



Korea Fact Sheet

Korea Overview

Aviareps Marketing Garden Holdings Ltd. is contracted by HTA for brand marketing 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 2021, the core branding message is Mālama Hawai'i and the marketing strategy to recover the Hawai'i travel market from the COVID-19 pandemic is to revitalize travel demand in collaboration with industry partners, accelerate booking pace in partnership with online booking platforms, and develop marketing co-ops with key airlines to stimulate resumption and growth in air services to Hawai'i.

January 2021 Quick Facts¹

Visitor Expenditures:	NA (Not available)
Primary Purpose of Stay:	Pleasure (106) vs. MCI (11)
Average Length of Stay:	39.90 days
First Time Visitors:	14.9%
Repeat Visitors:	85.1%

	2019	2020	% Change 2020 vs 2019	2021* Forecast	YTD Jan. 2021P	YTD Jan. 2020	% change YTD
Korea (by Air)							
Visitor Expenditures* (\$ Millions)	497.9	NA	NA	290.6	N/A	46.3	N/A
Visitor Days	1,745,666	367,516	-78.9%	1,066,754	9,176	178,993	-94.9%
Arrivals	229,056	42,179	-81.6%	111,165	230	21,371	-98.9%
Average Daily Census	4,783	1,004	-79.0%	2,923	296	5,774	-94.9%
Per Person Per Day Spending* (\$)	285.2	NA	NA	272.4	N/A	258.8	N/A
Per Person Per Trip Spending* (\$)	2,173.7	NA	NA	2,614.4	N/A	2,167.9	N/A
Length of Stay (days)	7.62	8.71	14.3%	9.60	39.90	8.38	376.4%

*Dept. of Business, Economic Development & Tourism (DBEDT) 2020 forecasts.

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¹ 2020 visitor data are preliminary. 2019 visitor data are the final numbers and reflect updated airfare statistics from DIIO Mi Airline database, and final passenger counts from Airline Traffic Summary reports

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Market Summary

During January, most passengers arriving from out-of-state and traveling inter-county could bypass the State's mandatory 10-day self-quarantine with a valid negative COVID-19 NAAT test result from a Trusted Testing Partner through the state's Safe Travels program. All trans-Pacific travelers participating in the pre-travel testing program were required to have a negative test result before their departure to Hawai'i. On December 2, 2020 Kaua'i County temporarily suspended its participation in the state's Safe Travels program, making it mandatory for all travelers to Kaua'i to quarantine upon arrival. However, starting January 5, 2021 Kaua'i County rejoined the Safe Travels program for inter-island arrivals, allowing inter-island travelers who have been in Hawai'i for more than three days to bypass the quarantine with a valid test result. Also starting January 5 on Kaua'i, trans-Pacific travelers were given the option of participating in a pre- and post-travel testing program at a "resort bubble" property as a way to shorten their time in quarantine. The counties of Hawai'i, Maui and Kalawao (Moloka'i) also had a partial quarantine in place in January. In addition, the U.S. Centers for Disease Control and Prevention (CDC) continued to enforce the "Conditional Sailing Order" on all cruise ships.

All travelers to Korea, including returning Korean nationals, were subject to a mandatory 14-day quarantine. The Korean government extended its special travel advisory for Koreans to avoid non-essential overseas trips until March 17, 2021.

