



2018  
**GLOBAL  
TOURISM  
SUMMIT**

**HAWAII TOURISM**  
AUTHORITY

*Charting the  
Course*

#GTSHAWAII



**OCTOBER 1-3**  
HONOLULU, HAWAII

# *Global Tourism Summit*

*Hawai'i Tourism China*

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#GTSHAWAII



# *Hawai'i Tourism China*

## *China Mainland*

- ◆ *Beijing*
- ◆ *Shanghai*
- ◆ *Guangzhou*
- ◆ *Chengdu*

## *Hong Kong SAR*



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A vibrant sky with a large white cumulus cloud on the right side. The bottom of the image has a warm orange glow, suggesting a sunset or sunrise. The word 'HAWAII' is written in a teal, stylized font on the left side.

HAWAII

# *Economic Environment*

6.8% ↑  
*GDP Growth*



3.8%  
*Unemployment Rate*



32% ↑  
*No. of New Airports*



1.8% ↑  
*CPI Growth*



7.5% ↑  
*Disposable Income Growth*

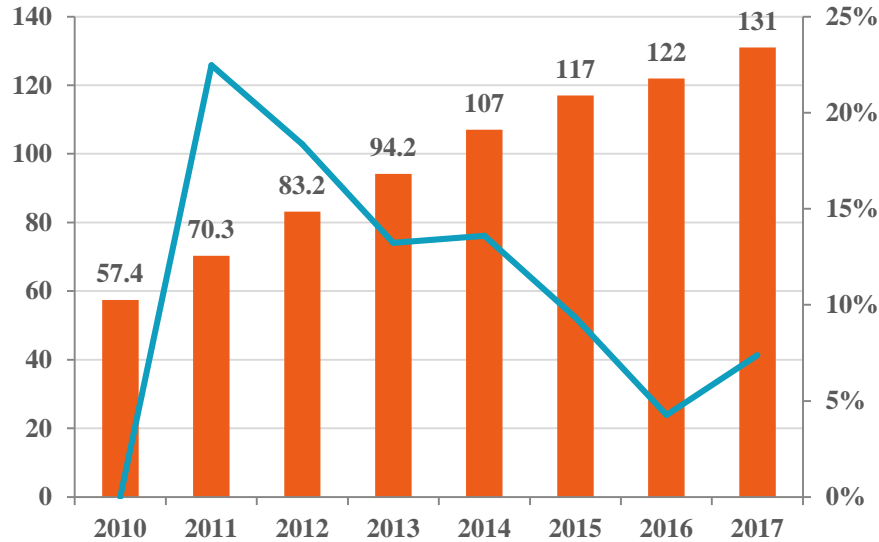


87%  
*Mobile Payments*



# China Market Overview

## China Outbound Trips

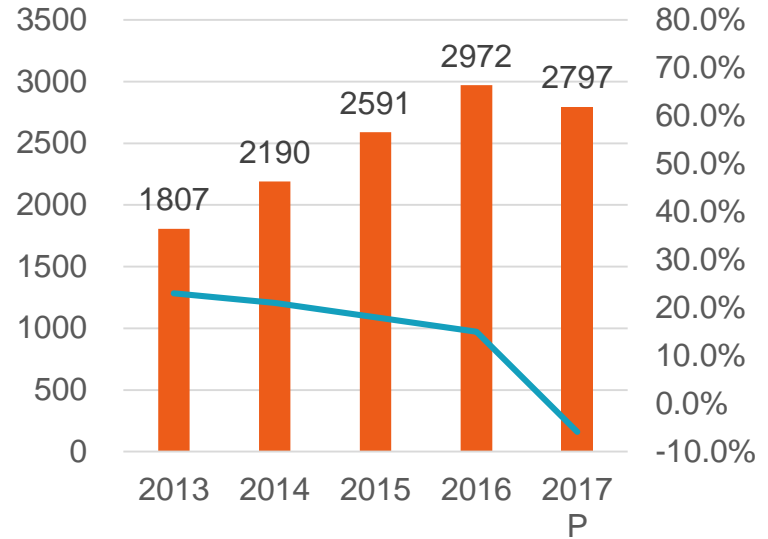


\*Source: China Tourism Academy

### China Outbound Travel

- Growth Rate Slows Down ↓
- 7.38% ↑ in 2017

## China to USA Arrivals



\*Source: NTTO

### 2018 YTD

- ◆ China to USA Arrivals (Business + Leisure Travel) 5% ↓
- ◆ China to Hawai'i Arrivals 1.9% ↓

# China Market Performance



## China Arrivals

Jan – Jun 2018

1.9% ↓

81,319



## Hong Kong Arrivals

Jan – Jun 2018

4.8% ↑

1,978



## PPPD Spending

Jan – Jun 2018

9.7% ↑

\$362.5



## Expenditures

Jan – Jun 2018

4.4% ↑

\$218.2 Million



## FIT

Jan – Jun 2018

7.9% ↑

57,084



## First Time Visitor

Jan – Jun 2018

78%

63,428



## Length of Stay

Jan – Dec 2017

15% ↑

7.58



## Multi Islands Arrivals

Jan – Dec 2017

15.3% ↑

64,993

# MCI Business Highlights

- **Guangzhou CYTS – AIA Group**
  - 400 Attendees
  - 1,056 Room Nights
- **Chinese Celebrity's Wedding**
  - 50 Attendees
  - 300 Room Nights
- **8 Continental VIP Group**
  - 200 Attendees
  - 1,080 Room Nights
  - 5 Nights at **Lānaʻi**
  - 4 Nights at **Oʻahu**
- **Future Groups From September**
  - 11 Groups
  - 5,789 Room Nights





# Island Dispersal

	<i>China Arrivals</i>	<i>Growth</i>
<i>Multi Islands Visited</i>	<b>63,123</b>	<b>15.3% ↑</b>
<i>O‘ahu</i>	<b>146,137</b>	<b>6.8% ↓</b>
<i>Island of Hawai‘i</i>	<b>54,193</b>	<b>16.2% ↑</b>
<i>Maui</i>	<b>31,650</b>	<b>9.5% ↑</b>
<i>Kaua‘i</i>	<b>4,938</b>	<b>11.8% ↑</b>
<i>Lāna‘i</i>	<b>1,118</b>	<b>36.5% ↑</b>
<i>Moloka‘i</i>	<b>849</b>	<b>33.5% ↓</b>
<i>Length of Stay</i>	<b>7.58</b>	<b>15% ↑</b>

