



MEMBERS PRESENT:

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BRANDING STANDING COMMITTEE MEETING HAWAI'I TOURISM AUTHORITY Friday, September 15, 2023, at 1:00 p.m.

Virtual Meeting

MINUTES OF THE BRANDING STANDING COMMITTEE MEETING

Blaine Miyasato (Chair), Sig Zane (Vice-

	Chair), David Arakawa, Dylan Ching
MEMBERS NOT PRESENT:	Mufi Hannemann, Sherry Menor-McNamara
NON-VOTING MEMBERS:	James McCully, Mike White
HTA STAFF PRESENT:	Kalani Kaʻanāʻanā, Maka Casson-Fisher, Carole Hagihara
GUESTS:	Susan Webb, Lorenzo Campos, Jennifer Gaskin, Dennis Suo, Irene Lee
LEGAL COUNSEL:	John Cole

1. Call to Order and Opening Protocol

Chair Miyasato called the meeting to order at 1:04 p.m.

2. Roll Call to Announce Name of Participating Board Members and to Identify Who Else is Present with Board Member if Location is Nonpublic

Mr. Casson-Fisher conducted the roll call, and all members were confirmed in attendance and were by themselves.

3. Approval of Minutes of the August 23, 2023, Branding Standing Committee Meeting

Mr. Ching made a motion to approve the minutes, and Mr. Zane seconded. Mr. Casson-Fisher did the roll call, and the motion passed unanimously.

4. Presentation, Discussion and/or Action on the Branding Standing Committee Charter & Goals

Chair Miyasato explained that the purpose of this agenda item was to deliberate whether this was the proper forum to discuss messaging. He reminded the meeting that messaging led to branding, and branding led to marketing.

Vice-Chair Zane continued by stating that this was one of the most important of the several committees in the HTA. However, the status of this committee, as defined in the statutes, was not sufficiently broad to encompass the branding function of the HTA. This committee needed to discuss how it could become more aligned with the hope for the direction of tourism in Hawai'i.

Even though the present mission statement mentioned "preservation of natural resources and community," this seemed inadequate to mitigate customers' effects on products. The Hawaiian islands were the product marketed, but for years, they had not addressed the negative impact of customers on their product. An example was the road to Hana, the deterioration of which, due to overcrowding, had negatively affected the local community and Kama'āina. As responsible citizens of the state, it was incumbent on the HTA to be vigilant about the effect of their customers on the environment and people. It seemed that the Hawaiian people were paying a huge price for the tourism taking place in the state.

The question to be answered was how the Branding Committee could market the product in a way that would redress the balance. The Chair, the Vice-Chair, and Mr. Ka'anā'anā felt that the committee needed to discuss this topic given its kuleana. If, however, they felt this committee was not the right forum for this discussion, then they need to determine where the discussion should take place and make a more exact definition of the work this committee is assigned to conduct.

Mr. Ka'anā'anā presented a slide giving the current job description. This had appeared in the pdf document distributed to the Board with current committee assignments.

This Standing Committee is responsible for the review, evaluation, and recommendation of the Authority's branding and marketing initiatives, programs, and/or activities that support the Authority's vision, mission, goals, and objectives including meetings, conventions, and incentive business.

Chair Miyasato stated that given that this committee had a new Chair and a new Vice-Chair, it seemed necessary to review the committee's task. Since branding led to messaging and messaging to marketing, the committee should be involved in all three processes.

Mr. Arakawa commented that whenever the HTA voted to add people to a committee, the committee's function was also defined as part of the appointment process. He agreed with the Chair and Vice-Chair that messaging was the step between branding and marketing. The impact of tourism on the community, the HTA employees, and the public was a critical issue. However, he believed that resident and industry sentiment was the kuleana of the Hoʻokahua committee since it oversaw destination management, which examined the impact of the tourism industry on the community. The Hoʻokahua Committee might look at the data and pass on recommendations to the committee.

Mr. Zane shared this uncertainty about where this responsibility should be placed, but it was clear that any changes could only be implemented at the level of the entire Board.

