



FALL TOURISM UPDATE

Ms. Irene Lee
Korea Country Director



MARKET CONDITIONS

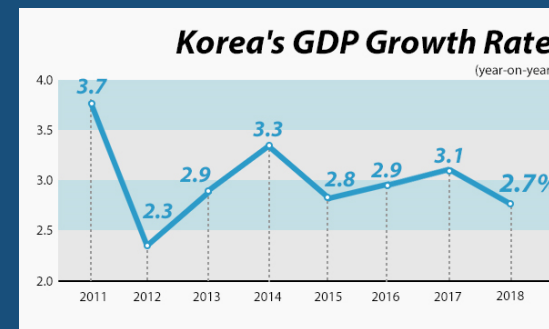
MARKET CONDITIONS



**Chill in
inter-Korean
relations**



**Trade War
between South
Korea and
Japan**



**1.8% Korean
GDP growth
in 2019**

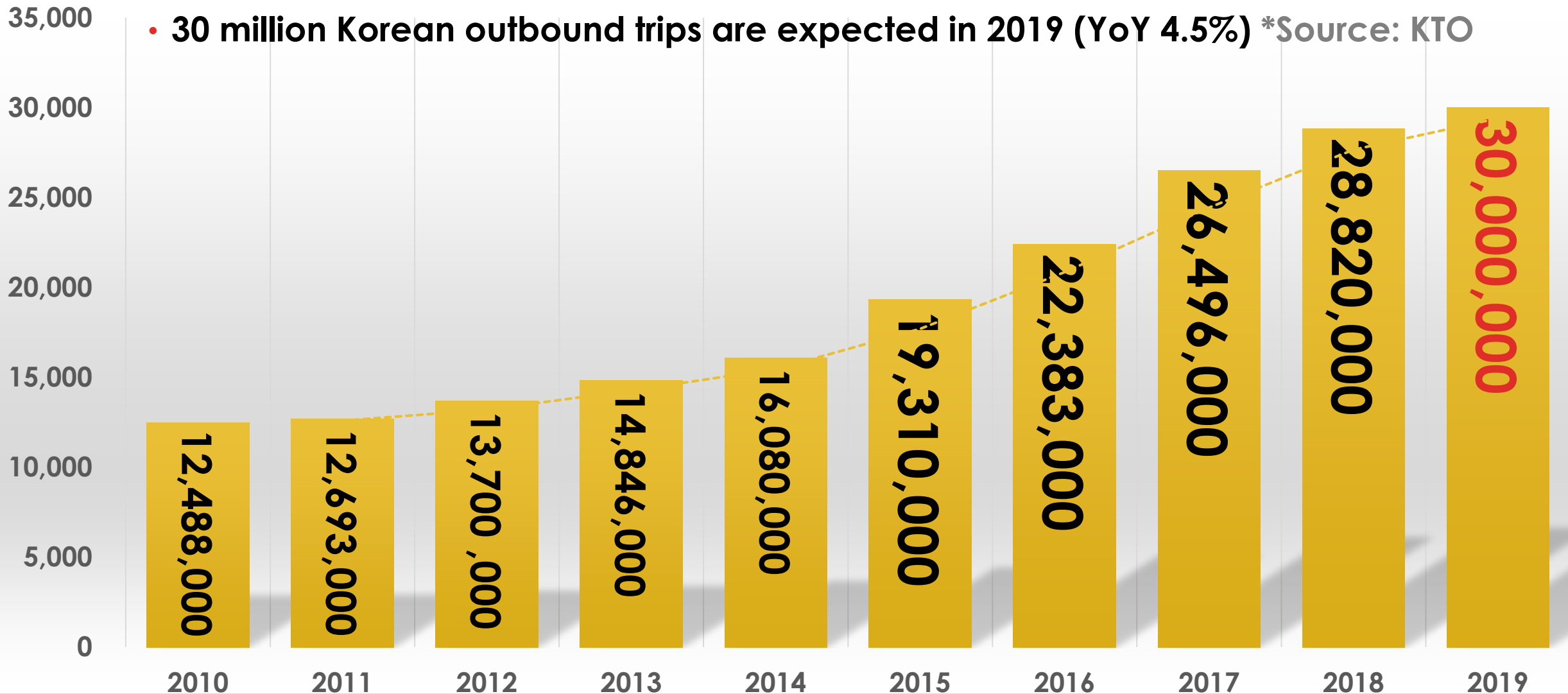


**Fluctuating
FX rate**

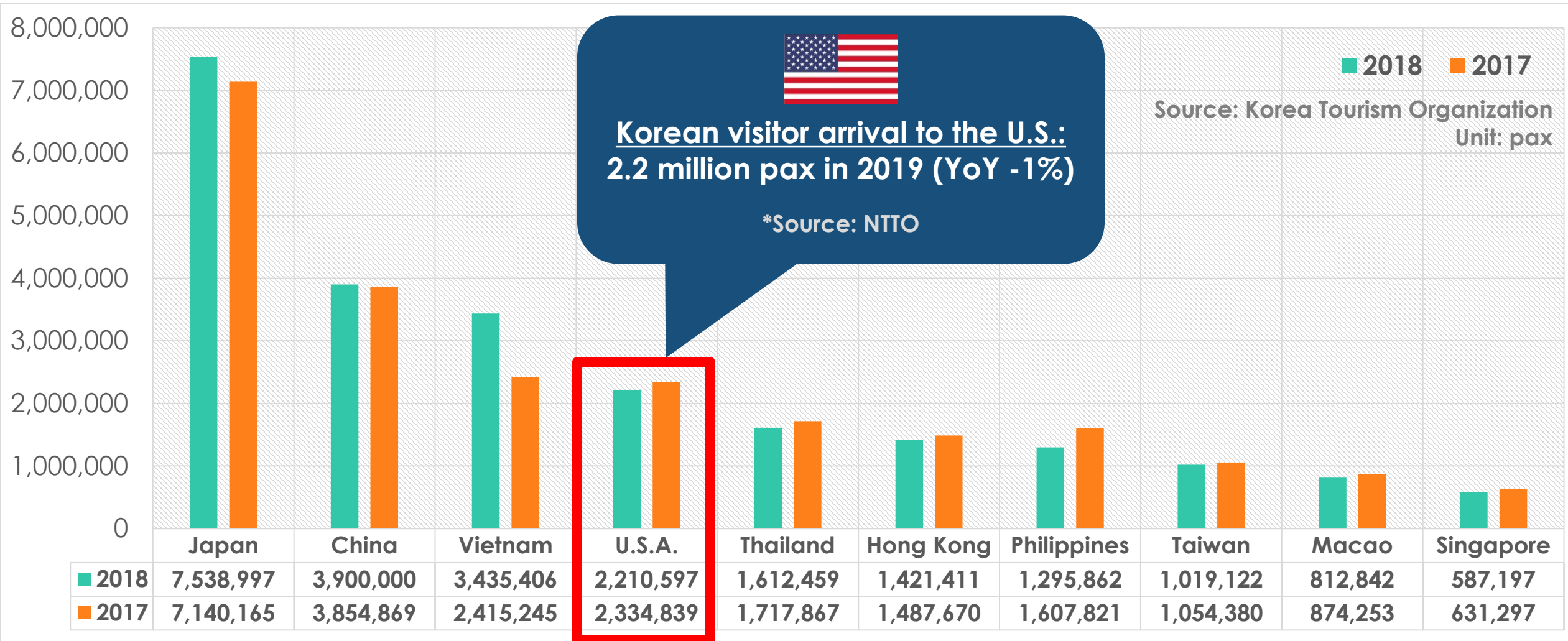
**1\$ = 1,168.46 KRW
(as of Oct 2019)**

KOREA OUTBOUND TRAVEL

• 30 million Korean outbound trips are expected in 2019 (YoY 4.5%) *Source: KTO



KOREA OUTBOUND TRIPS



AIR SYNOPSIS



KOREAN AIR
(KE001/KE051/KE053)



ASIANA AIRLINES
(OZ232)



HAWAIIAN AIRLINES.
(HA460)



JINAIR
(LJ 601)

Frequency

Two dailies & 4 times weekly

Daily

5 times weekly

5 times weekly
(*Temporary suspension; March – Jul / Sep - Dec)

Seats (Aircraft)

276 seats (A330)
219 seats (A332)
368 seats (B747)

275 seats (A330)

277 seats (A330)

393 seats (B772)

Newest Updates

- **Delta increased its stake to 9.21% in Korean Air's parent company Hanjin KAL**
- **Hyundai Development Co (HDC) - Mirae Asset consortium, wins bid for Asiana Airlines**