Source : 2017 MMA Data



# Market Trends



*US vs China  
Trade War*



*Airlift  
Intense Competition*



*Rise of Tier 2 Market*



*Mega Shift - FIT*



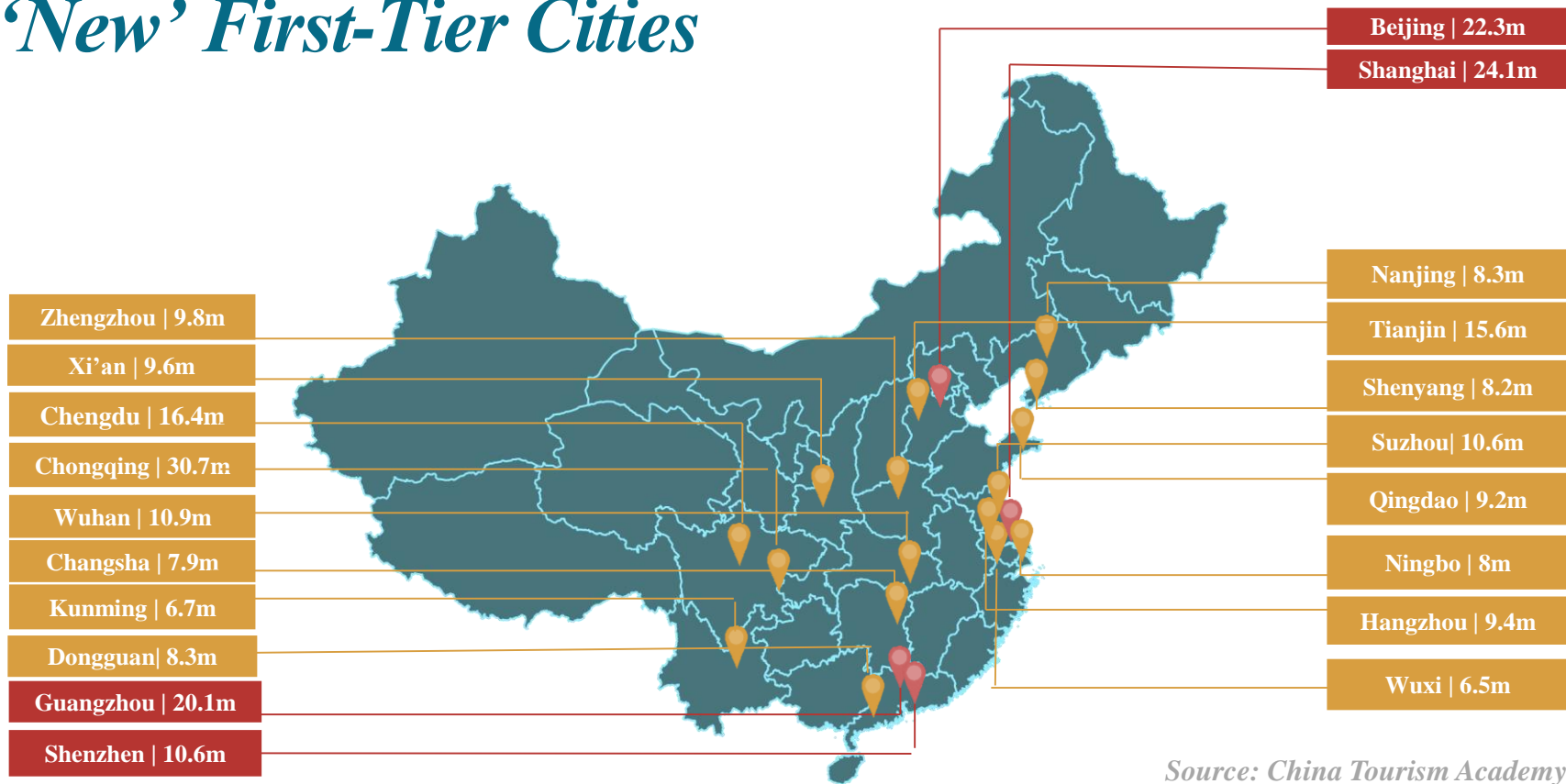
*Luxury Travel Boom*



*Family Travel Boom*



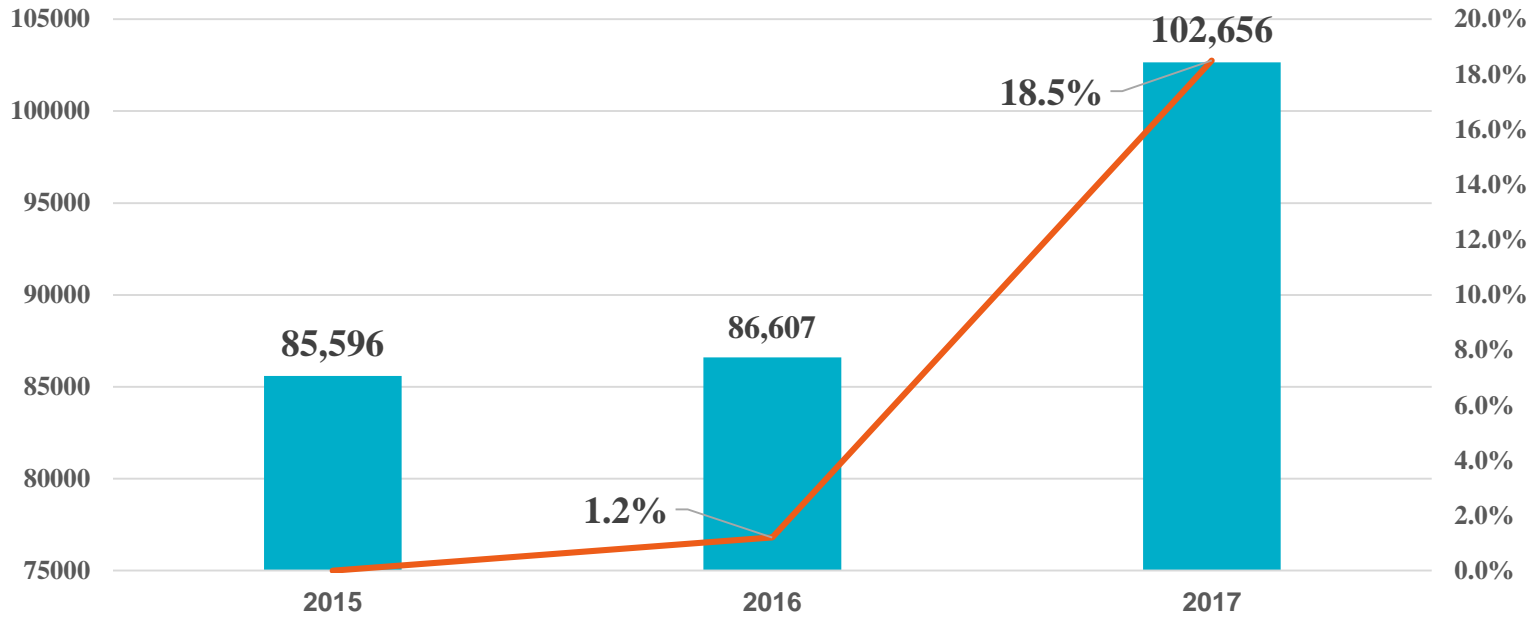
# 'New' First-Tier Cities



Source: China Tourism Academy

# Growing FIT Segment

## China FIT Arrivals to Hawai'i & Growth



Source : 2015-2017 MMA Data

FIT Arrivals to Hawai'i Growth



# Digitization of China

## China Mobile Internet Users

Active Internet Users:



