79M TAT + \$7.8M carryover) -FY 2020 Convention Center Fund TBD</p>

\$8M Emergency Funds	
\$5M Emergency Fund Reserve (Established by Statute as a separate fund, to be used upon declaration of a tourism emergency by the Governor)	\$3.0M Mandated by Board (to be used in the event of a significant economic downturn upon Board approval)

	Tourism Special Fund Long-Term Obligations, Commitments and Allocations:		Convention Center Fund Long-Term Obligations, Commitments and Obligations:	
	6/30/2019	Projected 6/30/2020	6/30/2019	Projected 6/30/2020
Carryover of FY 2019 to FY 2020 Budget (Use in FY 20)	7,790,788	-	1,512,988	1,512,988
Carryover for FY 2021 Budget	3,424,735	3,424,735	20,117,074	21,317,074
Center for Hawaiian Music & Dance	5,198,568	5,198,568	750,000	750,000
Accrued Health Liability (Based on liability at FY17)	2,430,000	2,430,000		
Accrued Retirement Liability (FY 17)	6,300,000	6,300,000		
Accrued Vacation Liability	383,849	383,849	80,000	80,000
Total Long-Term Obligations and Commitments	<u>25,527,940</u>	<u>17,737,152</u>	<u>22,460,062</u>	<u>23,660,062</u>

Hawaii Tourism Authority
Statement of Revenues and Expenditures
348 - Tourism Special Fund
20 - FY 2020 Funds
From 1/1/2020 Through 1/31/2020

	<u>Total Budget</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Total Budget Variance</u>
Revenue				
Transient Accomodations Tax	79,000,000.00	6,583,333.33	46,083,333.31	(32,916,666.69)
Miscellaneous	0.00	4,121.23	11,692.52	11,692.52
Refunds	0.00	0.00	24,980.45	24,980.45
Total Revenue	<u>79,000,000.00</u>	<u>6,587,454.56</u>	<u>46,120,006.28</u>	<u>(32,879,993.72)</u>
Expense				
Perpetuating Hawaiian Culture	8,593,613.00	23,119.86	129,593.38	8,464,019.62
Natural Resources	4,046,950.00	35,000.00	35,000.00	4,011,950.00
Community	6,511,752.00	102,859.68	115,943.24	6,395,808.76
Branding	51,561,050.00	5,899,030.80	5,990,322.04	45,570,727.96
Sports	6,200,000.00	0.00	2,036,050.90	4,163,949.10
Safety and Security	2,150,000.00	32,865.15	212,222.31	1,937,777.69
Tourism Research	3,993,394.00	11,840.00	85,309.00	3,908,085.00
Administrative	1,876,700.00	7,391.75	27,132.78	1,849,567.22
Governance and Organization-Wide	1,842,329.00	2,300.00	33,686.62	1,808,642.38
Total Expense	<u>86,775,788.00</u>	<u>6,114,407.24</u>	<u>8,665,260.27</u>	<u>78,110,527.73</u>
Net Income	<u>(7,775,788.00)</u>	<u>473,047.32</u>	<u>37,454,746.01</u>	<u>45,230,534.01</u>

Hawaii Tourism Authority
Statement of Revenues and Expenditures
348 - Tourism Special Funds Prior Years
From 1/1/2020 Through 1/31/2020

	<u>Total Budget</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Total Budget Variance</u>
Revenue				
Interest and Dividends	0.00	0.00	1,300,163.01	1,300,163.01
Total Revenue	<u>0.00</u>	<u>0.00</u>	<u>1,300,163.01</u>	<u>1,300,163.01</u>
Expense				
Perpetuating Hawaiian Culture	3,546,744.58	523,790.00	1,889,778.50	1,656,966.08
Natural Resources	1,196,578.00	11,800.00	212,200.00	984,378.00
Community	2,604,719.50	119,715.00	1,506,400.29	1,098,319.21
Branding	26,084,684.49	2,228,871.03	16,305,152.62	9,779,531.87
Sports	2,790,463.45	408,000.00	1,568,150.00	1,222,313.45
Safety and Security	1,341,713.01	49,116.20	837,444.10	504,268.91
Tourism Research	3,804,989.32	89,895.32	1,348,481.26	2,456,508.06
Administrative	1,058,266.82	90,583.63	563,433.87	494,832.95
Governance and Organization-Wide	35,144.49	0.00	4,252.45	30,892.04
Total Expense	<u>42,463,303.66</u>	<u>3,521,771.18</u>	<u>24,235,293.09</u>	<u>18,228,010.57</u>
Net Income	<u>(42,463,303.66)</u>	<u>(3,521,771.18)</u>	<u>(22,935,130.08)</u>	<u>19,528,173.58</u>

Hawaii Tourism Authority
Statement of Revenues and Expenditures
361 - Convention Center Enterprise Special Fund
20 - FY 2020 Funds
From 1/1/2020 Through 1/31/2020

	<u>Total Budget</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Total Budget Variance</u>
Revenue				
Transient Accomodations Tax	16,500,000.00	1,375,000.00	9,625,000.00	(6,875,000.00)
HCC Revenue	<u>9,541,811.00</u>	<u>0.00</u>	<u>3,498,511.13</u>	<u>(6,043,299.87)</u>
Total Revenue	<u>26,041,811.00</u>	<u>1,375,000.00</u>	<u>13,123,511.13</u>	<u>(12,918,299.87)</u>
Expense				
Branding	72,100.00	0.00	0.00	72,100.00
Administrative	250,511.00	0.00	0.00	250,511.00
HCC Operating Expense	12,824,694.00	0.00	0.00	12,824,694.00
HCC Repair and Maintenance	4,753,020.00	0.00	0.00	4,753,020.00
HCC Sales and Marketing / MFF	6,414,097.00	0.00	0.00	6,414,097.00
Governance and Organization-Wide	527,389.00	0.00	250.00	527,139.00
Total Expense	<u>24,841,811.00</u>	<u>0.00</u>	<u>250.00</u>	<u>24,841,561.00</u>
Net Income	<u>1,200,000.00</u>	<u>1,375,000.00</u>	<u>13,123,261.13</u>	<u>11,923,261.13</u>

Hawaii Tourism Authority
Statement of Revenues and Expenditures
361 - Convention Center Special Enterprise Fund Prior Years
From 1/1/2020 Through 1/31/2020

	<u>Total Budget</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Total Budget Variance</u>
Revenue				
Interest and Dividends	0.00	0.00	452,491.51	452,491.51
Total Revenue	<u>0.00</u>	<u>0.00</u>	<u>452,491.51</u>	<u>452,491.51</u>
Expense				
HCC Operating Expense	954,383.40	0.00	0.00	954,383.40
HCC Sales and Marketing / MFF	75,918.83	0.00	0.00	75,918.83
Governance and Organization-Wide	79,300.00	0.00	66,732.97	12,567.03
Total Expense	<u>1,109,602.23</u>	<u>0.00</u>	<u>66,732.97</u>	<u>1,042,869.26</u>
Net Income	<u>(1,109,602.23)</u>	<u>0.00</u>	<u>385,758.54</u>	<u>1,495,360.77</u>

