



**MARKETING STANDING COMMITTEE MEETING  
HAWAII TOURISM AUTHORITY  
Wednesday, November 18, 2020  
Virtual Meeting**

**MINUTES OF MARKETING STANDING COMMITTEE MEETING**

<b>COMMITTEE MEMBERS PRESENT:</b>	Kelly Sanders (Chair), Fred Atkins, George Kam, Kyoko Kimura, and Sherry Menor-McNamara
<b>COMMITTEE MEMBER ABSENT:</b>	Benjamin Rafter
<b>HTA STAFF PRESENT:</b>	John De Fries, Keith Regan, Pattie Herman, Marc Togashi, Marisa Yamane, Kalani Ka'anā'anā, Caroline Anderson, and Jennifer Chun
<b>GUESTS:</b>	Irene Lee, Susan Webb, Molly Jou, John Reyes, and John Monahan
<b>LEGAL COUNSEL:</b>	Gregg Kinkley

**1. Call to Order:**

Chair Kelly Sanders called the meeting to order at 10:33 a.m. Keith Regan, HTA Chief Administrative Officer, provided instructions to the general public with regard to submitting testimony. Mr. Regan confirmed the attendance of the Committee members by roll call. Mr. Regan turned the floor over to Chair Sanders.

**2. Approval of Minutes of the October 28, 2020 HTA Marketing Standing Committee Meeting:**

Chair Sanders requested a motion to approve the minutes of the October 28, 2020 HTA Marketing Standing Committee meeting. George Kam made a motion, which was seconded by Fred Atkins. The motion was unanimously approved.

**3. Update on Trusted Travel Partners for Korea, Canada and Taiwan Presentation by the Respective GMTs:**

Chair Sanders recognized Irene Lee of Hawai'i Tourism Korea (HTK) to provide an update on trusted travel partners in the Korea market. Ms. Lee reported that Korea does not have an approved travel pre-testing program yet. She said that COVID-19 tests are approved by the Korea Ministry of Health and Welfare and then testing processes are managed and



operated by the Korea Disease Control and Prevention Agency. She explained that Korean nationals returning from the United States must quarantine for 14 days and download a contact tracing mobile app that is heavily monitored by the government. Returning travelers also require a negative COVID-19 test within 72 hours of their arrival. Ms. Lee noted that there are six hundred screening centers nationwide, and one hundred centers provide test certificates in English. She said that Incheon Airport is setting up a rapid testing center for outbound travelers to be tested before their departure in Terminal 2, which houses Korean Air and other SkyTeam Alliance carriers including Delta Airlines. She added that the rapid testing should be in operation from mid-December. Ms. Lee said that selecting and coordinating trusted travel partners with the Attorney General's office (AGO) remains a priority. She added that Hawaiian Airlines will resume direct flights on November 27th.

Chair Sanders recognized Susan Webb of Hawai'i Tourism Canada (HTC) to provide an update on trusted travel partners in the Canada market. Ms. Webb reported that by the end of the week, an announcement will be made regarding approved trusted travel partners in Canada and the resumption of direct flights on Air Canada and WestJet in early December. She said that one of the deterrents for Canadians traveling to Hawai'i had been the mandatory 14 day quarantine upon their return to Canada. However, now, if a returning traveler has a negative result for a rapid COVID-19 test upon arrival at the airport and another negative test result five days later, then the 14-day quarantine is no longer required. Ms. Webb noted that a maximum 5 day quarantine makes a significant difference for Canadians who want to travel to Hawai'i. She said that the inbound arrival testing is offered at Toronto and Calgary airports. She reported that the Vancouver airport is still piloting rapid pre-flight testing for COVID-19-free flights.

Chairs Sanders recognized Molly Jou of Hawai'i Tourism Taiwan (HTT) to provide an update on trusted travel partners in the Taiwan market. Ms. Jou reported that the COVID-19 situation is under control. She noted that China Airlines has no timeline to resume direct flights from Taipei to Honolulu. She explained that border restrictions must be lifted and COVID-19 protocol in place to waive quarantine requirements. Ms. Jou said that three private hospital chains have been identified as trusted travel partners, and the three chains intend to sign a memorandum of understanding with the AGO. She added that HTT will continue to support and facilitate the approval of a trusted travel partner program in Taiwan. Ms. Jou reported that HTT will host a Taiwanese virtual trade show on December 10th, which will be supported by Hawaiian Airlines and United Airlines.

Mr. Atkins asked if there has been a spike of COVID-19 cases in Korea. Ms. Lee responded that there have been small, localized spikes in cases. However, the daily number of confirmed cases remain between one and two hundred nationwide.



Chair Sanders invited the public to provide testimony, and there was a question. Duke Ah Moo asked about the cost of a COVID-19 test in Korea. Ms. Lee responded that the cost of polymerase chain reaction (PCR) test in Korea is \$100, but is free if a person is symptomatic or has come into contact with someone who has tested positive.