802 Million

Social Media Users:



755 Million

Active Mobile Internet Users:

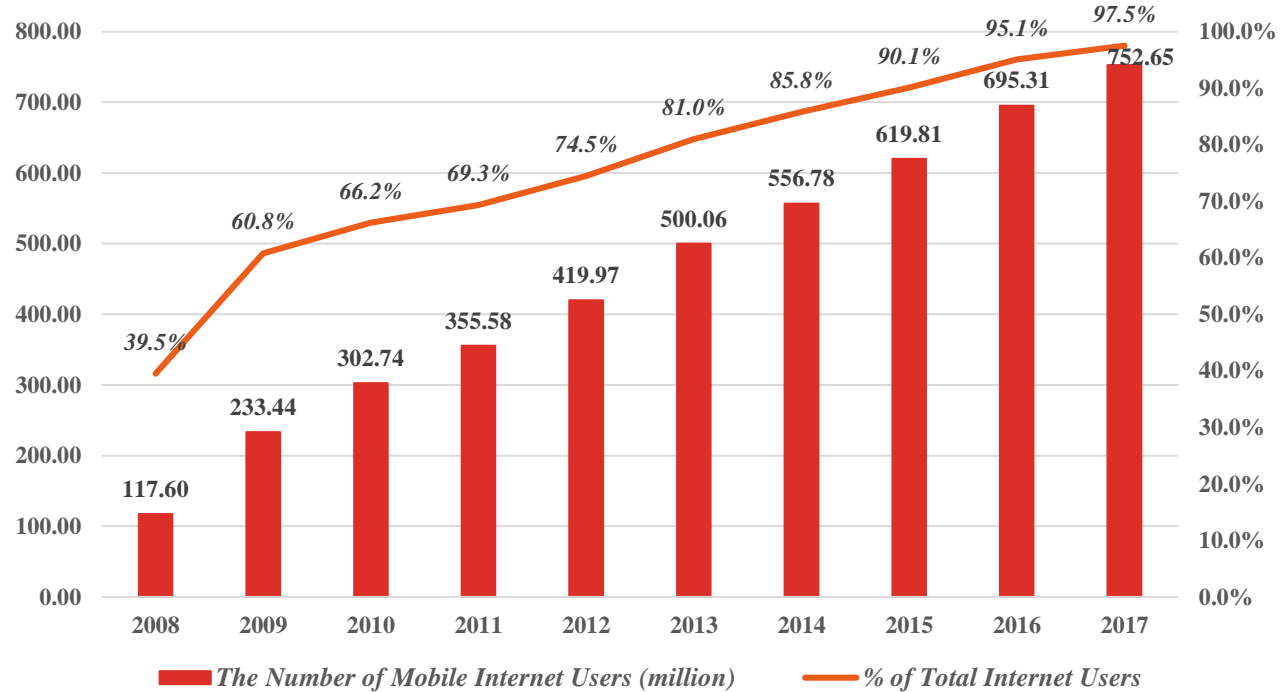


788 Million

Mobile Payment Users :



566 Million



Source: China Internet Research



# Digitalized Travel Lifestyle

Needs ↑

“All set and booked. Watch out WORLD, I am Coming for you!”



Avg Active Users/month

over 25 million

“Where shall we go for China National Day golden week, let’s plan a trip.”



80 million

“Oh have you caught the latest episode of drama on Youku? I can’t stop watching...”



200 million

“I have no cash, let’s pay via Alipay and spilt the bill.”



450 million

“This looks good! Let’s share what we are eating!”



700 million

“I’m hungry, what shall we eat today?”



200 million

**Total: 1.65 billion**

All can be done on Mobile, on-the-go



# Intense Competition - Destinations

## China – U.S. Mainland Direct Flights









<i>Destination</i>	<i>Weekly Frequency</i>	<i>Routes</i>
<i>Los Angeles</i>	124	9
<i>New York</i>	109	7
<i>San Francisco</i>	89	9
<i>Chicago</i>	49	3
<i>Seattle</i>	21	3
<i>Boston</i>	10	2
<i>Detroit</i>	14	2
<i>San Jose</i>	7	2
<i>Others</i>	42	7
<i>Total</i>	<b>465</b>	<b>44</b>

## China – Hawai'i Direct Flights

<i>Airlines</i>	<i>Weekly Frequency</i>	<i>Routes</i>
	3	<i>Beijing - Honolulu</i>
	3	
	6	<i>Shanghai - Honolulu</i>
<i>Total</i>	<b>12</b>	<b>2</b>

# Intense Competition

## Discontinued U.S. - China Direct Flights in 2017 & 2018

Destination	Weekly Frequency	Weekly Capacity	Airlines
Hangzhou – San Francisco	3	756	UNITED 
Xi'an – San Francisco	3	657	UNITED 
Shanghai - Guam	2	310	UNITED 
Shanghai – Chicago	7	1,582	American Airlines 
Beijing - Chicago	7	1,582	American Airlines 
Beijing - Honolulu	3	834	HAWAIIAN AIRLINES. 
Hong Kong - Seattle	7	1,638	 DELTA
Shanghai – San Jose	3	711	 AIR CHINA 中國國際航空公司
8 Routes	35	8,070	5