Hawaii Convention Center
Facility
Income Statement
From 12/1/2019 Through 12/31/2019
(In Whole Numbers)

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	YTD Actual	YTD Budget	Variance	YTD Prior Year
Direct Event Income								
Rental Income (Net)	172,401	201,589	(29,189)	281,615	2,692,054	2,994,300	(302,246)	2,689,423
Service Revenue	360,758	34,500	326,258	68,948	1,420,608	776,800	643,808	819,497
Total Direct Event Income	533,159	236,089	297,070	350,563	4,112,663	3,771,100	341,563	3,508,920
Direct Service Expenses	202,642	112,917	(89,725)	129,630	2,128,704	1,952,004	(176,700)	1,787,798
Net Direct Event Income	330,517	123,172	207,345	220,933	1,983,958	1,819,096	164,862	1,721,122
Ancillary Income								
Food and Beverage (Net)	512,427	309,178	203,249	192,174	6,153,777	6,700,100	(546,323)	4,805,770
Event Parking (Net)	41,351	43,800	(2,449)	47,159	841,876	782,100	59,776	758,199
Electrical Services	2,573	5,600	(3,028)	3,926	135,825	159,400	(23,575)	195,243
Audio Visual	22,679	6,420	16,259	12,046	274,229	282,600	(8,371)	357,626
Internet Services	3,764	0	3,764	2,293	26,220	0	26,220	22,742
Rigging Services	2,069	3,500	(1,431)	3,368	61,849	85,400	(23,551)	77,983
First Aid Commissions	0	235	(235)	206	0	4,200	(4,200)	3,363
Total Ancillary Income	584,863	368,733	216,130	261,172	7,493,776	8,013,800	(520,024)	6,220,926
Total Event Income	915,380	491,905	423,475	482,105	9,477,735	9,832,896	(355,161)	7,942,048
Other Operating Income								
Non-Event Parking	2,508	4,875	(2,368)	2,913	52,576	58,500	(5,925)	56,763
Other Income	19,366	3,163	16,203	11,429	183,116	38,000	145,116	104,403
Total Other Operating Income	21,874	8,038	13,836	14,341	235,692	96,500	139,192	161,166
Total Gross Income	937,253	499,943	437,310	496,447	9,713,426	9,929,396	(215,970)	8,103,214
Net Salaries & Benefits								
Salaries & Wages	487,449	552,824	65,375	476,551	4,881,791	5,297,300	415,509	4,509,295
Payroll Taxes & Benefits	121,130	163,621	42,491	141,296	1,310,945	1,262,400	(48,545)	1,206,224
Labor Allocations to Events	(65,778)	(26,805)	38,973	(41,292)	(677,910)	(461,401)	216,509	(501,122)
Total Net Salaries & Benefits	542,802	689,640	146,838	576,555	5,514,826	6,098,299	583,473	5,214,397
Other Indirect Expenses								
Net Contracted Services	16,386	50,144	33,758	31,786	290,693	401,996	111,303	315,234
Operations	12,126	39,349	27,223	4,760	144,437	208,800	64,363	157,769
Repair & Maintenance	53,081	74,924	21,843	126,602	695,786	899,000	203,214	651,788
Operational Supplies	34,629	61,123	26,494	24,510	569,908	705,200	135,292	537,106
Insurance	16,332	10,126	(6,206)	52,202	155,741	157,900	2,159	169,614
Utilities	245,035	212,385	(32,650)	213,187	2,491,862	2,368,799	(123,063)	2,379,218
Meetings & Conventions	2,689	10,532	7,843	3,159	34,789	34,900	111	22,215
Promotions & Communications	6,453	3,537	(2,916)	(16,458)	74,542	42,400	(32,142)	38,831
General & Administrative	18,800	50,715	31,915	62,894	277,623	359,500	81,877	271,716
Management Fees	143,000	169,400	26,400	133,920	264,000	290,400	26,400	252,720
Other	200	4,713	4,513	33,017	36,491	57,200	20,709	214,097
Total Other Indirect	548,731	686,948	138,217	669,580	5,035,872	5,526,095	490,223	5,010,307
Net Income (Loss) before CIP Funded Expenses	(154,280)	(876,645)	722,365	(749,688)	(837,272)	(1,694,998)	857,727	(2,121,490)
CIP Funded Expenses	0	0	0	0	2,766	0	2,766	76,411
Net Income (Loss) from Operations	(154,280)	(876,645)	722,365	(749,688)	(834,506)	(1,694,998)	860,492	(2,045,079)
Fixed Asset Purchases	0	25,000	25,000	15,545	47,068	300,000	252,932	124,122
Net Income (Loss) After Fixed Asset Purchases	(154,280)	(901,645)	747,365	(765,233)	(881,573)	(1,994,998)	1,113,425	(2,169,201)

Hawaii Convention Center
Facility
Income Statement
From 12/1/2019 Through 12/31/2019
(In Whole Numbers)

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	YTD Actual	YTD Budget	Variance	YTD Prior Year
Revenues								
Food & Beverage	950,238	476,355	473,883	373,426	11,058,969	10,406,100	652,869	8,817,347
Facility	638,208	306,782	331,426	441,990	5,807,887	5,266,200	541,687	5,174,270
Total Revenues	1,588,446	783,137	805,309	815,416	16,866,856	15,672,300	1,194,556	13,991,617
Expenses								
Food & Beverage	589,055	351,091	(237,964)	280,092	6,750,073	5,910,300	(839,773)	5,825,393
Facility	1,153,671	1,308,691	155,020	1,285,013	10,954,055	11,456,998	502,943	10,287,715
Total Expenses	1,742,725	1,659,782	(82,943)	1,565,105	17,704,128	17,367,298	(336,830)	16,113,108
Net Income (Loss) before CIP Funded Expenses	(154,280)	(876,645)	722,365	(749,688)	(837,272)	(1,694,998)	857,726	(2,121,491)
CIP Funded Expenses	0	0	0	0	2,766	0	2,766	76,411
Net Income (Loss) from Operations	(154,280)	(876,645)	722,365	(749,688)	(834,506)	(1,694,998)	860,492	(2,045,080)
Fixed Asset Purchases	0	25,000	25,000	15,545	47,068	300,000	252,932	124,122
Net Income (Loss) after Fixed Asset Purchases	(154,280)	(901,645)	747,365	(765,233)	(881,574)	(1,994,998)	1,113,425	(2,169,202)

Hawaii Convention Center
Sales and Marketing
Income Statement
From 12/1/2019 Through 12/31/2019
(In Whole Numbers)