TRAVEL TRENDS

TRAVEL TRENDS



Sustainability



**Transformational
Travel**



**Expanding
OTAs**

TARGET AUDIENCE

KOREA'S KEY TARGET SEGMENT



Millennial-minded Travelers

#Independent
#Experiences
#Followers of individual themes



Aspirers

#Materialistic
#Acquisitive
#Affiliative



Explorers

#Challenge
#Adventurers
keen to try new activities and experiences



Mainstreamers

#Conventional
#Favoring well-known brands
#Family travelers



First-time Visitors

#Travelers who haven't visited Hawai'i yet

KEY STRATEGIES

1



Drive destination brand awareness

2



Drive high-value visitation

3



Maintain high-value air services to Hawai'i

4



Maintain the cultural integrity of Hawai'i

5



Collaborate with Hawai'i's visitor industry

6



Promote Hawai'i as MCI destination

CONSUMER STRATEGY

- **New Hawai'i branding campaign**
- **Aloha media university**
- **#Stories of aloha**
- **Sense of Hawai'i**
 - **Sounds of Hawai'i**
 - **Arts of Hawai'i**
 - **Taste of Hawai'i**

Fly to Hawai'i Get inspired



Hawai'i Brand Position in Korea

MEDIA REVERSE MISSION

ALOHA MEDIA UNIVERSITY



Inaugural Hawai'i media reverse mission



Educational opportunity to showcase Hawai'i's authentic culture

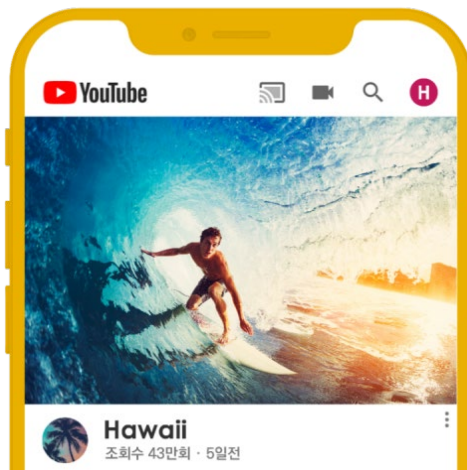


Media marketplace and FAM



#STORIES OF ALOHA

- Social media management program
- YouTube Aloha TV – HTK's newest communication channel
- Up-to-date management of Facebook
- Develop contents via collaboration with micro-influencers



 YouTube

1.5K Followers



 facebook

22K Followers

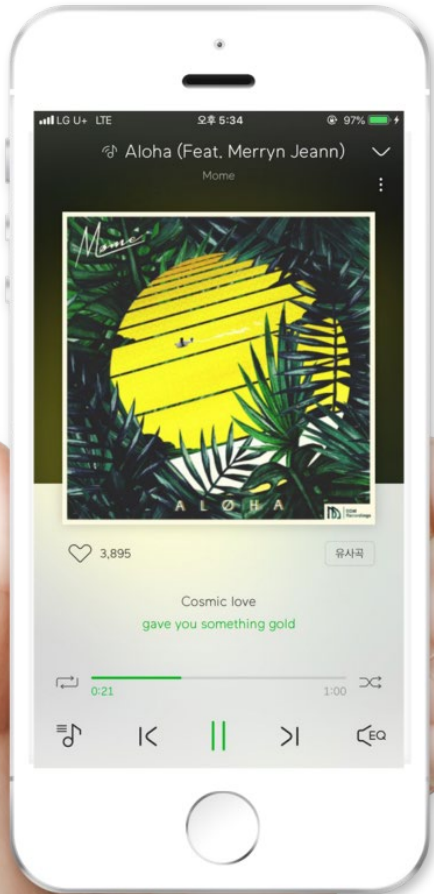


 Instagram

20K Followers

SOUNDS OF HAWAI'I IN PARTNERSHIP WITH MELON

NEW



Melón



Launch a consumer promotion with Melon



Over **28 million** subscribers



Appoint 'Aloha DJ' to create a new playlist of **Hawaiian songs**



ARTS OF HAWAI'I IN PARTNERSHIP WITH ARTISTS

- Leverage art of Hawai'i for destination exposures
- Collaborate with artists based in Hawai'i to organize art exhibition to promote destination along with its deep culture
- Total volume of Korean art business in 2017 has been increased 25% to about US\$ 492 million, compared to the previous year