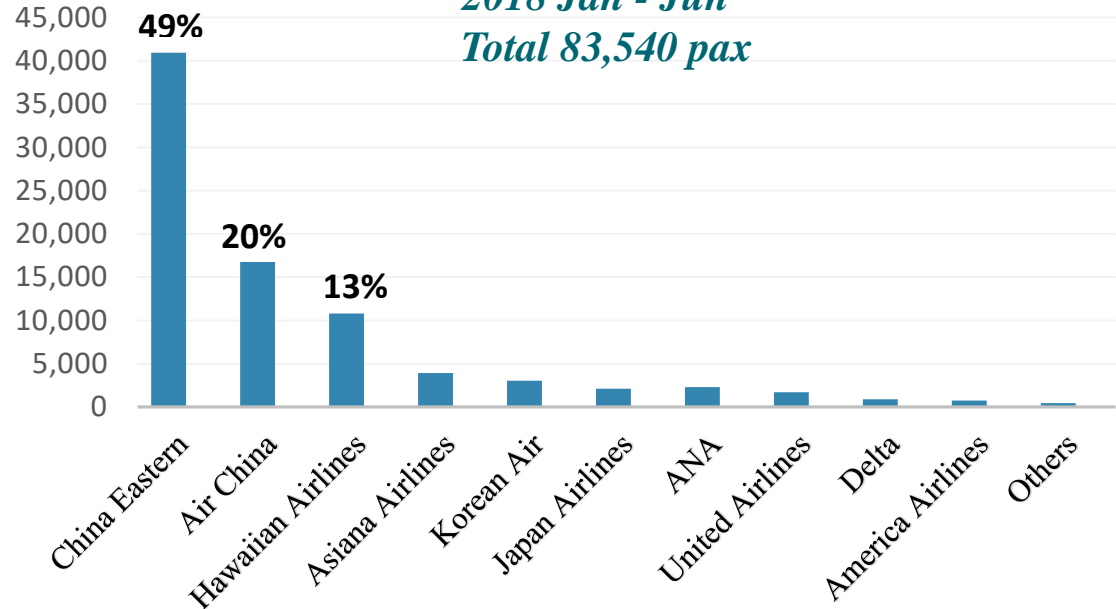
# China – Hawai‘i

<i>China Eastern</i>	 中國東方航空 CHINA EASTERN
<i>Air China</i>	 AIR CHINA 中國國際航空公司
<i>Hawaiian Airlines</i>	 HAWAIIAN AIRLINES.
<i>Asiana Airlines</i>	 ASIANA AIRLINES
<i>Korean Air</i>	 KOREAN AIR
<i>Japan Airlines</i>	 JAL JAPAN AIRLINES
<i>All Nippon Airline</i>	 ANA
<i>United Airline</i>	 UNITED
<i>Delta</i>	 DELTA
<i>America Airlines</i>	 American Airlines

## Top 10 Airlines China to Hawai‘i

2018 Jan - Jun

Total 83,540 pax



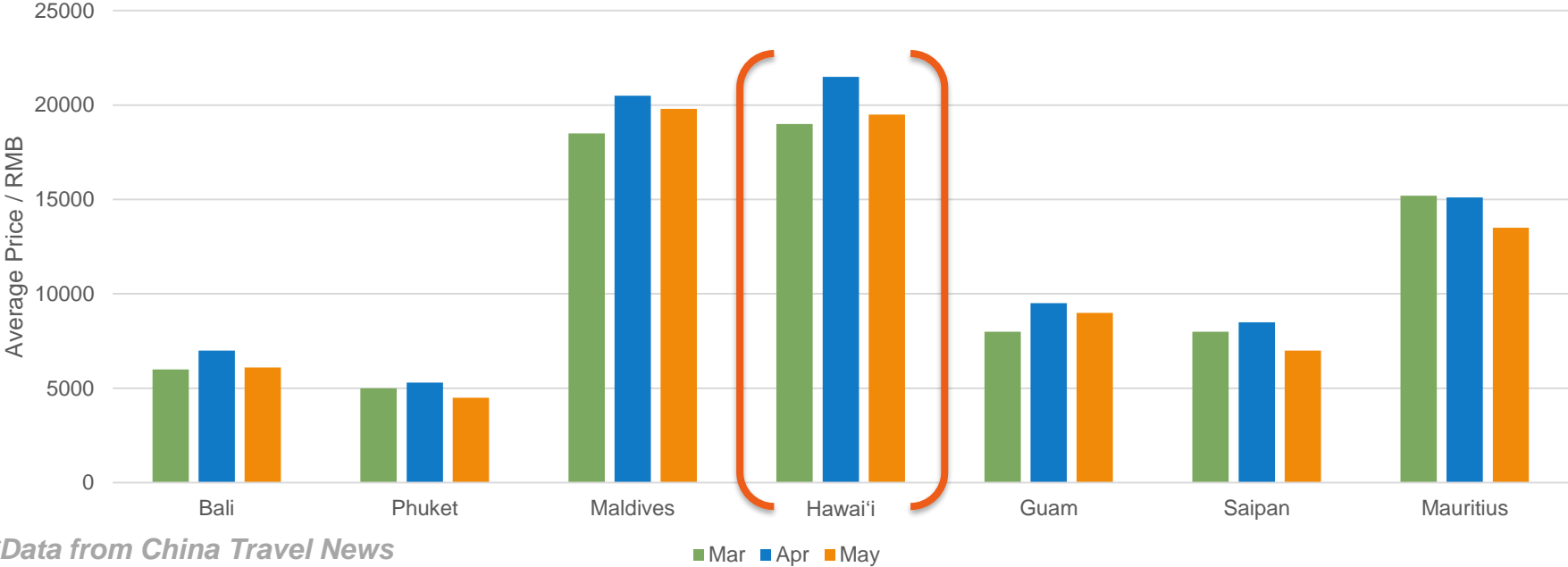
# *One Belt Road Economic Initiative - Relaxed Visa*



# Relative High Cost

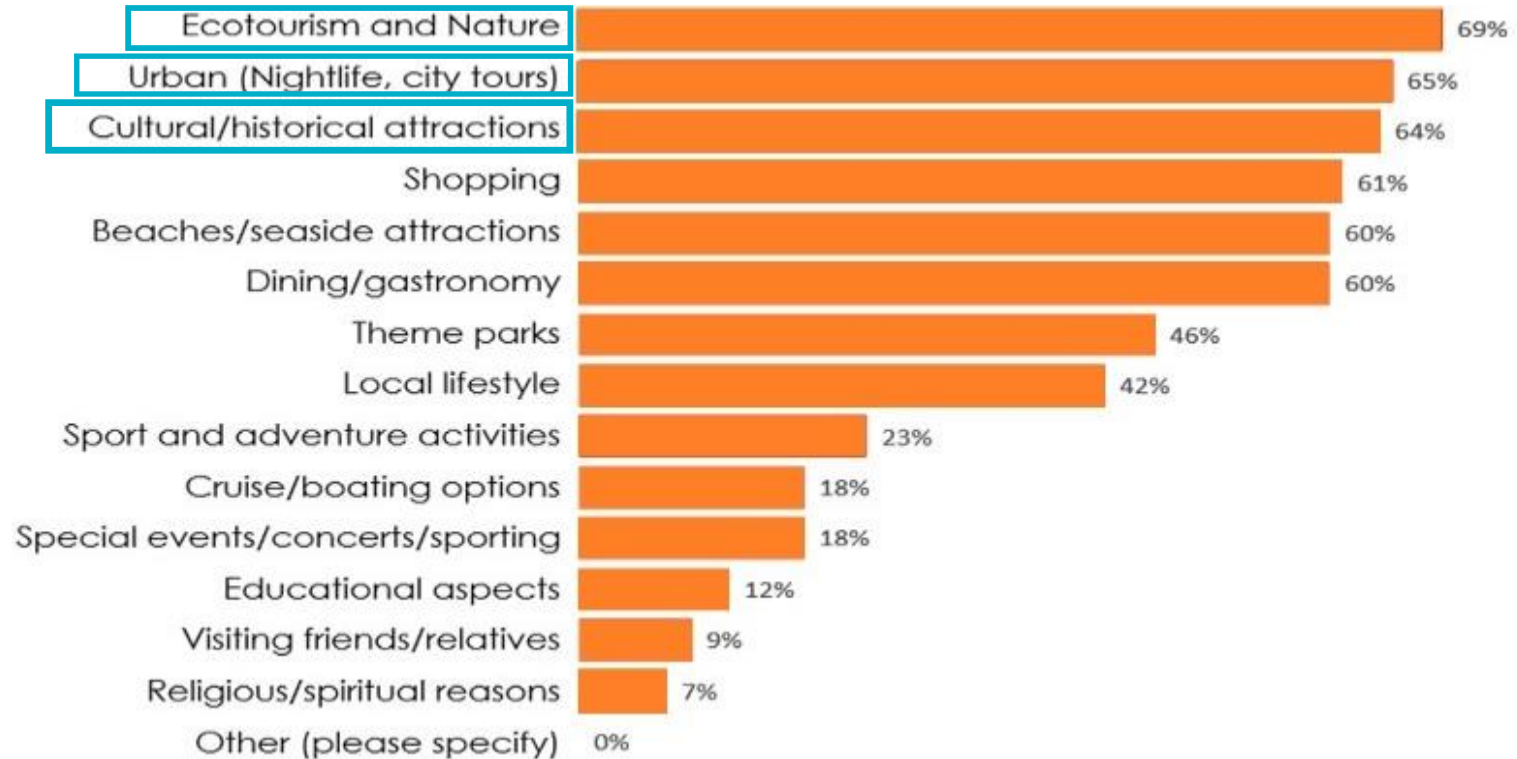
## Group Product Price Comparison of Major Islands Destination