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	YTD Actual	YTD Budget	Variance	YTD Prior Year
Other Operating Income								
Other Income	75	0	75	15	1,303	0	1,303	211
Total Other Operating Income	75	0	75	15	1,303	0	1,303	211
Total Gross Income	75	0	75	15	1,303	0	1,303	211
Net Salaries & Benefits								
Salaries & Wages	176,992	326,200	149,208	243,671	1,475,682	1,851,900	376,218	1,432,098
Payroll Taxes & Benefits	46,393	74,000	27,607	26,039	329,318	372,100	42,782	270,762
Total Net Salaries & Benefits	223,385	400,200	176,815	269,710	1,805,000	2,224,000	419,000	1,702,860
Other Indirect Expenses								
Net Contracted Services	35,456	53,926	18,470	8,541	224,859	250,200	25,341	99,354
Repair & Maintenance	6,523	10,100	3,577	17,138	73,559	101,700	28,141	96,495
Utilities	512	1,000	488	542	7,048	12,000	4,952	6,345
Meetings & Conventions								
Mileage	0	200	200	249	800	2,400	1,600	1,151
Meals & Entertainment	456	1,000	544	963	7,112	12,000	4,888	12,714
Meetings & Conventions	6,725	21,950	15,225	14,225	556,643	1,028,100	471,457	1,061,439
Dues & Subscriptions	395	5,220	4,825	4,458	13,949	31,900	17,951	39,687
Total Meetings & Conventions	7,576	28,370	20,794	19,895	578,504	1,074,400	495,896	1,114,991
Promotions & Communications								
Site Visit	16,052	3,750	(12,302)	4,893	45,964	68,500	22,536	78,216
Photography	0	2,000	2,000	0	28,411	20,000	(8,411)	51,504
Advertising	14,592	29,000	14,408	5,275	306,890	348,000	41,110	306,924
Web Development & Maint	2,496	9,698	7,202	6,427	91,905	58,500	(33,405)	42,009
Market Research	0	0	0	0	19,652	19,200	(452)	19,200
Promotional	479,034	11,400	(467,634)	35,024	628,032	261,100	(366,932)	320,423
Attendance Promotion	(7,688)	5,000	12,688	(2,403)	54,444	72,500	18,056	52,874
Global Outreach	0	0	0	0	0	10,000	10,000	0
Total Promotions & Comm	504,486	60,848	(443,638)	49,216	1,175,298	857,800	(317,498)	871,150
Marketing Flexibility Fund	75,010	310,500	235,490	148,010	1,166,934	1,175,000	8,066	2,015,277
General & Administrative	6,632	10,575	3,943	7,963	63,235	59,300	(3,935)	68,191
Management Fees	50,600	116,600	66,000	82,080	106,800	237,600	130,800	200,880
Other	4,188	9,837	5,649	4,188	50,629	103,000	52,371	42,932
Total Other Indirect Expenses	690,983	601,756	(89,227)	337,573	3,446,866	3,871,000	424,134	4,515,615
Net Income (Loss) from Operations	(914,293)	(1,001,956)	87,663	(607,268)	(5,250,563)	(6,095,000)	844,437	(6,218,264)
Fixed Asset Purchases	0	0	0	0	0	0	0	0
Net Income (Loss) After Fixed Asset Purchases	(914,293)	(1,001,956)	87,663	(607,268)	(5,250,563)	(6,095,000)	844,437	(6,218,264)

Agenda Item

10

Update Relating to the 2020 Legislative
Session and Related Bills Relevant to
HTA

