



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. 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 2024, HTK continues to focus on promoting Hawai'i's unique attributes and mindful travel, driving travel demand and booking pace in collaboration with travel trade, media, and influencers, and developing marketing co-ops with key airlines to stimulate growth in air services to Hawai'i.

Year-to-Date July 2024 Quick Facts^{1/}

| | |
|--------------------------|-----------------------------------|
| Visitor Expenditures: | \$248.3 million |
| Primary Purpose of Stay: | Pleasure (87,464) vs. MCI (3,830) |
| Average Length of Stay: | 8.45 days |
| First Time Visitors: | 69.7% |
| Repeat Visitors: | 30.3% |

| Korea (by Air) | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 Annual Forecast* | YTD July 2024P | YTD July 2023 | % Change |
|------------------------------------|-----------|---------|---------|---------|-----------|-----------------------|----------------|---------------|----------|
| Visitor Expenditures (\$ Millions) | 497.9 | NA | 41.6 | 283.5 | 430.3 | 438.1 | 248.3 | 249.9 | -0.7% |
| Visitor Days | 1,745,666 | 404,206 | 149,496 | 967,259 | 1,362,397 | 1,382,037 | 791,716 | 804,845 | -1.6% |
| Arrivals | 229,056 | 46,884 | 10,652 | 111,863 | 161,706 | 162,593 | 93,688 | 93,600 | 0.1% |
| Average Daily Census | 4,783 | 1,104 | 410 | 2,650 | 3,733 | 3,776 | 3,717 | 3,796 | -2.1% |
| Per Person Per Day Spending (\$) | 285.2 | NA | 278.0 | 293.1 | 315.8 | 317.0 | 313.6 | 310.5 | 1.0% |
| Per Person Per Trip Spending (\$) | 2,173.7 | NA | 3,901.5 | 2,534.7 | 2,660.9 | 2,694.5 | 2,650.0 | 2,670.3 | -0.8% |
| Length of Stay (days) | 7.62 | 8.62 | 14.03 | 8.65 | 8.43 | 8.50 | 8.45 | 8.60 | -1.7% |

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) 2024 annual forecast (Quarter 2, 2024).

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^{1/} 2024P visitor data are preliminary. 2019 – 2023 visitor data are the final numbers and reflect updated airfare statistics from DIIO 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 seven months of 2024, 93,688 visitors arrived from Korea and visitor spending was \$248.3 million. There were 93,600 visitors (+0.1%) in the first seven months of 2023 and visitor spending was \$249.9 million (-0.7%). In the first seven months of pre-pandemic 2019, 129,707 visitors (-27.8%) arrived from this market and visitor spending was \$277.2 million (-10.4%).
- In the first seven months of 2024, 552 scheduled flights with 168,593 seats serviced Hawai'i from Korea. In the first seven months of 2023, there were 531 scheduled flights (+4.0%) with 165,050 seats (+2.1%). In the first seven months of 2019 there were 580 scheduled flights (-4.8%) with 185,663 seats (-9.2%).
- In 2023, there were 161,706 visitors from Korea, compared to 111,863 visitors (+44.6%) in 2022. There were 229,056 visitors (-29.4%) in 2019.
- Visitors from Korea spent \$430.3 million in 2023, compared to \$283.5 million (+51.8%) in 2022 and \$497.9 million (-13.6%) in 2019. Daily visitor spending in 2023 was \$316 per person, higher than 2022 (\$293 per person, +7.7%) and 2019 (\$285 per person, +11.1%).
- There were 906 scheduled flights with 278,670 seats from Seoul in 2023, compared to 689 flights (+31.5%) with 217,245 seats (+28.3%) in 2022 and 1,027 flights (-11.8%) with 326,398 seats (-14.6%) in 2019.

Market Conditions

- In July 2024, South Korea's exports rose by 13.4 percent year-over-year to \$57.4 billion. The Composite Consumer Sentiment Index (CCSI) increased to 103 points from 100.9 in June 2024, reaching its highest level since June 2023.
- The South Korean exchange rate in July 2024 was 1,383.09 KRW/USD, slightly up from 1,382.74 KRW/USD in June.
- In June 2024, 2,219,151 South Koreans traveled abroad, a 25.2 percent year-over-year increase. For the first half of 2024, outbound travel totaled 14,023,382, which is a 93.4 percent recovery compared to the first half of 2019.
- Since May 2024, the travel industry has faced significant challenges, worsened by financial troubles at TMON and We Make Price, subsidiaries of Singapore's Qoo10. TMON's financial difficulties have led to payment delays and a suspension of product sales on these platforms, affecting numerous travel promotions and partnerships.
- A survey by Travel Times, a leading South Korean travel trade media outlet, revealed that the most desired travel destinations, disregarding practical factors, are Europe, Asia-Pacific, and the Americas. Within the Asia-Pacific region, Japan was the top choice (21.7%), followed by Hawai'i (16.9%). Guam (9.3%) and the Maldives (9.2%) also ranked in the top five, reflecting a strong preference for island destinations.
- Skyscanner Travel Insight for Korea to Hawai'i:
 - 21.6 percent of the 2 million searches from Korea were for Honolulu from January to July 2024.
 - Market share for flights from Korea to Hawai'i based on booking trends: Asiana Airlines 43.5 percent, Korean Air 27.1 percent, Hawaiian Airlines 22.3 percent, and Others 5.5 percent (Air Premia 3.6%, All Nippon Airways 1.9%).
 - When searching for flights to Hawai'i, Korean users also searched for destinations such as Bali (Denpasar), Sydney, Guam, Cebu, and other locations like Vietnam and Phú Quốc Island.
- Airlift: In July 2024, Korean Air operated daily flights, Asiana Airlines operated 5 weekly flights, and Hawaiian Airlines also operated 5 weekly flights.