Member Ching appreciated all the preceding comments and had also been confused about whether this committee did the branding, or the HTA staff did the branding with the committee's guidance. He needed clarification about who was leading and who was assisting. There might have been issues about the consistency and rate of the messaging in the past. Ever since he had been a member of the HTA Board, the impact of tourism on the community and residents has been a constant topic of conversation. There had been a significant effort in this direction at the level of the Board, but Mr. Ching was unsure how much positive effect had taken place for the environment and the residents. There had been substantial progress, but it had been somewhat slow.

On the other hand, they saw the adverse effects of not having enough tourism in Maui. At this point, they had to figure out a balance. It was also true that there was a degree of overlap between different committees, and it was challenging that discussions that had taken place in committees were then repeated in the full Board. If these committees were to be of any use, then the full Board needed to have done their research and reading so that progress could be made. They need to avoid wasting people's time.

Chair Miyasato noted that this was a volunteer committee, and the members of the entire Board should not cause the same material to be reviewed again. They needed to reach a stage where if a committee made a recommendation, the full Board would respect it.

Mr. Ching asked for the charter to be clarified as to who was driving branding, whether it was the Board or the HTA staff. Was the staff doing the work and then the Board critiquing it, or should the Board be driving for the staff to implement? Branding should be the place where messaging is defined. Logically, branding, messaging, and marketing should all be the responsibility of this committee, but was that the case in reality? He believed that, in general, the task of the Branding Committee was not marketing, but it was the mission of the HTA staff to set branding and determine marketing.

Mr. Cole reminded the meeting that the HTA by-laws contained a committee section that needed updating and cleaning up. For instance, the Ho'okahua committee was not mentioned, and some definitions did not match those on documents received from Ms. Hagihara.

Mr. White pointed out that messaging needed to be included in the charter of this committee, and it should also be in the charter of the Ho'okahua committee because messaging was part of stewardship. Messaging was also part of the work of the legislative PIG.

Mr. McCully stated that branding was overarching, while messaging was specific. Messaging could be defined as the practices that allowed their story to be told, either that of the overall brand or that of a specific market. He appreciated Mr. Cole's comments about the statutory basis for committees. Statute 201B established the authority and specified the composition of the Board, as well as the responsibilities of the CEO, but it did not tackle the job descriptions of individual staff members. Only a vote by the full Board could amend the by-laws. The present committee was advisory only and made recommendations to the Board. The HTA staff were to conduct branding and marketing through their contractors. The purpose of this committee was to "review, evaluate, and recommend." This was the forum where messaging which had not been clearly enunciated would be detected.

In response to these comments, Mr. Ka'anā'anā stated he had a recommendation and a solution. He proposed that messaging should be added to the role of this committee, and roles and responsibilities would be outlined as follows:

Under the direction and oversight of the HTA Board and through a collaborative process with the community, industry, all levels of government, subject matter experts, and contractors, the HTA staff would specify the following: the overall Hawaiian islands brand, the individual islands' brands, brand guidelines, annual brand marketing plan, and budget, key performance indicators and performance measures.

This would be brought to the Branding Committee and could be used as a working document.

Chair Miyasato commented that he had scheduled another meeting because he knew this would be a robust discussion. He hoped the committee could make recommendations before the next Board meeting. Mr. Ka'anā'anā would circulate his suggestion, and members could get back to him offline with their input. Chair Miyasato stated that it would be permissible for Mr. Ka'anā'anā to send out the document to those who were present but were not committee members.

5. Presentation, Discussion and/or Action on the Overview of the BMP Approval Process and Timing

Mr. Ka'anā'anā presented a graphic illustrating the procedure that had been used in previous years for HTA Board review, oversight, and approval of Brand Marketing Plans (BMPs) for all Global Marketing Teams (GMTs) as well as the Meet Hawai'i Meetings, Conventions, and Incentive (MCI). This process started months ago when the HTA staff met and finalized an outline and overview structure to be followed by the GMTs, with a deadline of July 31 for submission back to the HTA. This process took place through collaboration between the HTA staff and the GMTs. Usually, the HTA leadership team would have been given the presentation first before it reached the Branding Standing Committee. This year, there was to be a second Branding Standing Committee meeting to provide feedback before the next meeting. There would also be feedback from the HTA leadership, resulting in a definitive version to be presented to the Branding Standing Committee on September 27 and the entire Board on September 28. This timeline is intended to align with the fiscal year so that the programs will be ready to implement on January 1, 2024. The timing was also related to the fall Hawai'i Tourism conference on October 2 and 3, when GMTs would present their BMPs after approval by the Board. This would allow the tourism industry to become familiar with the state's plans and enable them to build their branding plans and budgets. Partners, such as hotels, activities, airlines, and others, would thus have time to work on their marketing budgets.