Measure	Report Title	Measure Title	Description	Position	Testimony	Notes	Current Status	Introducer(s)	Current Referral	Companion	
1	HB1622 HD1	Transient Accommodations Tax; Hawaiian Center; Museum of Hawaiian Music and Dance	RELATING TO TOURISM.	Amends the allocation of TAT for operation of a Hawaiian center and a museum of Hawaiian music and dance to also include development of the center and museum. (HD1)	S	Y	HTA submitted testimony in support.	H 2/19/2020: The committees on FIN recommend that the measure be PASSED, UNAMENDED. The votes were as follows: 12 Ayes: Representative(s) Luke, Cullen, Gates, Hashimoto, Holt, Kitagawa, B. Kobayashi, Matayoshi, Todd, Wildberger, Yamashita, McDermott; Ayes with reservations: none; Noes: none; and 3 Excused: Representative(s) Eli, Nakamura, Nishimoto.	ONISHI	TIA/WLH, FIN	
2	HB1623	Tourism; Short Form	RELATING TO TOURISM.	Short form bill relating to tourism.	N	N	PENDING	H 1/21/2020: Referred to TIA, referral sheet 1	ONISHI	TIA	
3	HB1678	Truth in Music Advertising Act; Performing Groups; Recording Groups; Restitution	RELATING TO MUSICAL PERFORMANCES.	Prohibits a person from advertising or conducting a live musical performance or production through the use of a false, deceptive, or misleading affiliation, connection, or association with a performing group and recording group. Allows a court to grant restitution.	N	N	No testimony submitted.	H 2/19/2020: Re-referred to TIA, FIN, referral sheet 33	SAIKI, ONISHI	TIA, FIN	
4	HB1944 HD1	Transient Accommodations Tax Revenue; Hawaii Tourism Authority; Special Land and Development Fund	RELATING TO THE TRANSIENT ACCOMMODATIONS TAX.	Allocates funds from TAT revenue directly to the Hawaii Tourism Authority, rather than through the Special Land and Development Fund, to improve certain state resources and services. Requires DLNR to submit an annual list to HTA of proposed projects for the HTA Strategic Plan. Requires HTA to submit an annual report of certain projects undertaken in accordance with the HTA Strategic Plan. Effective on 7/1/2099. (HD1)	S	Y	HTA submitted testimony in support.	H 2/19/2020: The committees on FIN recommend that the measure be PASSED, UNAMENDED. The votes were as follows: 12 Ayes: Representative(s) Luke, Cullen, Gates, Hashimoto, Holt, Kitagawa, B. Kobayashi, Matayoshi, Todd, Wildberger, Yamashita, McDermott; Ayes with reservations: none; Noes: none; and 3 Excused: Representative(s) Eli, Nakamura, Nishimoto.	ONISHI, CACHOLA, CREAGAN, HOLT, LOWEN, LUKE, MORIKAWA, NAKASHIMA, PERRUSO, TODD, YAMANE, YAMASHITA, Wildberger	TIA, FIN	SB3112
5	HB1945 HD1	Transient Accommodations; Tax Revenue Allocation; Hawaii Tourism Authority; Homelessness; Appropriation	RELATING TO THE TRANSIENT ACCOMMODATIONS TAX.	Allocates TAT revenues into the tourism special fund and appropriates funds for the Hawaii tourism authority (HTA) and Hawaii Lodging and Tourism Association to address homelessness in tourist and resort areas, subject to private matching funds. Requires HTA to report to the 2021 legislature. Effective 7/1/2099. (HD1)	S	Y	HTA submitted testimony in support.	H 2/19/2020: The committees on FIN recommend that the measure be PASSED, UNAMENDED. The votes were as follows: 12 Ayes: Representative(s) Luke, Cullen, Gates, Hashimoto, Holt, Kitagawa, B. Kobayashi, Matayoshi, Todd, Wildberger, Yamashita, McDermott; Ayes with reservations: none; Noes: none; and 3 Excused: Representative(s) Eli, Nakamura, Nishimoto.	ONISHI, CACHOLA, CREAGAN, GATES, HOLT, LUKE, MORIKAWA, NAKASHIMA, OKIMOTO, PERRUSO, TARNAS, TODD	TIA/HSR, FIN	
6	HB1946 HD1	Transient Accommodations Tax; Counties; Reimbursement; Appropriation	RELATING TO THE TRANSIENT ACCOMMODATIONS TAX.	Amends the amount of transient accommodations tax revenues allocated to the counties from a specified sum to capped reimbursements to the county for expenditures related to specified county public services. Appropriates funds to the department of budget and finance for costs and expenses incurred in the development, implementation, or support, including operational costs and costs for necessary staffing, needed to effectuate this measure. Effective 7/1/2099. (HD1)	N	N	HTA did not submit testimony but was in attendance for the committee meeting.	H 2/19/2020: The committees on FIN recommend that the measure be PASSED, UNAMENDED. The votes were as follows: 10 Ayes: Representative(s) Luke, Cullen, Gates, Holt, Kitagawa, B. Kobayashi, Matayoshi, Todd, Yamashita, McDermott; Ayes with reservations: none; 2 Noes: Representative(s) Hashimoto, Wildberger; and 3 Excused: Representative(s) Eli, Nakamura, Nishimoto.	ONISHI, CACHOLA, CREAGAN, HOLT, LUKE, MORIKAWA, NAKASHIMA, PERRUSO	TIA, FIN	
7	HB2191 HD1	BLNR; Public Lands; Lease Extension; Development Agreement	RELATING TO LEASE EXTENSIONS ON PUBLIC LAND.	Authorizes the Board of Land and Natural Resources to extend certain leases of public lands for commercial, industrial, resort, or government use upon approval of a proposed development agreement to make substantial improvements to the existing improvements. Effective 7/1/2050. Sunsets on 6/30/2025. (HD1)	N	N	No testimony submitted.	H 2/14/2020: Report adopted; referred to the committee(s) on FIN with Representative(s) DeCoite, Lowen, Matsumoto, McKelvey voting aye with reservations; Representative(s) Eli, Perruso, Thielen, Wildberger voting no (4) and Representative(s) Holt, Takayama excused (2).	TODD	WLH, JUD, FIN	SB2807
8	HB2200 HD1	State Budget	RELATING TO THE STATE BUDGET.	Adjusts and makes additional appropriations for fiscal biennium 2019-2021 to fund the operations of executive branch agencies and programs.	N	N		S 2/19/2020: Referred to WAM.	SAIKI (Introduced by request of another party)	WAM	SB2075
9	HB2209 HD1	Iolani Palace; Repair; Restoration; Maintenance; Appropriation (\$)	RELATING TO IOLANI PALACE.	Appropriates funds for repair, restoration, and maintenance of Iolani Palace. Requires DLNR to conduct a structural and electrical survey of Iolani Place and submit to the legislature a five- to ten-year working plan for Iolani Palace to proceed with repair, restoration, and maintenance work on the property. Takes effect on 7/1/2050. (HD1)	S	Y	HTA submitted testimony in support.	H 2/19/2020: Bill scheduled to be heard by FIN on Friday, 02-21-20 12:00PM in House conference room 308.	YAMANE	WLH, FIN	