(Mar - May 2018)

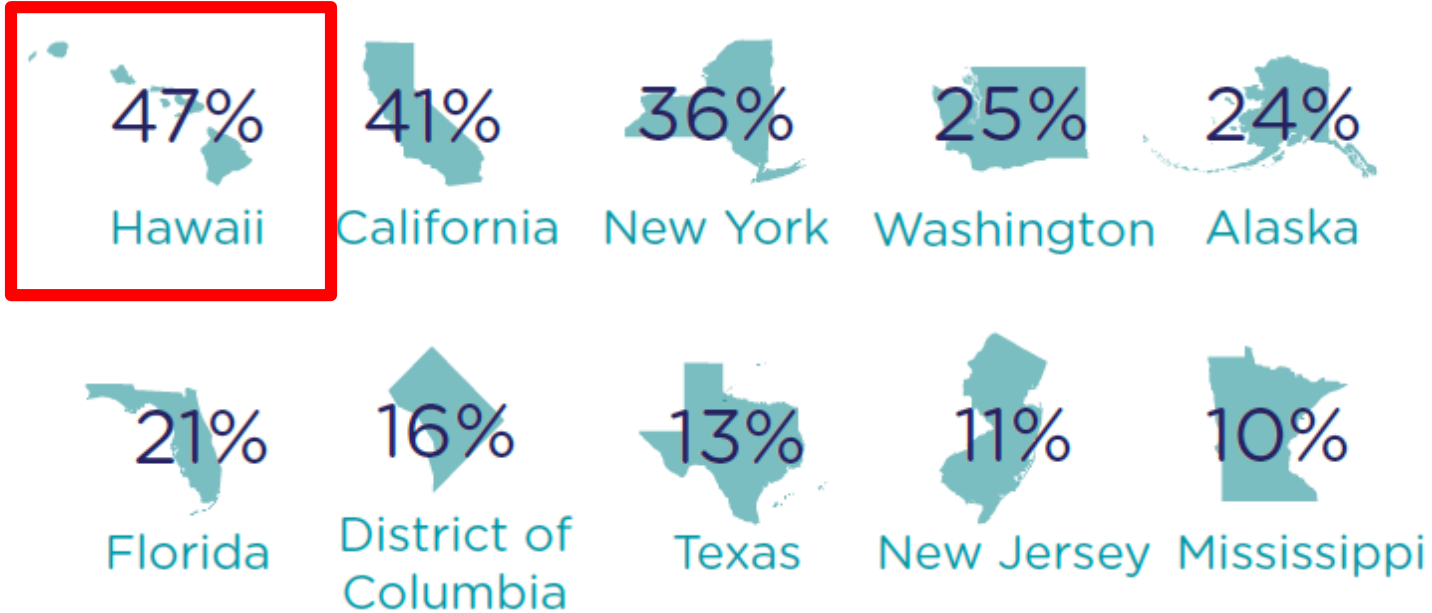


\*Data from China Travel News

# Reasons for Choosing Travel to USA



# Top 10 U.S. States - Destinations Interest 2017



Source: Brand USA 2017 Research Study



*Market Opportunities*

# *Potential New Air Route*



## *The Expected Route*

*Chengdu-Shenzhen-Honolulu*

## *The Expected Aircraft* A330-300

*46 business class*

*260 economy class seats*

## *The Expected Flights*

*156 flights*

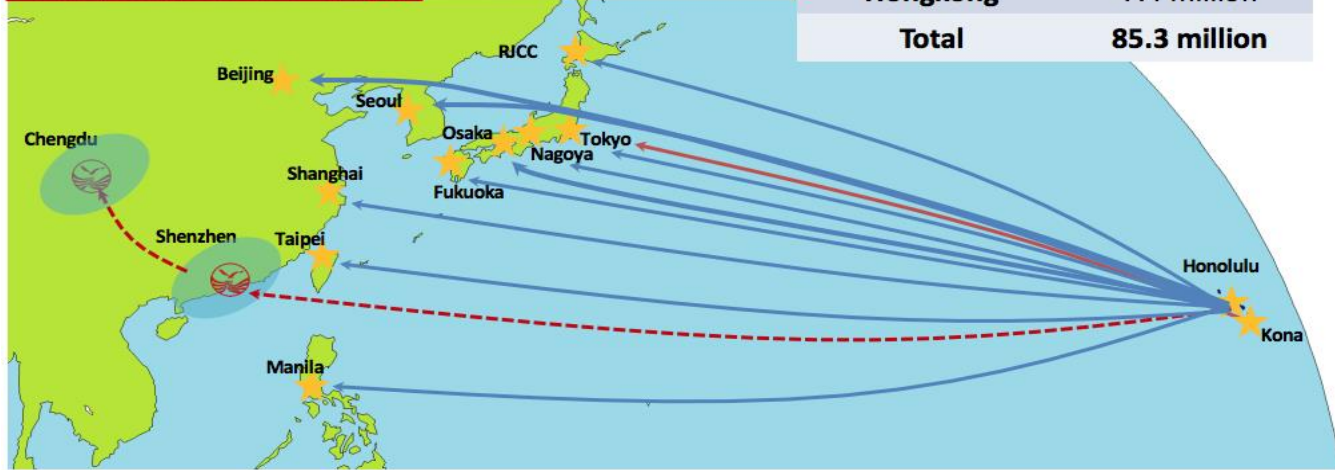
*48,360 air seats per year*



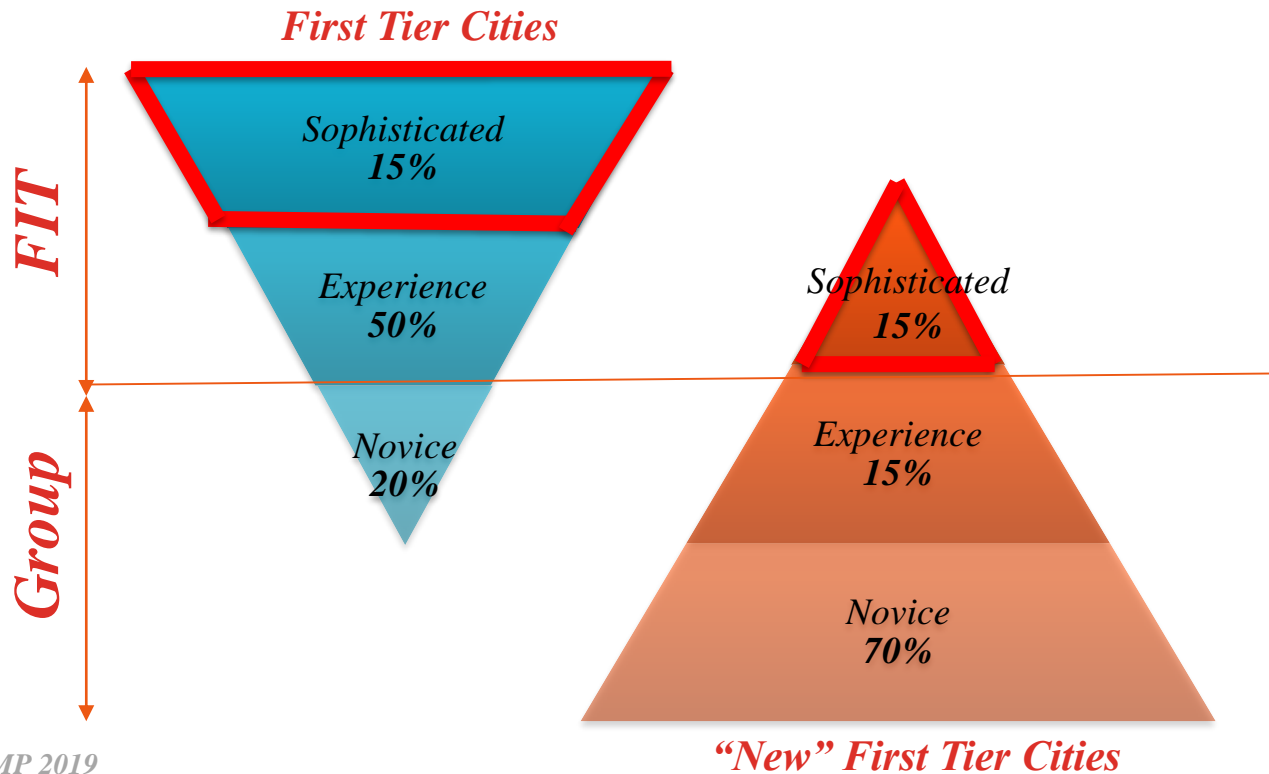
# Potential New Air Route



City	Population
Chengdu	16.4 million
Chongqing	30.4 million
Shenzhen	10.6 million
Guangzhou	20.5 million
Hongkong	7.4 million
<b>Total</b>	<b>85.3 million</b>



# 2019 Strategy - Inverted Pyramid of Trade Marketing



Source: HTC BMP 2019





# 2019 Camp ALOHA! China Trade Mission



# 2019 Strategy - China Target Segments



## *Luxury Escapees*

- *46% rank island holiday as first choice*
- *Chinese travel spend grow to 115.3 billion*



## *YOLOs*

- *You Only Live Once*
- *190 million adventure seeking Chinese travelers*
- *USD 30 billion, up 30%*



## *Multi-Generation Families*

- *30% of Chinese outbound tourists or 39 million people travel with their families*