Mr. Ka'anā'anā informed the committee that the Board had already adopted the budget associated with each global marketing plan earlier in the year. However, the actual cash flow of disbursement of funds was divided across multiple fiscal years, so the total amounts presented were in line with what the Board had already approved.

The committee was informed that the 2024 brand marketing plans to be presented were overviews, and no action was needed at this time. Additionally, the plans were in the process of polishing, so they might still be somewhat rough. Given the situation with Maui, each presentation would end with a request for incremental funds to assist with Maui's recovery. The

Board had not yet approved these incremental funds, which would have to be identified and approved separately.

These presentations had already been approved, but it was hoped that Mr. Ka'anā'anā could supply additional information about airlines and occupancy rates. Campaigns and activities in response to recovery from the Maui fires were already detailed in the BMPs and would be available for discussion today.

Mr. Arakawa reminded the meeting that they had already approved these budgets as they did last year, but last year, they were funded \$60 million to take care of existing contracts while the budget for next year stood at zero.

6. Presentation, Discussion and/or Action on Hawai'i Tourism Canada Activities Under the Brand Management & Marketing Services Contract and HTA's 2024 Brand Marketing Plans for the Canada Market

The presentation was made by Susan Webb, the President, and Lorenzo Campos, the Account Director. The remaining seven team members were introduced, and a detailed Brand Marketing Plan was presented, beginning with an overview of the market situation.

Regarding outbound travel sentiment, 57% of Canadians felt vacation-deprived and would prioritize travel over high-level purchases. Canadians were conscious of the importance of sustainable and responsible travel. Cultural and wellness travel was popular in this market, although the recent increases in airfares and hotel rates were a barrier to travel.

Air Canada and WestJet operated direct flights from Canada to Honolulu, and the frequencies of these flights were reviewed weekly. Regarding the competitive landscape, Europe was increasing, while Mexico and the Caribbean were decreasing. Fiji was conducting an intensive advertising campaign. Many Canadian target audience were retirees and snowbirds, and Canadians were generally mindful travelers.

The core branding message continued to be Mālama Hawai'i, but this shifted slightly to Mālama Maui. The task of the marketing team was to educate visitors and the travel trade on Aloha and mālama.

The presenter listed several major programs, including cooperative campaigns, Aloha Canada 2024, familiarization trips for project managers and group media, a media blitz in May, and consumer digital and out-of-home campaigns.

2024 Brand Marketing Plan Budget

It should be noted that Canada was the largest international market for Hawai'i tourism.

Budget Category	Amount
Consumer Direct	\$384,000
Public Relations	\$128,000
Travel Trade	\$268,000
Administration	\$220,000
Total	\$1,000,000

Incremental funding for Maui Recovery, October 2023–June 2024

Maui was often regarded as the 13th province of Canada because so many Canadians had homes there. Two top journalists, Liz Fleming and Michael Pihach, were to attend the HTA Tourism Conference in October, followed by a four-day visit to Maui. Ms. Fleming was to broadcast a live travel show from Maui and would work with the Maui CVB to arrange interviews.

A detailed list of proposals for Maui recovery was presented, including consumer initiatives such as T.V. specialty channels and digital media and P.R. Initiatives such as individual media visits, broadcast T.V. segments, and regular releases of additional content. The list of partnerships included WestJet, Air Canada, and Costco travel. The Canada team had already conducted media messaging regarding Maui, including earned media and the amplification of information from HTA and the Hawai'i government.

Budget Category	Amount
Consumer Direct	\$908.500
Public Relations	\$35,000
Travel Trade	\$312,500
Subtotal	1,256,000
Administration	\$244,000
Total	\$1,500,000

Chair Miyasato thanked the Canadian team for their presentation and pointed out that the return on Canadian marketing dollars was significant for Maui. This was the favorite island for

Canadian visitors, partly because of the relative proximity of Vancouver. Many Canadians had second homes in Maui. The return on investment in terms of arrivals was high.