10	HB2366	Transient Accommodations Tax	RELATING TO TRANSIENT ACCOMMODATIONS TAX.	Amends chapter 237D, Hawaii Revised Statutes, to repeal the misdemeanor for failing to register under chapter 237D and replacing it with a fine structure and to make various technical amendments.	N	N	No testimony submitted.	H 2/19/2020: The committees on FIN recommend that the measure be PASSED, UNAMENDED. The votes were as follows: 12 Ayes: Representative(s) Luke, Cullen, Gates, Hashimoto, Holt, Kitagawa, B. Kobayashi, Matayoshi, Todd, Wildberger, Yamashita, McDermott; Ayes with reservations: none; Noes: none; and 3 Excused: Representative(s) Eli, Nakamura, Nishimoto.	SAIKI (Introduced by request of another party)	TIA, FIN	SB2922
11	HB2467 HD2	DAGS; HTA; State Capital District; Tourism Information Booth or Center; Appropriation	RELATING TO TOURISM.	Requires the Hawaii tourism authority to collaborate with the department of accounting and general services to identify an appropriate location for and open a tourism information booth or center in the state capital district to promote tourism and tourist destinations in the capital district. Appropriates funds. Effective 7/1/2099. (HD2)	S	Y	HTA submitted testimony in support.	H 2/19/2020: The committees on FIN recommend that the measure be PASSED, UNAMENDED. The votes were as follows: 12 Ayes: Representative(s) Luke, Cullen, Gates, Hashimoto, Holt, Kitagawa, B. Kobayashi, Matayoshi, Todd, Wildberger, Yamashita, McDermott; Ayes with reservations: none; Noes: none; and 3 Excused: Representative(s) Eli, Nakamura, Nishimoto.	CULLEN, AQUINO, LUKE, NAKASHIMA	TIA, LMG, FIN	
12	HB2484 HD1	DLNR; Lifeguards; Equipment; Appropriation	RELATING TO STATE PARKS.	Appropriates funds to DLNR to purchase ocean safety and rescue equipment for state ocean safety officers at state parks. Takes effect 7/1/2050. (HD1)	N	N	General Fund appropriation	H 2/19/2020: Bill scheduled to be heard by FIN on Friday, 02-21-20 12:00PM in House conference room 308.	YAMANE, AQUINO	WLH, FIN	
13	HB2500	State Budget	RELATING TO THE STATE BUDGET.	Adjusts and makes additional appropriations for fiscal biennium 2019-2021 to fund the operations of executive branch agencies and programs.	N	N	No testimony submitted.	S 2/19/2020: Referred to WAM.	LUKE	WAM	
14	HB2532 HD1	HDOA; Invasive Species; Two-Lined Spittlebug; Appropriation	RELATING TO INVASIVE SPECIES.	Appropriates funds to the Department of Agriculture for its efforts to mitigate and control two-lined spittlebug infestations in the State. Takes effect on 7/1/2150. (HD1)	N	N	General Fund appropriation	H 2/21/2020: Bill scheduled to be heard by FIN on Monday, 02-24-20 11:00AM in House conference room 308.	ONISHI, CACHOLA, CREAGAN, DECOITE, HOLT, LOWEN, MORIKAWA, NAKASHIMA, SAN BUENAVENTURA, TARNAS, TODD	AGR, FIN	SB3042
15	HB2607 HD1	Penal Code; Urinating or Defecating in a Public Place; Business District	RELATING TO PUBLIC ORDER.	Establishes the offense of urinating or defecating in a public place within business districts. Takes effect on 7/1/2050. (HD1)	N	N	No testimony submitted.	H 2/21/2020: Bill scheduled to be heard by FIN on Tuesday, 02-25-20 11:00AM in House conference room 308.	BROWER, CREAGAN, ELI, HAR, HASHIMOTO, HOLT, ICHIIYAMA, KITAGAWA, B. KOBAYASHI, KONG, C. LEE, LOWEN, MATAYOSHI, MCKELVEY, MIZUNO, MORIKAWA, NAKASHIMA, NISHIMOTO, OHNO, ONISHI, QUINLAN, SAY, TAKAYAMA, TARNAS, TODD, YAMASHITA, San Buenaventura	JUD, FIN	
16	HB2609	CIP; Twenty-second Representative District; Appropriation	RELATING TO CAPITAL IMPROVEMENT PROJECTS FOR THE BENEFIT OF THE TWENTY-SECOND REPRESENTATIVE DISTRICT.	Appropriates funds for capital improvement projects in the twenty-second representative district.	N	N	No testimony submitted.	H 1/27/2020: Referred to FIN, referral sheet 5	BROWER	FIN	
17	HCR19	Tour Aircraft; Federal Aviation Administration	URGING THE FEDERAL AVIATION ADMINISTRATION TO TAKE ACTION REGARDING COMMERCIAL HELICOPTER TOUR OPERATIONS IN HAWAII.		N			H 1/23/2020: Offered	THIELEN, CREAGAN, KITAGAWA, B. KOBAYASHI, C. LEE, LOWEN, MATAYOSHI, NAKAMURA, NAKASHIMA, SAIKI, SAN BUENAVENTURA, TARNAS, WARD, WILDBERGER, Brower, McKelvey, Nishimoto		SCR12
18	SB2028 SD1	Environment; Health; Sunscreen Dispensers; Oxybenzone; Octinoxate; Appropriation	RELATING TO HEALTH.	Requires DLNR to establish a two-year pilot program to install sunscreen dispensers at Waikiki beach, Pupukea beach park, Wailea beach, and Honolulu Bay beach to provide sunscreens without oxybenzone or octinoxate to visitors and educate visitors on the harmful effects of oxybenzone and octinoxate on the marine environment. Appropriates funds for the pilot program. Effective 12/31/33. (SD1)	N	N	No testimony submitted.	S 2/4/2020: Report adopted; Passed Second Reading, as amended (SD 1) and referred to WAM.	S. CHANG, BAKER, KANUHA, Moriwaki	WTL, WAM	
19	SB2075	State budget.	RELATING TO THE STATE BUDGET.	To adjust and request appropriations for Fiscal Biennium 2019-21 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs and to include appropriations from other departmental budget acts deemed necessary for program operations and capital improvements.	N	N		S 1/17/2020: Referred to WAM.	KOUCHI (Introduced by request of another party)	WAM	HB2200
20	SB2114 SD1	State Ethics Commission Package; Public Employees; Lobbying Prohibition	RELATING TO THE STATE ETHICS CODE.	Prohibits certain former State employees from representing certain interests in a legislative or administrative action before the State for twelve months after the termination of their employment. (SD1)	N	N	No testimony submitted.	S 2/13/2020: Report adopted; Passed Second Reading, as amended (SD 1) and referred to JDC.	KOUCHI (Introduced by request of another party)	GVO, JDC	HB1763
21	SB2318	Transportation; Taxation; Aircraft	RELATING TO TRANSPORTATION.	Ensures the collection of the state general excise tax in instances in which the transportation of passengers is furnished by common carriers by the use of aircraft when the collection of the tax is not prohibited by federal law. Limits imposition of tax to flights that occur within the airspace of a single island of the State.	N	N		S 1/21/2020: Referred to WAM.	L. THIELEN, Baker, S. Chang, Ihara, Riviere	WAM	HB1612