**4. Update on Travel Agent Booking Pace by Jennifer Chun, HTA's Director of Tourism Research:**

Chair Sanders recognized Jennifer Chun, HTA Director of Tourism Research, to present on travel agent booking pace. Ms. Chun noted that the data she receives is from Global Agency Pro, which collects 90% of the world's travel agency booking data. She reported that there were more bookings than last month's meeting, but is still a great deal lower compared to 2019. Ms. Chun noted that there were a few visitors from Canada, Australia, and New Zealand likely coming through domestic flights because airlines are not yet flying directly to Hawai'i from those destinations. She said that half of the bookings are from the U.S. to O'ahu. Ms. Chun said that bookings from Japan continue to be low because of the limited number of flights. She added that the mandatory 14 day quarantine remains an issue and will continue to impact bookings from Japan.

Ms. Chun reported that the booking pace in 2021 continues to be relatively low. She noted that there are a fair number of U.S. visitors planning trips to Maui, but very few people traveling to Moloka'i and Lāna'i. She added that booking pace for Hawai'i Island and Kaua'i remains slow, and the travelers on the books are mostly U.S. visitors. Ms. Chun said that the booking pace reports will continue to be published weekly.

Chair Sanders invited the public to provide testimony, and there was a question. Patrick Blangy asked where the majority of U.S. travelers are traveling from. Ms. Chun responded that the majority come from the U.S. West.

**5. Update on Group General Trends, Cancellations and Booking Pace by John Reyes, HVCB Senior Vice President, Chief MCI Sales Officer:**

Chair Sanders recognized John Reyes of HVCB to provide an update on group trends, cancellations, and booking pace. Mr. Reyes reported that things were going well from January through March. He said that from April, they were working in a different landscape and operating at a 40% budget. He noted that difficult decisions with staff reductions were made. Mr. Reyes said that he currently has three Meet Hawai'i sellers for the U.S. market, one sales coordinator, and one staff member for the 'Elele Program. He noted that he would like to rebuild a dedicated citywide sales staff.



John Monahan of HVCB said that they had to prioritize which business would return first, which would be leisure travel due to issues and complications with gatherings. He noted that they stripped their staff down to the foundations, but that they would like to start rebuilding their sales staff. He added that HVCB is looking to hire a quarterback for citywide business, and they are actively in the process of doing so.

Mr. Reyes said that the goal is to remain nimble and to adjust to the COVID-19 situation as it evolves. He explained that the sales team is actively reviewing their business accounts and targeting specific accounts for single property and citywide business. He noted that their focus is on 2023 and 2026 for citywide business. Mr. Reyes said that the sales strategy is based on time efficiency. He explained that if a customer is not generating business, then time should not be spent on that account.

Mr. Reyes said that HVCB in partnership with HTA is launching the new Mālama Hawai'i initiative, which is focused on attracting mindful and responsible MCI groups and travelers. He noted that they are introducing corporate-social responsibility programs to customers and sharing how they can be involved.

Mr. Reyes said that HVCB was ready to launch a new citywide strategy in January, but the pandemic and budgetary restrictions put that plan on hold. He noted that every major citywide destination is now focused on rebooking canceled events. He added that the virtual Hawai'i Ford trade show on October 15th was successful with over 120 people in attendance.

Mr. Reyes said that HVCB has transitioned to long-term pace reporting because it is more accurate and better aligned with other industry reporting. He noted that 2020 pace at the Hawai'i Convention Center (HCC) is down 93% and combined room nights are down 58%. He said that MCI business whether single property or citywide should generate 375,000 room nights every year. Mr. Reyes noted that pace for 2021 and 2022 is looking good. However, pace for 2023 and 2026 is lagging behind, and that he and his staff are trying to develop more business for those years. He said that the first priority would be to hire a citywide salesperson with a focus on corporate business. He reported that fourteen groups canceled in 2020, and two groups canceled in 2021, which results in over \$340 million of negative economic impact. Mr. Reyes explained that they need to rebid for canceled groups. If groups rebook, then that means there is no competition to retain the business.

Mr. Reyes said that some of the new MCI trends are smaller groups with ten to fifty sleeping rooms and a hybrid combination of remote and in-person events. He noted that he does not expect business to begin normalizing until the latter part of 2021 and if a vaccine is widely available.



Chair Sanders asked if the positive level of pace in 2022 is a result of group postponement from 2021. Mr. Reyes agreed and noted that a lot of 2021 business is rebooking in 2022.

Mr. Atkins asked how many sales people were on staff in January. Mr. Reyes responded nine in total between HVCB and HCC. He added that he would love to have three sales people. He said that the first priority would be a corporate citywide seller followed by a major association seller. Mr. Monahan replied that HVCB is active in the market. He noted that they reduced their sales staff down to the foundation due to meeting business being at a standstill. He said that they have identified key people to add to their sales staff.

**6. Adjournment:**

The meeting adjourned at 11:35 a.m.

Respectfully submitted,

*Reyn S.P. Ono*

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Reyn S.P. Ono  
Recorder