Mr. Ka'anā'anā was asked about the ROI with the incremental request. He pointed out that 50.2% of Canadian visitors to Hawai'i travel to Maui. This could be compared with 31.4% of visitors from the U.S. West and 34.9% from the U.S. East. For Europe, visitors to Maui comprised 47.8% of German visitors and 32.5% of U.K. visitors. The U.K., the U.S., and Canada were where the bulk of Maui visitors came from, hence Canada's significant \$1.5m increment because of its market share for Maui.

Mr. Arakawa asked about the Virtuoso travel agency, similar to the Signature agency, which had held their convention on Maui the previous week. These two agencies served the type of travelers Hawai'i targeted, but he was surprised not to have seen Virtuoso listed as a partner in the presentation. Ms. Webb replied that Signature had only one Canadian travel agency, and Virtuoso had a Canadian marketing team. Her team intended to be involved with them and hoped to collaborate closely to develop more Canadian events.

7. Presentation, Discussion and/or Action on Hawai'i Tourism Oceania Activities Under the Brand Management & Marketing Services Contract and HTA's 2024 Brand Marketing Plans for the Oceania Market

The presentation was made by Jennifer Gaskin, the Account Director. The Tourism Director, Darragh Walshe, participated in the Sea Cleaners program in Hawai'i. Ms. Gaskin began by acknowledging the traditional custodians of the land from which she spoke and then introduced the three remaining team members. She briefly outlined the current market situation and gave details of outbound travel sentiment, listing the top destinations for Australia and New Zealand. Indonesia was becoming more popular, especially in Bali. Outward travel had increased since restrictions were lifted and was back to 80% of pre-pandemic levels.

Ms. Gaskin thanked the HTA Head Office for responding to the Maui wildfire. In general, media coverage had been positive, with support from the media and trade partners. The marketing team had been disseminating information on social media. There had been a few cancelations of visits to Maui and Hawai'i. Australia had suffered with its wildfires, and consumers understood the importance of regenerating the tourism industry.

Discussing the competitive landscape, Ms. Gaskin pointed out that Hawai'i and California were always #1 and #2 for visits to the U.S. from Oceania. Fiji has conducted campaigns on cultural experiences and emphasized the importance of responsible travel. Thailand and Singapore had launched campaigns in which they brought over food and drink and cultural practitioners.

Australia was suffering from a lack of tourism since China had previously been a large part of its tourism market, so Australia was encouraging domestic travel.

The target audience was repeat visitors and mindful travelers. 60% of the Oceania market consisted of repeat visitors, and the marketing team suggested that repeat visitors could do something different on their next trip. They were seeking out travelers who wanted to be responsible and sustainable.

The core branding message was a connection with the land, ocean, and culture. Culinary travel has also been a strong post-COVID trend.

Ms. Gaskin listed some major programs: "Act Local," which would be combined with the campaign "We are explorers;" "Hawai'i's biggest Fan," which was aimed at repeat visitors in collaboration with International Travel magazine; the Month of Lei campaign which would visit secondary cities. Sea Cleaners had been running for four years now with Billabong as a significant partner, and it was hoped to expand it next year to include all Pacific rim nations and work with local partners.

2024 Brand Marketing Plan Budget

Category	Amount
Consumer Direct	\$306,128
Public Relations	\$166,500
Travel Trade	\$307,220
Research	\$0
Administration	\$220,000
Total	\$999,924

Incremental funding for Maui Recovery, October 2023–June 2024

Ms. Gaskin gave details of the Mālama Maui Recovery Program. "We are Explorers" encouraged visitors to be considerate and would highlight indigenous fire management methods. Luxury Escapes co-operative had the highest number of Maui properties under contract. Income from the Helloworld Global Stars Conference was to be reinvested in hotel and activity bookings on Maui. Māori television from New Zealand would focus on ten indigenous linked Hawai'i tourism experiences. There was to be an increased visiting media program specifically for Maui.

Category	Amount
We are Explorers Maui Recovery	\$45,000

Luxury Escapes Co-op	\$65,000
Helloworld Global Stars Conference	\$77,000
Māori Television	\$5,000
Increased visiting media program	\$60,000
Total	\$252,000

The committee viewed a video about Sea Cleaners involving a team of volunteers collecting trash washed up from the Pacific Ocean onto Hawaiian beaches. Mr. Ka'anā'anā reminded the meeting that the King, then Prince Charles III, had participated in Sea Cleaners' activity a few years ago.