22	SB2567 SD1	Government Accountability; Legislative Reference Bureau; Searchable Database; Appropriation	RELATING TO GOVERNMENT ACCOUNTABILITY.	Requires the Legislative Reference Bureau to develop a searchable electronic database of all reports to be submitted to the legislature as required by law or requested by concurrent resolution. Requires the Legislative Reference Bureau to inform the legislature of any annual or other reports required by law to be submitted to the legislature or requested by concurrent resolution that were not timely submitted. Requires reporting entities to submit a copy of all reports submitted to the legislature to the Legislative Reference Bureau. Appropriates funds. (SD1)	N	N	No testimony submitted.	S 2/12/2020: Report adopted; Passed Second Reading, as amended (SD 1) and referred to WAM.	KIM, FEVELLA, K. RHOADS, RIVIERE, RUDERMAN, Ihara, Moriawaki, L. Thielen	GVO, WAM	
23	SB2649	Helicopters; Safety; Tourism	RELATING TO TOUR AIRCRAFT.	Amends section 261-12 to require tour aircraft operations permit seekers to have aircraft which are outfitted with FAA approved safety devices.	N	N	No testimony submitted.	S 2/20/2020: The committee(s) on CPH recommend(s) that the measure be PASSED, WITH AMENDMENTS. The votes in CPH were as follows: 4 Aye(s): Senator(s) Baker, S. Chang, Wakai, Fevella; Aye(s) with reservations: none ; 0 No(es): none; and 3 Excused: Senator(s) Nishihara, Ruderman, L. Thielen.	S. CHANG	TRS, CPH	
24	SB2696 SD1	Tourism; Green Fees; Feasibility Study	RELATING TO GREEN FEES.	Requires the office of planning to conduct a feasibility study on assessing tourism green fees. Effective 12/31/33. (SD1)	N	N	HTA did not submit testimony but was in attendance for the 2/10/20 committee meeting.	S 2/20/2020: The committee(s) on WAM recommend(s) that the measure be PASSED, WITH AMENDMENTS. The votes in WAM were as follows: 9 Aye(s): Senator(s) Dela Cruz, Keith-Agaran, Harimoto, Kanuha, Kidani, Moriawaki, Riviere, Shimabukuro, Fevella; Aye(s) with reservations: none ; 0 No(es): none; and 4 Excused: Senator(s) English, Inouye, K. Kahele, Taniguchi.	KEITH-AGARAN	WTL/EET, WAM	HB2719
25	SB2898 SD1	Public Notices	RELATING TO PUBLIC NOTICES.	Allows government agencies to publish public notice on their official website as an alternative to the newspaper. Effective 1/1/2050. (SD1)	N	N	No testimony submitted.	S 2/20/2020: The committee(s) on WAM will hold a public decision making on 02-25-20 12:40PM in conference room 211.	KOUCHI (Introduced by request of another party)	GVO/PSM, WAM	HB2342
26	SB2915 SD1	Lifeguards, State Parks; Transient Accommodations Tax; Appropriation	RELATING TO LIFEGUARD SERVICES AT STATE PARK BEACHES.	Allocates transient accommodations tax revenues to the Department of Land and Natural Resources to cover lifeguard service expenses incurred at state park beaches. Appropriates funds out of the state parks special fund for lifeguard services at state beach parks. (SD1)	N	N	No testimony submitted.	S 2/20/2020: The committee(s) on WAM recommend(s) that the measure be PASSED, WITH AMENDMENTS. The votes in WAM were as follows: 11 Aye(s): Senator(s) Dela Cruz, Keith-Agaran, Harimoto, Inouye, Kanuha, Kidani, Moriawaki, Riviere, Shimabukuro, Taniguchi, Fevella; Aye(s) with reservations: none ; 0 No(es): none; and 2 Excused: Senator(s) English, K. Kahele.	KOUCHI (Introduced by request of another party)	EET/WTL, WAM	HB2359
27	SB2922 SD1	Transient Accommodations Tax	RELATING TO TRANSIENT ACCOMMODATIONS TAX.	Amends the transient accommodations tax law to repeal the misdemeanor penalty for failing to register and replacing it with a civil fine structure and to make various technical amendments. (SD1)	N	N	No testimony submitted.	S 2/13/2020: Report adopted; Passed Second Reading, as amended (SD 1) and referred to WAM/JDC.	KOUCHI (Introduced by request of another party)	EET, WAM/JDC	HB2366
28	SB3011 SD1	Iolani Palace; State of Hawaii Museum of Monarchy History; Appropriation	RELATING TO THE STATE OF HAWAII MUSEUM OF MONARCHY HISTORY.	Appropriates funds for the purposes of restoration, repair, maintenance, operation, and one permanent full-time equivalent (1.0 FTE) groundskeeper for Iolani Palace. Effective 7/1/51. (SD1)	S	Y	HTA submitted testimony in support.	S 2/20/2020: The committee(s) on WAM will hold a public decision making on 02-25-20 12:40PM in conference room 211.	TANIGUCHI	LCA, WAM	HB2531
29	SB3042	HDOA; Invasive Species; Two-Lined Spittlebug; Appropriation (\$)	RELATING TO INVASIVE SPECIES.	Appropriates funds to the Department of Agriculture for its efforts to mitigate and control two-lined spittlebug infestations in the State.	N	N		S 2/20/2020: The committee(s) on WAM will hold a public decision making on 02-25-20 12:40PM in conference room 211.	GABBARD, HARIMOTO, KANUHA, K. RHOADS, TANIGUCHI, J.Keohokalole, Kim, Riviere	AEN, WAM	HB2532
30	SB3073 SD1	World War II; 75th Anniversary; Appropriation	RELATING TO WORLD WAR II COMMEMORATION.	Appropriates funds for programs, ceremonies, and activities commemorating the 75th anniversary of the end of World War II. Effective 7/1/51. (SD1)	S	Y	HTA submitted testimony in support.	S 2/20/2020: The committee(s) on WAM recommend(s) that the measure be PASSED, UNAMENDED. The votes in WAM were as follows: 11 Aye(s): Senator(s) Dela Cruz, Keith-Agaran, Harimoto, Inouye, Kanuha, Kidani, Moriawaki, Riviere, Shimabukuro, Taniguchi, Fevella; Aye(s) with reservations: none ; 0 No(es): none; and 2 Excused: Senator(s) English, K. Kahele.	NISHIHARA, K. RHOADS, Baker, Kanuha, Kidani, Kim, Moriawaki, Riviere, Shimabukuro, Taniguchi	LCA, WAM	HB1947
31	SB3107	Tourism; Aircraft; Noise; Working Group; Appropriation	RELATING TO AIR TOURISM.	Establishes a Kauai Air Tourism Working Group to develop a pilot program and consider other actions to address excessive noise from air tourism aircraft on the island of Kauai. Requires a report to the Legislature. Makes an appropriation.	N	N		S 2/19/2020: The committee(s) on TRS/WAM has scheduled a public hearing on 02-26-20 1:30PM in conference room 211.	KOUCHI (Introduced by request of another party)	TRS/WAM	HB2690

32	SB3164 SD1	State Commission; Surfing	RELATING TO THE STATE SURFING COMMISSION.	Establishes the state commission on surfing in the Hawaii tourism authority. (SD1)	S	Y	HTA submitted testimony in support.	S 2/20/2020: The committee(s) on WAM recommend(s) that the measure be PASSED, WITH AMENDMENTS. The votes in WAM were as follows: 10 Aye(s): Senator(s) Dela Cruz, Keith-Agaran, Harimoto, Inouye, Kanuha, Kidani, Moriwaki, Riviere, Taniguchi, Fevella; Aye(s) with reservations: none ; 0 No(es): none; and 3 Excused: Senator(s) English, K. Kahele, Shimabukuro.	WAKAI, S. CHANG, KANUHA, KEITH-AGARAN, KIDANI, MORIWAKI, Kim, Nishihara	EET, WAM	
33	SCR12	Tour Aircraft; Federal Aviation Administration	URGING THE FEDERAL AVIATION ADMINISTRATION TO TAKE ACTION REGARDING COMMERCIAL HELICOPTER TOUR OPERATIONS IN HAWAII.		N	N		S 1/28/2020: Referred to TRS, JDC.	L. THIELEN, S. CHANG, Ihara	TRS, JDC	HCR19
34	SCR39	Statewide Responsible Tourism Initiative; Visitors; Advisory Group	URGING THE STATE TO IMPLEMENT A STATEWIDE RESPONSIBLE TOURISM INITIATIVE TO HELP EDUCATE TOURING VISITORS ABOUT SUSTAINABLE BEHAVIORS WITH RESPECT TO SUNSCREENS, POLYSTYRENE, AND SINGLE-USE PLASTICS.		N	N		S 2/27/2020: Offered.	GABBARD, DELA CRUZ, RUDERMAN, Baker, English, Harimoto, Ihara, Inouye, Kanuha, Keith-Agaran, Kim, Shimabukuro, Taniguchi		
35	SR13	Tour Aircraft; Federal Aviation Administration	URGING THE FEDERAL AVIATION ADMINISTRATION TO TAKE ACTION REGARDING COMMERCIAL HELICOPTER TOUR OPERATIONS IN HAWAII.		N	N		S 1/28/2020: Referred to TRS, JDC.	L. THIELEN, S. CHANG, Ihara	TRS, JDC	

Agenda Item

11

Presentation by AEG and HVCB
Regarding an Update of the Hawaii
Convention Center Recent
Operational Activities and Sales
Initiatives

January 2020

HTA Board of Directors Update
February 2020 Report



Agenda

- **Financial Update- January**
- **CIP Update**
- **Local Sales & Marketing Update**