# 2019 Strategy - Diamond of Islands



夏威夷  
钻石海岛  
Diamond of Islands



The  
HAWAIIAN  
ISLANDS

# *Diamond of Islands - 2019 Marketing Initiatives*

*5. Sounds of Aloha  
Hawai'i*



*1. Olympic Dreams  
Hawai'i*



*4. Up Close Personal  
Hawai'i*



*2. Rainbow Drive  
Hawai'i*



*3. Luxury Golfing  
Hawai'i*



# *Olympic Dreams ~ Hawai'i*

**Objective & Concept:**

- ◆ *Surfing officially an Olympic Competitive Sport in Tokyo Olympics in 2020*
- ◆ *China's National Surfing Team*
- ◆ *Surfing at Hawai'i is trendy in China*
- ◆ *Showcase Hawai'i's history and heritage as the birth place for **Surfing***



## Diamond Of Islands #1

# Olympic Dreams ~ Hawai'i

**Target Audience:** YOLOs  
**Hawai'i Partners:** 8  
**KPIs:** 500,000 page views  
1,200,000 USD PR value

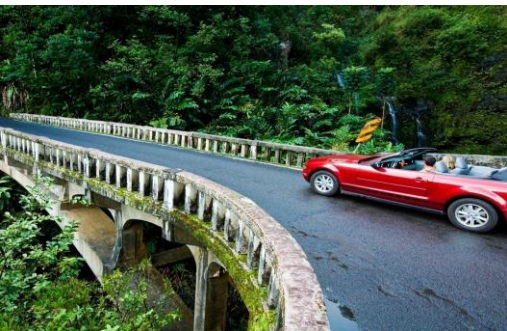
**Potential Partners:**



# *Rainbow Drive ~ Hawai'i*

**Objective & Concept:**

- ◆ *To showcase the inspiring nature and diverse landscapes of Hawai'i*
- ◆ *To position The Hawaiian Islands as an excellent FIT paradise for self-drive*
- ◆ *To create awareness of how to travel throughout The Hawaiian Islands in a responsible & sensitive manner*
- ◆ *Launch Responsible Tourism content hub*