8. Presentation, Discussion and/or Action on Hawai'i Tourism China Activities Under the Brand Management & Marketing Services Contract and HTA's 2024 Brand Marketing Plans for the China Market

The presentation was made by Alexander Wong, the Chief Operating/Financial Officer, with the Managing Director, Dennis Suo, also present. The remaining three team members were introduced.

Mr. Ka'anā'anā reminded the committee that the China budget was still severely restricted compared with other markets. Mr. Wong gave an outline of the Chinese market situation, considering the general economy and the GDP, along with unemployment and inflation rates. Regarding outbound travel sentiment, the major destinations were Europe, Southeast Asia, and North America, with most travel consisting of small groups or individuals.

Five Chinese and three U.S. airlines operated direct flights from China to the U.S., but many Chinese travelers connected flights directly to Hawai'i from Korea or Japan.

The long-haul competitive landscape consisted of other island resorts and other U.S. destinations. The target audience was mainly millennials, multigenerational families, and highend individuals focusing on shopping.

The core branding message focused on Mālama Hawai'i shifting to Mālama Maui for 2024. Strategies would focus on social media marketing and content creation, emphasizing consistent messaging across all platforms.

Programs aimed at the travel trade concentrated on education, live events, major OTAs, and showcase offerings. The marketing team was to participate in ITB Shanghai scheduled for May 2024 and planned to invite stakeholders from Hawai'i to attend.

The team had partnered with the U.S. Embassy in Beijing and U.S. consulates in China. Major programs focused on social media marketing, and it was noted that Hawai'i had increased its ranking on the Chinese social media platform WeChat. It was important to maintain content on social media.

2024 Brand Marketing Plan Budget

Category	Amount
Consumer Direct	\$142,600
Public Relations	\$49,500
Travel Trade	\$115,000
Administration	\$69,500
Total	\$376,600

Incremental funding for Maui Recovery, October 2023–June 2024

Category	Amount
Consumer Direct	\$30,000
Public Relations	\$30,000
Travel Trade	\$40,000
Administration	\$0
Total	\$100,000

Mr. Wong gave details of the Maui Recovery program, including setting up a Key Opinion Leader familiarization trip to Hawai'i with airlines and hotels for a multi-island itinerary, \$40,000; a travel trade bundled package development to attract visitors to Maui concentrating on three main holiday periods, \$30,000; and to reinstate the three-day Lokahi Spring World Festival which had been started in 2020, \$30,000, a portion of ticket sales from which would go towards Maui recovery.

Mr. McCully asked about high-spending travelers who focused on shopping tourism, which differed from experiential or gastronomic tourism.

9. Presentation, Discussion and/or Action on Hawai'i Tourism Korea Activities Under the Brand Management & Marketing Services Contract and HTA's 2024 Brand Marketing Plans for the Korea Market

Irene Lee, the Country Director for Hawai'i Tourism Korea, introduced the remaining five team members. She briefly outlined the market situation, mentioning GDP and unemployment figures.

The unemployment rate in Korea was half the average OECD rate. Ms. Lee noted that the increase in global oil prices had added a 3% surcharge to airline prices.

Regarding outbound travel sentiment, the major travel period ran from the end of September to early October. This was Korean Thanksgiving, and the government had recently announced "Sandwich Monday" as a temporary holiday, which would make up a total travel period of twelve days. 93% of the Korean population desired to travel, and 71% planned to travel. 11% of the population, over five million people, planned to travel overseas during the holiday. Koreans had been concerned about media coverage of the wildfires in Maui, and Asian partners had seen some cancelations. The fourth quarter booking decline was estimated at 30-40% compared with last year.

Korean Air, Asiana Airlines, and Hawaiian Airlines operated a direct service to Honolulu. Total flights from Korea were still more than 10% down on the pre-2019 level, with seats down 13% compared with 2019. However, the marketing team expected a full recovery by next year. Air Premia, a new service direct to Honolulu, was to be introduced for seasonal flights from December to March for the Korean winter season, four flights per week, economy and premium economy only.