2020 Financial Update

	2020 January Actual	2020 Reforecast	2020 Budget	Variance	2019 Actual
Facility Occupancy	35%	33%	33%	1%	32%
Facility Number of Events	16	200	200	0	238
Facility Gross Revenue	\$1,424,600	\$16,516,800	\$16,516,400	\$400	\$16,866,900
Facility Gross Expenses	\$1,466,100	\$18,821,500	\$18,821,500	\$0	\$17,748,400
Facility Net Loss	(\$41,500)	(\$2,304,700)	(\$2,305,100)	\$400	(\$881,500)
Local S&M Expenses	(\$76,000)	(\$1,012,100)	(\$1,012,500)	\$400	(\$5,250,600)
HCC Net Loss	(\$117,500)	(\$3,316,800)	(\$3,317,600)	\$800	(\$6,132,100)

2020 Food & Beverage Update

Food & Beverage	2020 January Actual	2020 Reforecast	2020 Budget	Variance	2018 Actual
F&B Revenue	\$866,600	\$10,276,600	\$10,276,600	\$652,900	\$11,057,000
F&B Expenses	\$549,500	\$6,157,200	\$6,157,200	(\$839,800)	\$6,750,100
Net Income	\$317,100	\$4,119,400	\$4,119,400	(\$186,900)	\$4,308,900
% of flow through	37%	40%	40%	(4%)	39%

2020 ROI

HCC Revenue + State Revenue + Tax Revenue
= \$65.2M

HCC Expense \$1.5M

***ROI = For every dollar spent by HCC we returned
\$42.30 to the State***

CIP Update

- Boiler Replacement – On target for completion in early April 2020
- Cooling Tower Replacement – Reviewing final design plans for permit submittal
- Ala Wai Waterfall Repair - On target for completion in March 2020
- Facility Equipment – All items received in good order
- Camera, NVR and Access Control – To issue NTP February 2020
- Trellis Renovation – Awarded, finalizing contract, to issue NTP February 2020
- Theatre #320 Roof Repair – Project started January 2020
- House Sound Audio System – Reviewing proposals received January 2020
- Parking Equipment Upgrade – Consultant presenting final report end February 2020
- LED lighting retrofit – Receiving proposals for Theatre lighting
- #310 ADA Lift Replacement – Issued RFP February 2020
- Theatre #320 Furnishings Upgrade – Issued RFP February 2020

Hawai'i Convention Center Local Sales Team



Trevor Newman
Accounts Manager



Joanna Hall
Sales Manager



Vacant
Sales Manager-Asia Market

New Team Member - Sales



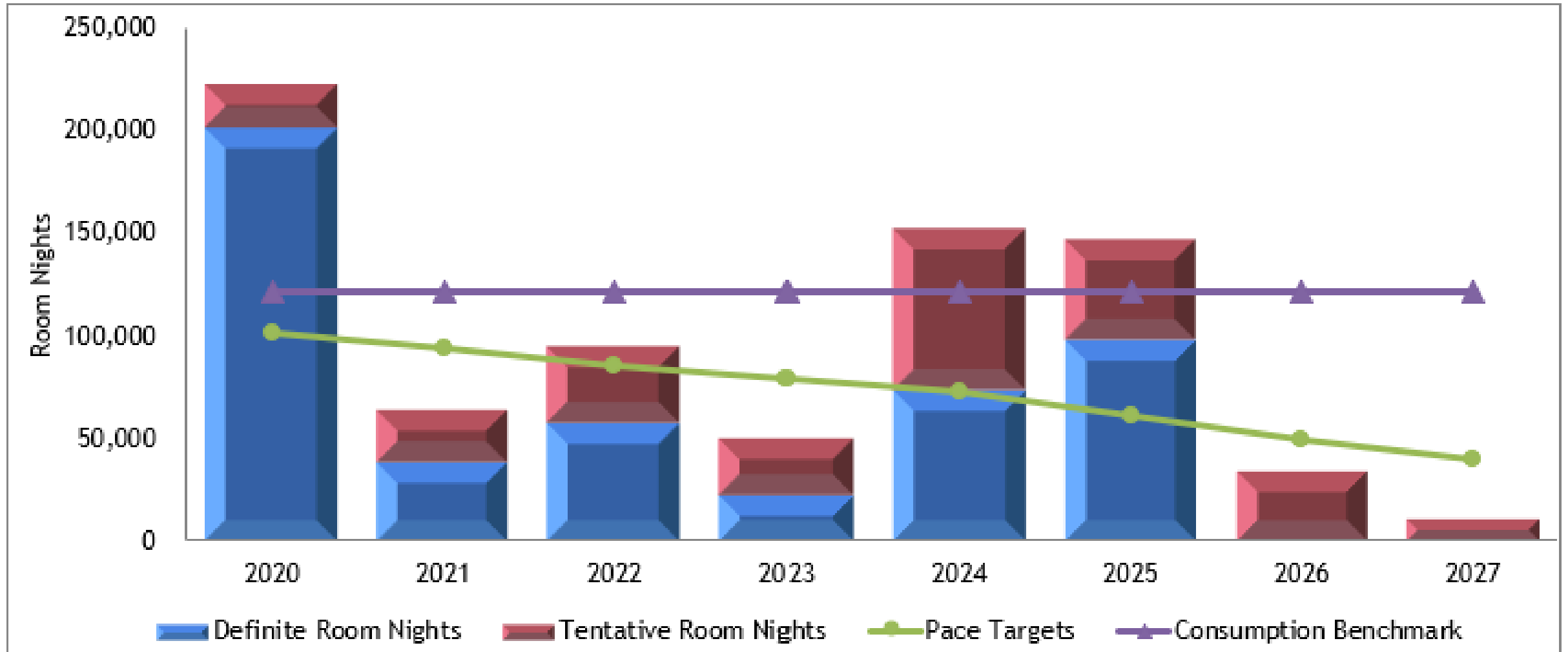
Holly Elder
Contract Specialist - Sales

Lois Asato



**PROMOTED TO.....
RETIREMENT!!!!**

Hawai'i Convention Center Pace Report



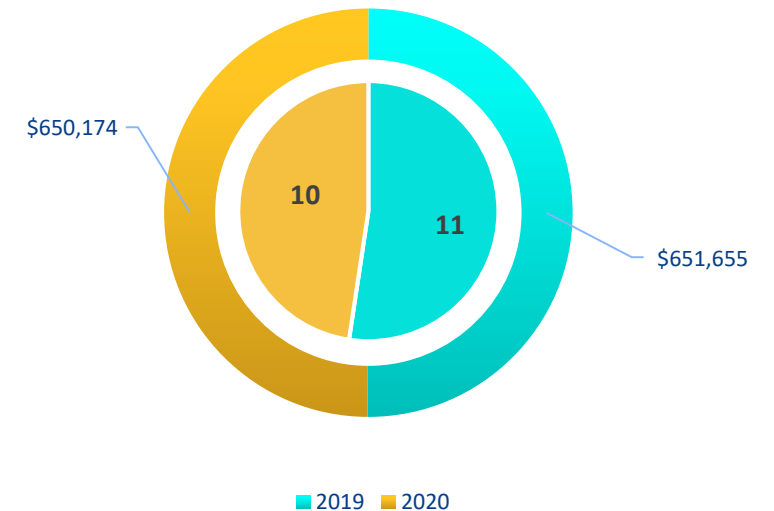
Local Sales Initiatives

- Restructuring our Local Sales team to be more efficient in our sales process
- Continued focus on securing License Agreements for bookings within local booking window. (13 MONTHS)
- There were 45 License Agreements issued for local events and international banquets (21 of them turned Definite in January)
- Continued to respond to numerous inquiries from Japanese wholesalers for banquet, festival and meeting events

