



Korea Fact Sheet

Korea Overview

AVIAREPS Marketing Garden Holdings Ltd. is contracted by the Hawai'i Tourism Authority (HTA) for Brand Marketing and Management Services in Korea. Korea is an important source market from Asia for Hawai'i. Affluent travelers from high-end market segments are primarily from the Seoul and Busan regions. Hawai'i continues to be a favored romance destination for Koreans. In 2023, the core branding message is Mālama Hawai'i and the marketing strategy is to continue revitalizing travel demand in collaboration with industry partners, and developing marketing co-ops with key airlines to stimulate growth in air services to Hawai'i.

Year-to-date November 2023 Quick Facts^{1/}

| | |
|--------------------------|------------------------------------|
| Visitor Expenditures: | \$395.4 million |
| Primary Purpose of Stay: | Pleasure (140,714) vs. MCI (4,383) |
| Average Length of Stay: | 8.44 days |
| First Time Visitors: | 71.9% |
| Repeat Visitors: | 28.1% |

| | 2019 | 2020 | 2021 | 2022 | 2023 Annual Forecast* | YTD Nov. 2023P | YTD Nov. 2022 | % Change |
|------------------------------------|-----------|---------|---------|---------|-----------------------------|-------------------|------------------|----------|
| Korea (by Air) | | | | | | | | |
| Visitor Expenditures (\$ Millions) | 497.9 | NA | 41.6 | 283.5 | 447.8 | 395.4 | 245.1 | 61.3% |
| Visitor Days | 1,745,666 | 404,206 | 149,496 | 967,259 | 1,426,361 | 1,256,524 | 846,627 | 48.4% |
| Arrivals | 229,056 | 46,884 | 10,652 | 111,863 | 166,264 | 148,873 | 97,151 | 53.2% |
| Average Daily Census | 4,783 | 1,104 | 410 | 2,650 | 3,908 | 3,762 | 2,535 | 48.4% |
| Per Person Per Day Spending (\$) | 285.2 | NA | 278.0 | 293.1 | 314.0 | 314.7 | 289.5 | 8.7% |
| Per Person Per Trip Spending (\$) | 2,173.7 | NA | 3,901.5 | 2,534.7 | 2,693.4 | 2,656.2 | 2,522.9 | 5.3% |
| Length of Stay (days) | 7.62 | 8.62 | 14.03 | 8.65 | 8.58 | 8.44 | 8.71 | -3.1% |

NA= Comparative annual 2020 visitor spending statistics were not available, as the Departure Survey could not be conducted between April to October 2020 due to COVID-19 restrictions.

*Dept. of Business, Economic Development & Tourism (DBEDT) 2023 annual forecast (Quarter 4, 2023).

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^{1/} 2023 visitor data are preliminary. 2019 – 2022 visitor data are the final numbers and reflect updated airfare statistics from DII Mi Airline database, data from the National Travel and Tourism Office, and final passenger counts from Airline Traffic Summary reports.

Market Summary

- In the first 11 months of 2023, there were 148,873 visitors from Korea, compared to 97,151 visitors in the first 11 months of 2022 (+53.2%). There were 206,223 visitors (-27.8%) in the first 11 months of 2019, prior to the COVID-19 pandemic.
- There were 828 scheduled flights with 253,633 seats from Seoul in the first 11 months of 2023, compared to 611 flights (+35.5%) with 192,185 seats (+32.0%) in the first 11 months of 2022 and 930 flights (-11.0%) with 296,706 seats (-14.5%) in the first 11 months of 2019.
- In 2022, there were 111,863 visitors from Korea compared to 229,056 visitors (-51.2%) in 2019.
- There were 689 scheduled flights with 217,245 seats in 2022, compared to 1,027 flights (-32.9%) with 326,398 seats (-33.4%) in 2019.
- In 2021, 10,652 visitors arrived from Korea. In comparison, there were 46,884 visitors (-77.3%) from Korea in 2020 and 229,056 visitors (-95.3%) in 2019.
- There were 140 scheduled flights with 39,160 seats from Korea in 2021, compared to 238 flights with 72,287 seats in 2020 and 1,027 flights with 326,398 seats in 2019.

Market Conditions

- In November 2023, Korea's exports grew 7.8 percent year-over-year to US\$55.8 billion.
- In November 2023, the South Korean exchange rate was 1308.11 (KRW/USD), appreciating from 1351.84 (KRW/USD) in October 2023.
- The number of Korean outbound travelers in October 2023 reached 2,042,703, a 164.1 percent increase from 773,480 departures in the same month last year.
- In October 2023, overseas group travel costs experienced their largest increase in 13 years, primarily due to the ongoing high inflation affecting key components like airfares and accommodation. According to recent data from the National Statistical Office, the consumer price index for overseas group travel in September 2023 was 118.49, representing a 15.9 percent increase from the same period last year and the highest rate since September 2010. This surge in costs can be attributed to several factors: post-COVID-19 inflation leading to increased bus driver wages and accommodation prices, and a limited supply of airline routes not fully meeting the demand. Additionally, the structure of overseas travel products has evolved post-pandemic, shifting from large, low-cost groups with multiple shopping stops to more expensive 'no-shopping' packages that cater to smaller groups.
- Hotels.com has released its survey results on travel trends for 2024:
 - Influence of TV and Movies: 81 percent of Korean travelers are influenced by TV shows and movies for travel planning.
 - Detox Vacations: 76 percent of Korean travelers intend to plan detox vacations next year, with a focus on nature and the environment.
 - Health-Conscious Travel: Many Korean travelers are reducing alcohol consumption on vacations, especially during family holidays.
 - Generative AI and Travel Planning: In 2023, only 6 percent of global travelers used AI tools like ChatGPT for travel planning. However, 79 percent of Korean travelers are interested in using it for future travel. Also, 82 percent of Korean travelers find AI useful for providing inspiration, planning assistance, and recommendations.