# *Rainbow Drive ~ Hawai'i*

**Target Audience:** *Luxury Escapees & YOLOs*

**Hawai'i Partners:** *8*

**KPIs:** *250,000 luxury targets*  
*10 new self-drive Products*

**Potential Partners:**



# *Luxury Golfing ~ Hawai'i*

**Objective & Concept:**

- ◆ *Promote Hawai'i golf resources to golf players in China*
- ◆ *Co-op with professional Chinese golf associations to organize the golf tournament in China*
- ◆ *Work with MCI Intermediaries to design special golf groups in 2019*



*Diamond Of Islands #3 | MCI*

# *Luxury Golfing ~ Hawai'i*

**Target Audience:** *Luxury Escapees*  
**Hawai'i Partners:** *6*  
**KPIs:** *30,000 high-end golf players*  
*2 new Hawai'i group travel packages*

**Potential Partners:**

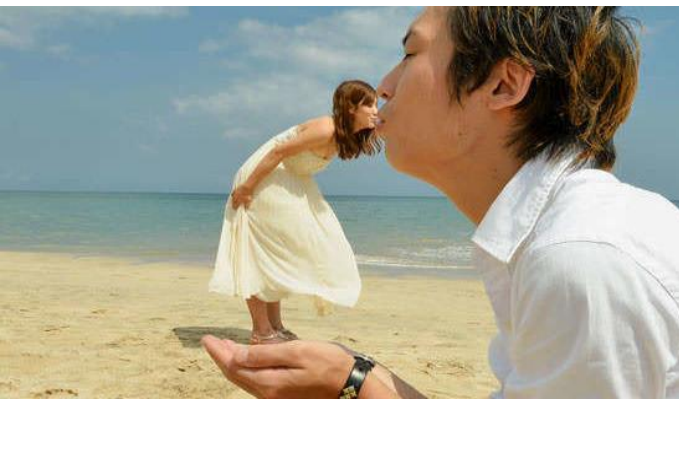


## Diamond Of Islands #4

# Up Close & Personal ~ Hawai'i

### Objective & Concept:

- ◆ To position The Hawaiian Islands as an ideal destination for romance, bro-mance and sis-mance.
- ◆ Capturing the romantic and fun moments by tapping viral short videos



# Diamond Of Islands #4

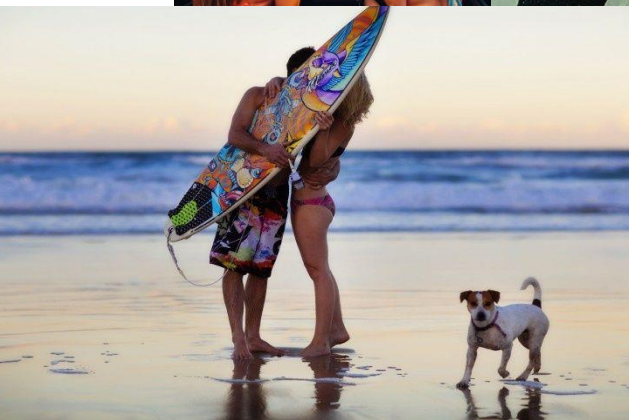
# Up Close & Personal ~ Hawai'i

**Target Audience:** YOLOs  
**Hawai'i Partners:** 5  
**KPI:** 1,000,000 page views  
 910,000 USD PR value  
 8 new semi-FIT products

**Potential Partners:**  



中國東方航空  
CHINA EASTERN



# *Sounds of Aloha ~ Hawai'i*



**Objective & Concept:**

- ♦ *To position The Hawaiian Islands as an inspirational destination with its own unique Aloha culture and music*
- ♦ *To tap on the rising interest of the Ukulele amongst the young and old*
- ♦ *To strongly differentiate Hawai'i from other islands using popular audio musical stories*
- ♦ *To create awareness on musical & cultural resources and assets of Hawai'i*



## Diamond Of Islands #5

# Sounds of Aloha ~ Hawai'i

**Target Audience:** Multi-Generation Families

**Hawai'i Partners:** 5

**KPI:** 200,000 family targets  
8 new products target Multi-Generation Families

**Potential Partners:**



every book begins with  
**PAGE ONE**



# Hong Kong

## 2019 Brand Management Plan Overview

- ◆ *Economic/Political Environment*
- ◆ *Market Trends*
- ◆ *Objectives*
- ◆ *Target Segments*
- ◆ *Leisure Initiatives*





# Economic/Political Environment

4% ↑  
GDP Growth



2.8%  
Unemployment Rate



2.3% ↑  
CPI Growth

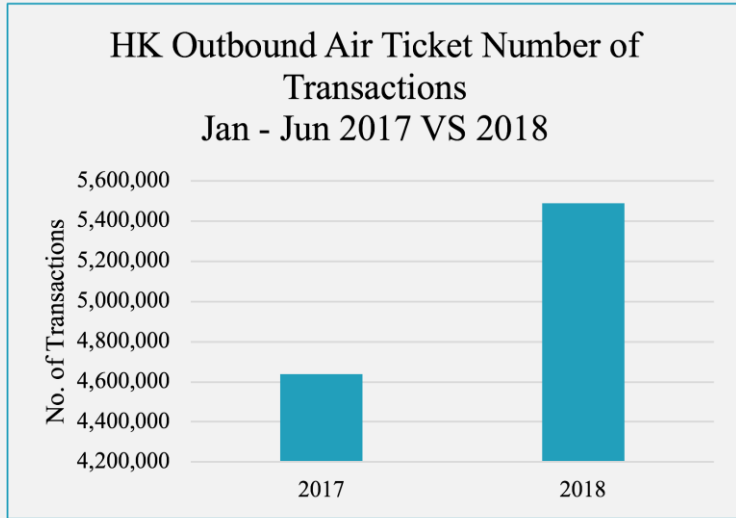


No. 1  
Ultra-Rich Population City

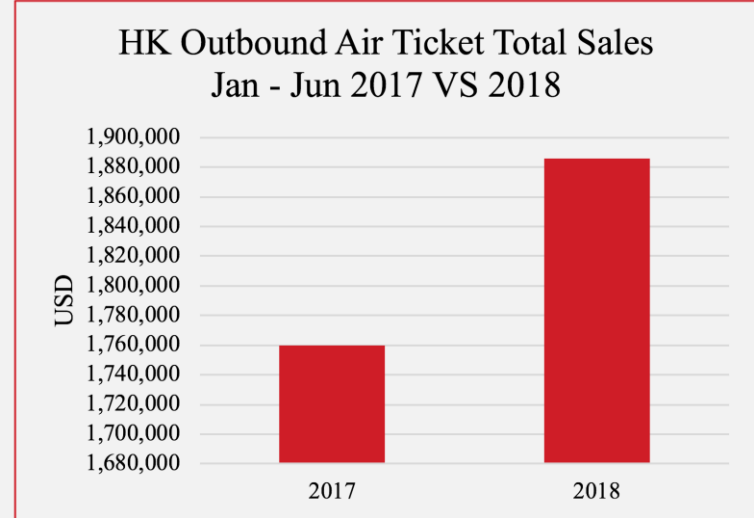


# Trends in Hong Kong

## Outbound Market Updates



↑ 20.1% YOY



↑ 8% YOY

Source: International Air Transport Association (IATA)



# Trends in Hong Kong

## *In-Depth Travel & Eco-Tourism*



- ◆ *50% visitors prefer in-depth and theme travels*
- ◆ *High-end travel sector aged 40 plus authentic travel experiences*

## *Family Travel*



- ◆ *A form of gathering with family members*
- ◆ *Profit margin is relatively higher.*



# Trends in Hong Kong

## Romantic Break



- ◆ Couple spend USD4,900 on honeymoon trip and USD3,000 on pre-wedding photography
- ◆ Significant growth in demand of romance tour
- ◆ Almost half of Hong Kong consumers travel as a couple.