Referring to the competitive landscape, Ms. Lee pointed out that, like the Chinese, Koreans preferred European destinations for long-haul travel. The target audience was seven million Koreans with individual incomes of \$70,000 and joint incomes of \$100,000 or more. These mindful travelers focused on romance, wellness, and specific outdoor interests.

The core branding message will continue to be Mālama Hawai'i, but for the coming year, it will shift to Mālama Maui and emphasize respectful and mindful travel to Maui. The strategies would be to collaborate with consumer brands focusing on responsible travel. The team would share content about Mālama Maui, especially surfing, hiking, and local festivals. They would also focus on eco-friendly ways to travel to Maui. Public relations would enhance media coverage and work with celebrity influencers to create content. Educational programs with partners including airlines would be reinforced for the travel trade. An annual Hawai'i travel mission was to be organized now that in-person events were returning to Korea.

Major programs include a Mālama Hawai'i branding campaign collaborating with a credit card company. The team was also to partner with a travel agent whose practices aligned with Mālama branding to develop a Maui itinerary. An online Mālama Maui 3-D showroom was to be developed. My True Aloha Campaign would also create a Maui itinerary. A Made in Hawai'i Campaign was to promote social content through influencers, teaming with Korean retail

companies, and introducing local Hawai'i foods and farms during tours. A Hawai'i Outdoor Campaign familiarization tour was to be organized to Maui to show the Korean market what Maui had to offer.

2024 Brand Marketing Plan Budget

Category	Amount
Consumer Direct	\$165,000
Public Relations	\$187,000
Travel Trade	\$350,000
Administration	\$198,000
Total	\$900,000

Incremental funding for Maui Recovery, October 2023–June 2024

Mālama Maui would promote the messages "Come with Compassion" and "Maui Strong." There were to be three primary programs: a Mālama Maui social advertising campaign with video content to be exposed through Instagram and YouTube; the Let's Go to Maui trade campaign working with a T.V. home shopping channel, and Celebrity Golf Filming Project, which would introduce Maui as an ideal golf destination.

Program	PR	Consumer	Trade	HTA Fund
Mālama Maui Social Ad Campaign		\$10,000		\$10,000
Let's Go to Maui Trade Campaign			\$50,000	\$50,000
Celebrity Golf Filming Project	\$40,000			\$60,000
Total	\$40,000	\$10,000	\$50,000	\$120,000

Chair Miyasato pointed out that the meeting had now overshot its two-hour duration for this meeting. He asked the members to consider how best to proceed. He suggested that the remaining presentations could be given during the meeting scheduled for September 27, or an additional meeting could be scheduled for September 22 or 25. Mr. Ka'anā'anā suggested that before the meeting on September 27, he would meet offline with committee members regarding their feedback for the remaining presentations, thus obviating the necessity for an additional meeting.

Mr. Arakawa asked whether the incremental charges implied increased budgets. He asked Mr. Ka'anā'anā to provide a sheet summarizing the existing budget proposals and the incremental increases. He also requested a breakdown of the measurable returns on investment. This was

particularly important because at the present time the budget was zero. Mr. Ka'anā'anā reminded the meeting that the incremental plans were based on staff recommendations.

The members agreed that before the meeting on September 27, at which full presentations for the U.S., Japan, and MCI markets would be made, Mr. Ka'anā'anā would meet with individual members for their feedback. Recommendations for all the global markets would be made at the meeting on September 27, and these would then be presented to the full Board at the subsequent Board meeting.

- 10. Presentation, Discussion and/or Action on Hawai'i Tourism Japan Activities Under the Brand Management & Marketing Services Contract and HTA's 2024 Brand Marketing Plans for the Japan Market
- 11. Presentation, Discussion and/or Action on Hawai'i Tourism USA Activities Under the Brand Management & Marketing Services Contract and HTA's 2024 Brand Marketing Plans for the USA Market
- 12. Presentation, Discussion and/or Action on MCI Activities Under the HTA's 2024 Brand Marketing Plans for MCI

Chair Miyasato apologized to the U.S., Japan, and MCI brand marketing teams who had been waiting to make their presentations. He formally deferred agenda items 10, 11, and 12 to the meeting on September 27.

13. Adjournment

The meeting was adjourned at 3:13 p.m.

Respectfully submitted,

Iheillane Reyes

Sheillane Reyes

Recorder