- Airlift in November 2023: Korean Air operated daily flights. Asiana Airlines operated 5 weekly flights. Hawaiian Airlines operated 5 weekly flights.
- Air Premia will operate a seasonal service from Incheon to Honolulu from December 31, 2023, to March 4, 2024.

Distribution by Island

| Korea (by Air) | 2019 | 2020 | 2021 | 2022 | YTD Nov. 2023P | YTD Nov. 2022 | % Change |
|-------------------|---------|--------|-------|---------|-------------------|------------------|----------|
| O'ahu | 225,488 | 46,133 | 9,678 | 109,509 | 147,136 | 95,158 | 54.6% |
| Maui County | 29,619 | 4,711 | 1,299 | 11,035 | 10,800 | 9,588 | 12.6% |
| Maui | 29,303 | 4,668 | 1,268 | 10,953 | 10,432 | 9,507 | 9.7% |
| Moloka'i | 846 | 71 | 31 | 152 | 235 | 106 | 121.1% |
| Lāna'i | 499 | 105 | 14 | 173 | 535 | 170 | 214.1% |
| Kaua'i | 7,191 | 1,361 | 332 | 2,291 | 4,354 | 2,076 | 109.7% |
| Island of Hawai'i | 25,273 | 6,923 | 1,215 | 15,244 | 24,672 | 13,016 | 89.6% |

Airlift: Scheduled Seats and Flights

| Scheduled seats | 2023 | | | | | 2022 | | | | | %CHANGE | | | | |
|--------------------|--------|--------|--------|--------|---------|--------|--------|--------|--------|---------|---------|------|------|------|--------|
| | Q1 | Q2 | Q3 | Q4 | Annual | Q1 | Q2 | Q3 | Q4 | Annual | Q1 | Q2 | Q3 | Q4 | Annual |
| Seoul | 75,354 | 67,645 | 65,167 | 70,504 | 278,670 | 25,636 | 48,135 | 70,482 | 72,992 | 217,245 | 193.9 | 40.5 | -7.5 | -3.4 | 28.3 |

| Scheduled flights | 2023 | | | | | 2022 | | | | | %CHANGE | | | | |
|----------------------|------|-----|-----|-----|--------|------|-----|-----|-----|--------|---------|------|-----|------|--------|
| | Q1 | Q2 | Q3 | Q4 | Annual | Q1 | Q2 | Q3 | Q4 | Annual | Q1 | Q2 | Q3 | Q4 | Annual |
| Seoul | 235 | 220 | 225 | 226 | 906 | 91 | 152 | 219 | 227 | 689 | 158.2 | 44.7 | 2.7 | -0.4 | 31.5 |

Source: DBEDT analysis based on scheduled flights and seats from Diio Mi flight schedules as of November 22, 2023, subject to change.

Group vs. True Independent; Leisure vs. Business

| Korea (by Air) | 2019 | 2020* | 2021 | 2022 | YTD Nov. 2023P | YTD Nov. 2022 | % Change |
|---------------------------------|---------|--------|-------|---------|-------------------|------------------|----------|
| Group vs True Independent (Net) | | | | | | | |
| Group Tour | 35,289 | NA | 801 | 10,494 | 18,179 | 9,000 | 102.0% |
| True Independent (Net) | 134,413 | NA | 7,747 | 73,398 | 101,898 | 63,947 | 59.3% |
| Leisure vs Business | | | | | | | |
| Pleasure (Net) | 218,691 | 44,623 | 8,533 | 104,308 | 140,714 | 90,590 | 55.3% |
| MCI (Net) | 5,574 | 840 | 299 | 3,915 | 4,383 | 3,484 | 25.8% |
| Convention/Conf. | 3,184 | 331 | 110 | 1,600 | 2,312 | 1,412 | 63.7% |
| Corp. Meetings | 232 | 23 | 86 | 97 | 252 | 90 | 180.7% |
| Incentive | 2,183 | 487 | 111 | 2,242 | 1,826 | 2,006 | -9.0% |

NA = Visit Status/Travel Method data statistics were not available from May – October 2020 as a result of limited fielding due to COVID-19 restrictions.

First Timers vs. Repeat Visitors

| Korea (by Air) | 2019 | 2020* | 2021 | 2022 | YTD Nov. 2023P | YTD Nov. 2022 | % Change |
|-------------------------|------|-------|------|------|-------------------|------------------|----------|
| First Time Visitors (%) | 73.7 | NA | 49.4 | 74.8 | 71.9 | 74.6 | -2.7 |
| Repeat Visitors (%) | 26.3 | NA | 50.6 | 25.2 | 28.1 | 25.4 | 2.7 |

NA = Visit Status/Travel Method data statistics were not available from May – October 2020 as a result of limited fielding due to COVID-19 restrictions.

Tax Revenue

| Korea (by Air) | 2019 | 2020* | 2021 | 2022 | YTD Nov. 2023P | YTD Nov. 2022 | % Change |
|---|-------|-------|------|-------|-------------------|------------------|----------|
| State tax revenue generated (\$ Millions) ^{2/} | 58.12 | NA | 4.85 | 32.89 | 45.87 | 28.61 | 60.3% |

^{2/}State government tax revenue generated (direct, indirect, and induced).