HCC Local Sales Productivity

- **18 groups closed in January** with a forecasted revenue of **\$330,070**. Compared to same time last year we are **up 21%**.
- **40 Tentative groups** with forecasted revenue of **\$716,200**.

January Year over Year Actual Revenue and Qty



Advertising and PR

PR Coverage for January:



National coverage of the Center's One Million Trees reforestation partnership with HLRI on NPR with Tom Wilmer.

Winter Wishes photo collage event recap in Oahu Concierge.

 AMERICAN ASTRONOMICAL SOCIETY

Continued coverage of the AAS conference, with stories by KHON, KITV, HNN and the Star-Advertiser.

MAHALO!



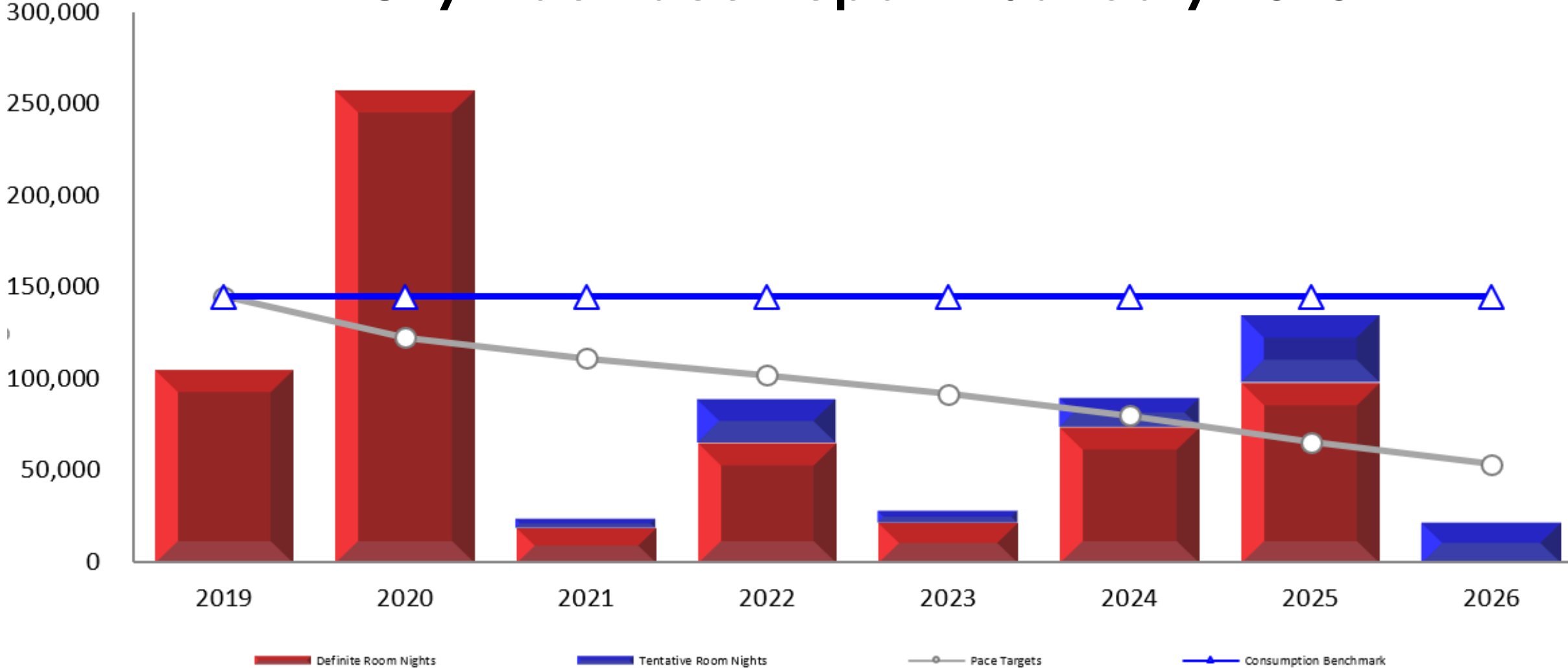


THE CITYWIDE JOURNEY

“ALL JOURNEYS REQUIRE PREPARATION”



Citywide Pace Report – January 2020



AN IMPORTANT JOURNEY - GETTING PREPARED

“Booking A Citywide Convention Is Not Easy”

The Best Practices of Successful Citywide Destination:

- Harness their collaborative energy
- Separate the past from the future
- Have the courage to leave behind what has not worked
- Seek and convert customers to become “Destination Evangelists”

HAWAI'I'S TIME

WHAT WE ARE DOING?

- Providing strong sales leaders at every level
- Implementing sales strategy focused on compression
- Re-engaging hotel community with collaboration and a common definition of citywide success
- Establishing effective systems of communication
- Kick-starting new business development

WHAT THIS YEAR'S SALES EFFORT LOOKS LIKE

Practicing New Citywide Sales Strategy

- “Own The Market” HVCB citywide sellers
- Focus on Medical, Science and Technology market segments
- Target Universe of Customers rated by best fit for Hawai‘i (# of events, need times, stakeholder value)



WHAT THIS YEAR'S SALES EFFORT LOOKS LIKE (CONTINUED)

Alignment with Customers And Stakeholders

- Deeper understanding of the customer's world is required to develop and align solutions to biggest barriers
- For Hotel Participation and Collaboration need deep data analysis of the impact of Citywide Compression

SALES INITIATIVES

January 2020

- Professional Convention Management Association (PCMA)
 - Convening Leaders 2020 in San Francisco
- International Association for Exhibitions and Events (IAEE)
 - Annual Meeting and Exhibition in Las Vegas

SALES INITIATIVES (CONTINUED)

February

- Council of Engineering and Scientific Society Executives (CESSE)
 - CEO Meeting in Tucson, AZ
- New York Society of Association Executives (NYSAE)
 - Meet New York 2020, New York City

CITYWIDE SALES UPDATE

- 2019 revised citywide production is pending
- January 2020 sales
 - No new definites
 - 4,220 tentative room nights added

MAHALO!