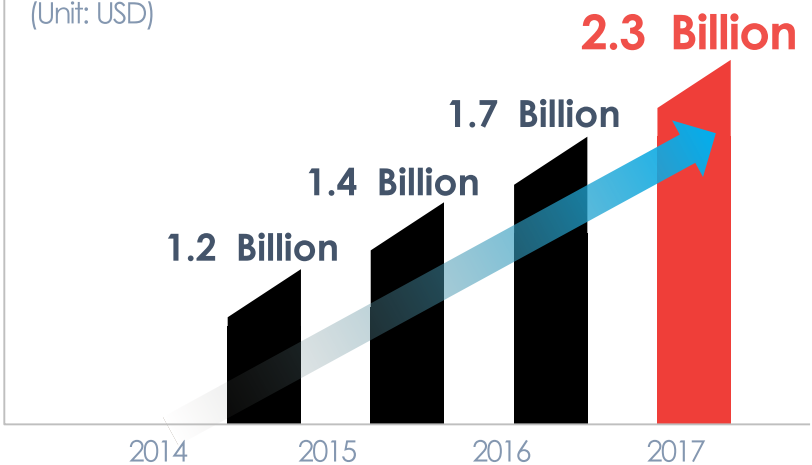


TASTE OF HAWAI'I IN PARTNERSHIP WITH SSG



-  Refresh image of Hawai'i as a culinary destination full of sustainable food
-  Collaborate with SSG, the largest retailer in Korea owned by Samsung
-  **'Tasty Hawai'i Market'**

Annual Online Transactions of
Agricultural Products in Korea
(Unit: USD)



TRADE STRATEGY

- Airline co-op programs
- Meet your #OhanaMoment
- 1 week on each Island (1OI)

AIRLINE CO-OP PROGRAMS

KOREAN AIR

**Aloha priority
campaign**

for new-lux Hawai'i
product



ASIANA AIRLINES

**Hawai'i OTA
campaign**

for special- themed FIT
products



**HAWAIIAN
AIRLINES.**



**Hawai'i
heritage
promotion**

for sustainability/
neighbor islands
initiatives



JINAIR

**Aloha
millennial
promotion**

for FIT branding
campaign



MEET YOUR #OHANAMOMENT



Market Background

Korea's No.1 wholesaler Hana Tour showed 91% YOY growth in 3 generation trips



Objectives

Position Hawai'i as ultimate generation-by-generation family trip destination



'Aloha 3 Generation' package products development



Additional edu-tour themed #OhanaMoment product



Sales/online advertising promotions

1 WEEK ON EACH ISLAND (1OI)



Market background

Korean visitors' length of stay: 7.72 days (YTD September 2019), up 3.8% (Source: DBEDT)



Objectives

Bolster **extended stays and high spending** on the Hawaiian Islands



- **Core target media FAM**



- **#Hawai'i 1OI influencer FAM**



- **Longer stay-themed FAM & follow-up promotion**

MCI

- MCI market background
- Lead development from key corporate-target events
- Golf promotion and initiatives

HAWAII TOURISM
KOREA

MCI MARKET BACKGROUND



Increasing demand
on **long-haul destinations**



Shorter length of stay
(4 to 5 nights
in Hawai'i)



Key vertical segment:
finance/banking,
insurance, multi-level
marketing (MLM)



Emerging segment:
technology &
entertainment
sector



**Avoid leisure
peak season**



**Growing
B+leisure market**



**National
general election
in Apr 2020**

LEAD DEVELOPMENT FROM KEY CORPORATE-TARGET EVENTS



Meet Hawai'i
corporate weekend



Meet Hawai'i
corporate VIP reception



GOLF INITIATIVES



Pitch Hawai'i as a year-round premium golf destination



Develop large-scale co-promotion in concert with major golf tournaments in Hawai'i – **Sony Open Golf Tournament and Lotte LPGA Golf Championship**



Develop **new Hawai'i golf tour products** and execute online/offline promotions

RESPONSIBLE TOURISM

- Pre/post arrival campaign
- Go green with aloha

ARRIVAL CAMPAIGN



Kuleana means **responsibility** and **it's the personal and collective commitment to the people of Hawai'i and the place.**



- ✓ Volunteer opportunities in Hawai'i
- ✓ Collaboration with local partner for native Hawaiian culture
- ✓ In-flight video and hotel confirmation email
- ✓ Educational seminars

GO GREEN WITH ALOHA

- Promote the Hawaiian Islands as a sustainable and eco-friendly destination
- Elevate Hawai'i as a global center and brand for sustainability



PR

- **Celebrity endorsement in line with Honolulu Marathon**



Digital

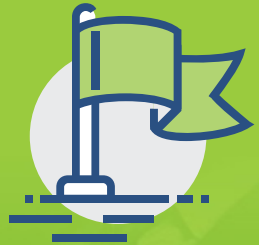
- **Joint social media campaign with consumer brands**



Marketing

- **Partner with Hawai'i Green Growth on Aloha+ Challenge**
- **Sustainable coastlines Hawai'i**

KEY STRATEGIC PILLARS



Brand
marketing

Fly to Hawai'i,
Get inspired



Hawaiian
culture

#STORIES OF
ALOHA



Natural
resources

#FIND YOUR
ALOHA



Industry &
community
collaboration

#KULEANA
CAMPAIGN



MAHALO!

KAM-SA-HAM-NI-DA!