Distribution by Island

| Korea (by Air) | 2019 | 2020 | 2021 | 2022 | 2023 | YTD July 2024P | YTD July 2023 | % Change |
|-------------------|---------|--------|-------|---------|---------|----------------|---------------|----------|
| O'ahu | 225,488 | 46,133 | 9,678 | 109,509 | 159,755 | 91,740 | 92,401 | -0.7% |
| Maui County | 29,619 | 4,711 | 1,299 | 11,035 | 10,933 | 4,381 | 8,706 | -49.7% |
| Maui | 29,303 | 4,668 | 1,268 | 10,953 | 10,518 | 3,999 | 8,436 | -52.6% |
| Moloka'i | 846 | 71 | 31 | 152 | 284 | 254 | 145 | 75.5% |
| Lāna'i | 499 | 105 | 14 | 173 | 528 | 149 | 457 | -67.4% |
| Kaua'i | 7,191 | 1,361 | 332 | 2,291 | 4,538 | 3,049 | 2,905 | 4.9% |
| Island of Hawai'i | 25,273 | 6,923 | 1,215 | 15,244 | 26,866 | 17,223 | 15,390 | 11.9% |

Airlift: Scheduled Seats and Flights

| Scheduled seats | 2024 | | | | | 2023 | | | | | %CHANGE | | | | |
|-----------------|--------|--------|--------|--------|---------|--------|--------|--------|--------|---------|---------|------|-----|-------|--------|
| | Q1 | Q2 | Q3 | Q4 | Annual | Q1 | Q2 | Q3 | Q4 | Annual | Q1 | Q2 | Q3 | Q4 | Annual |
| Seoul | 78,350 | 66,553 | 71,564 | 62,714 | 279,181 | 75,354 | 67,645 | 65,167 | 70,504 | 278,670 | 4.0 | -1.6 | 9.8 | -11.0 | 0.2 |

| Scheduled flights | 2024 | | | | | 2023 | | | | | %CHANGE | | | | |
|-------------------|------|-----|-----|-----|--------|------|-----|-----|-----|--------|---------|-----|------|------|--------|
| | Q1 | Q2 | Q3 | Q4 | Annual | Q1 | Q2 | Q3 | Q4 | Annual | Q1 | Q2 | Q3 | Q4 | Annual |
| Seoul | 256 | 221 | 224 | 222 | 923 | 235 | 220 | 225 | 226 | 906 | 8.9 | 0.5 | -0.4 | -1.8 | 1.9 |

Source: DBEDT analysis based on scheduled flights and seats from Diio Mi flight schedules as of June 25, 2024, subject to change.

Group vs. True Independent; Leisure vs. Business

| Korea (by Air) | 2019 | 2020* | 2021 | 2022 | 2023 | YTD July 2024P | YTD July 2023 | % Change |
|---------------------------------|---------|--------|-------|---------|---------|----------------|---------------|----------|
| Group vs True Independent (Net) | | | | | | | | |
| Group Tour | 35,289 | NA | 801 | 10,494 | 18,958 | 11,608 | 11,266 | 3.0% |
| True Independent (Net) | 134,413 | NA | 7,747 | 73,398 | 111,919 | 67,384 | 64,551 | 4.4% |
| Leisure vs Business | | | | | | | | |
| Pleasure (Net) | 218,691 | 44,623 | 8,533 | 104,308 | 152,060 | 87,464 | 88,153 | -0.8% |
| MCI (Net) | 5,574 | 840 | 299 | 3,915 | 5,029 | 3,830 | 3,225 | 18.8% |
| Convention/Conf. | 3,184 | 331 | 110 | 1,600 | 2,607 | 2,157 | 1,608 | 34.1% |
| Corp. Meetings | 232 | 23 | 86 | 97 | 262 | 221 | 233 | -5.0% |
| Incentive | 2,183 | 487 | 111 | 2,242 | 2,168 | 1,459 | 1,390 | 4.9% |

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 | 2023 | YTD July 2024P | YTD July 2023 | % Change |
|-------------------------|------|-------|------|------|------|----------------|---------------|----------|
| First Time Visitors (%) | 73.7 | NA | 49.4 | 74.8 | 71.9 | 69.7 | 70.9 | -1.2 |
| Repeat Visitors (%) | 26.3 | NA | 50.6 | 25.2 | 28.1 | 30.3 | 29.1 | 1.2 |

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 | 2023 | YTD July 2024P | YTD July 2023 | % Change |
|---|-------|-------|------|-------|-------|----------------|---------------|----------|
| State tax revenue generated (\$ Millions) ^{2/} | 58.12 | NA | 4.85 | 32.89 | 49.91 | 28.80 | 28.99 | -0.7% |

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