## Road Trip



- ◆ 17% of the Hong Kong traveler would rent vehicle in advance for their trip to USA
- ◆ Ranked no.15 among global car rental industry by region
- ◆ One of the top 5 travel themes



# Strategic Objectives

*Emotion-Connected  
Campaigns*



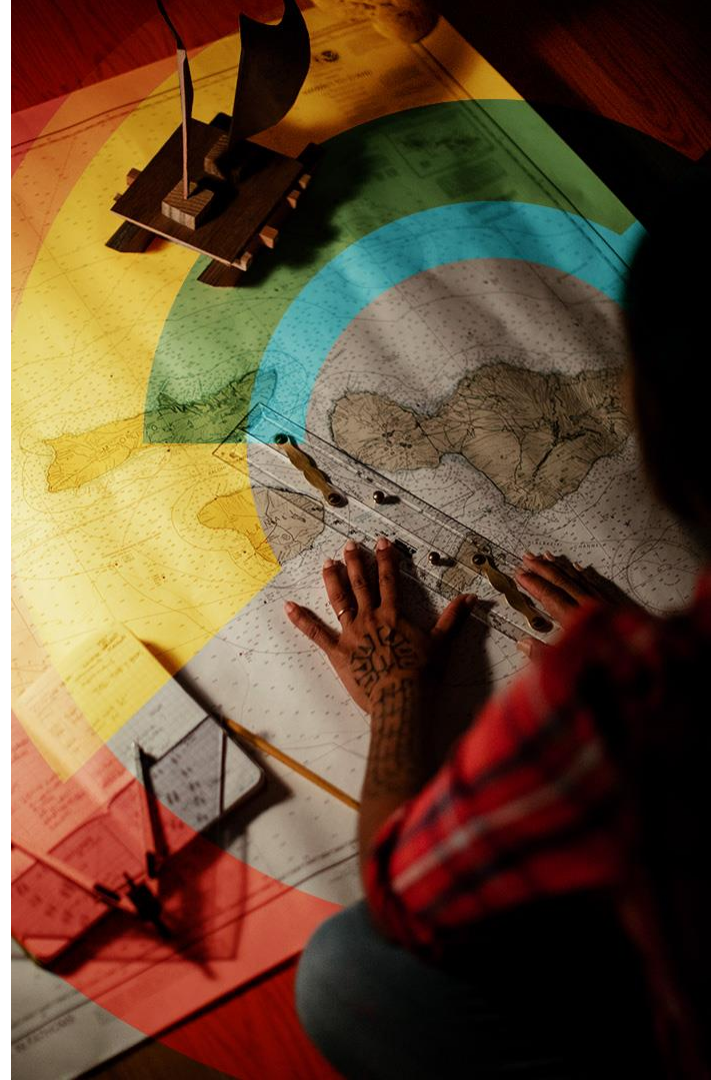
↑ *Hawai'i  
Competitiveness*



*Focus on  
Responsible Travel*



*Connect Locals  
with HK Traveler*



# Hong Kong Target Segments



## ◆ Millennials

- High-end
- Active Leisure FIT Travelers

## ◆ Young Families

- High vacation spending

## ◆ Couples

- Honeymoon
- Anniversaries
- Romance escape



## Hong Kong Initiative #1

# Korean Air: Let's Say Aloha

### ◆ Target Audience:

- Hong Kong FIT travelers

### ◆ Objective & Concept:

- Special promotion with Korean Air and leading OTAs
- A series of Hawai'i stories.
- Local tours lucky draw.

### ◆ KPIs:

- 3 - 4 co-op partners
- PR Value: USD300,000
- Media Impression: 1,000,000

### Potential Partners:



## Hong Kong Initiative #2

# Awe-Inspiring Nature

### ◆ Target Audience:

- Outdoor FIT Travelers/ Couples

### ◆ Objective:

- To inculcate responsible & sensitization towards environmental conservation and encourage family travels via the most watched TV channel in Hong Kong.
- To increase call to action with new products launched when this TV program is LIVE.





# Awe-Inspiring Nature

### ◆ Concept:

- TV program: 3 to 4 episodes, 30 minutes each, with **TVB** which is **Hong Kong No. 1 TV Broadcasting channel** with mass reach - more than 9 million people.
- Trade Education: A trade FAM tour to develop the same itinerary from this TV program and have the **products launched** when the TV program is launched

### ◆ KPIs

- 3 – 4 episodes
- PR value: USD1,000,000
- Media impression: 9,000,000



UNITED



big big channel

TVB Weekly 周刊

新假期 周刊



WESTMINSTER  
Travel Ltd.  
西敏旅行社

Jetour  
The art of travel



JEBSEN HOLIDAYS  
捷成假期

專業旅運 自由行  
Travel Expert 機票 酒店

License No. 350709



# Aloha Jam Hong Kong x Hawai'i

## Hong Kong Stop - Carnival and Workshop

◆ **Target Audience:**

- Hong Kong families/ couples/ culture and music lovers.

◆ **Objective:**

- A meaningful music and cultural carnival in a public prime space with our vibrant Ohana
- Be inspired by the stories weaving music, dance, culture, food and people from Hawai'i.

◆ **KPIs:**

- 1 carnival and workshop
- 1,000,000 reach



# Aloha Jam Hong Kong x Hawai'i

## Hawai'i Stop – The Secret Invite

◆ **Target Audience:**

- Hong Kong luxury travelers/ celebrities

◆ **Objective:**

- To influence / surprise this group of highly potential travelers of this cutting-edge event in the world class nature and create word of mouth of Hawai'i

◆ **KPIs:**

- 3 MCI travel agencies
- 50 attendees



Hong Kong Initiative #3b

# Aloha Jam Hong Kong x Hawai'i

*Hawai'i Stop – The Secret Invite*

◆ *Potential Partners:*



# Questions?

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#GTSHAWAII





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**OCTOBER 1-3**  
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