- There were 230 visitors in January 2021 versus 21,371 visitors a year ago. Of the 230 visitors, 115 arrived on domestic flights and 115 arrived on an international flight from a major carrier which flies both domestic and international routes. Visitor spending data were not available.
- There were five scheduled flights from Seoul, Korea with 1,390 seats in January 2021, compared to 137 scheduled flights and 30,793 seats in the same month last year.
- In 2020, arrivals fell 81.6 percent to 42,179 visitors. Visitor days declined 78.9 percent. The average daily census showed 1,004 visitors per day, a 79.0 percent drop compared to 2019.
- In 2020, 98.3 percent of visitors went to O'ahu, 14.6 percent went to the island of Hawai'i, 10.0 percent went to Maui and 2.9 percent went to Kaua'i. Over half (58.3%) were True Independent travelers. First timers accounted for 75.4 percent, and 24.6 percent were repeat visitors.
- In 2020, air capacity from Seoul decreased 77.9 percent from the previous year to 72,287 seats.
- In 2019, visitor spending rose slightly (+0.3%) to \$497.9 million. Visitor arrivals (+0.3% to 229,056 visitors) and visitor days (+2.8%) increased but daily spending (-2.4% to \$285 per person) decreased compared to 2018. The average daily census showed 4,783 visitors per day in 2019, an increase of 2.8 percent compared to 2018.
- In 2019, 98.4 percent of Korean visitors went to O'ahu, 12.8 percent went to Maui, 11.0 percent went to the island of Hawai'i, and 3.1 percent went to Kaua'i. Over half (58.8%) made their own travel arrangements (i.e., True Independent). First timers comprised 73.6 percent and 26.4 percent were repeaters.
- In 2019, seats from Seoul declined (-7.0% to 326,398) compared to 2018.

Market Conditions

- According to Bank of Korea, Korea's gross domestic product (GDP) grew 1.1 percent year-on-year in 2020 Q4, and recorded -1 percent year-on-year in 2020. Although Korea recorded -1 percent drop last year, the decrease was much smaller compared to the top ten advanced countries which are expecting decreases from 3 percent to 10 percent.
- South Korea's exports rose 11.4 percent in January 2021 to extend gains for a third consecutive month although the global resurgence of virus cases hindered a full-fledged recovery.
- According to Bank of Korea, the composite consumer sentiment index (CCSI) came in at 95.4 for January 2021, up 4.2 points from the previous month thanks to improved consumer sentiment in January.
- The average USD/WON exchange rate in January 2021 was 1,097.49 won, a small increase from 1,095.13 won last December.
- Interpark Tour, one of the leading online travel agencies in Korea, resumed its sales for five-star hotels and resorts in Vietnam through home shopping aired on January 22. Lotte Home shopping, one of the major home shopping companies was the partner of Interpark Tour this time, and achieved US\$ 1.36 million in sales during a 70-minute live broadcast. Combined with flights and ground handling, the total estimated revenue generated is more than US\$ 9.08 million with 15,000 bookings.
- Korean Air extended its suspension of flight services on ICN-HNL route (KE053) and ICN-NRT-HNL route (KE001) until March 31.
- Asiana Airlines halted flights service of ICN-HNL route (OZ232) until March 31.
- Hawaiian Airlines is maintaining the operation of resumed weekly flight from ICN to HNL (HA 460).
- Governor Ige announced on January 27 that starting February 5, travelers from Korea may bypass the State of Hawai'i's mandatory 10-day quarantine if they take a COVID-19 test from a trusted testing partner in Korea. The test must be taken no earlier than 72 hours prior to departure and the test result must be negative.

Distribution by Island

Korea (by Air)	2019	2020	% Change 2020 vs 2019	YTD Jan. 2021P	YTD Jan. 2020	% change YTD
O'ahu	225,488	41,470	-81.6%	165	21,075	-99.2%
Maui County	29,619	4,267	-85.6%	28	2,076	-98.6%
Maui	29,303	4,224	-85.6%	26	2,068	-98.7%
Moloka'i	846	60	-93.0%	0	58	-100.0%
Lāna'i	499	94	-81.2%	2	60	-96.4%
Kaua'i	7,191	1,221	-83.0%	12	624	-98.1%
Island of Hawai'i	25,273	6,161	-75.6%	55	3,554	-98.4%

Airlift

	2020	2019	% CHANGE
Seoul	72,287	326,398	-77.9

Source: HTA analysis based on scheduled Seats from Diao Mi flight schedules.

Group vs. True Independent; Leisure vs. Business

Korea (by Air)	2019	2020P 1/	% Change 2020 vs 2019	YTD Jan. 2021P 1/	YTD Jan. 2020	% change YTD
Group vs True Independent (Net)						
Group tour	35,289	6,960	-80.3%	0	3,447	-100.0%
True Independent (Net)	134,413	24,569	-81.7%	214	13,192	-98.4%
Leisure vs business						
Pleasure (Net)	218,691	40,091	-81.7%	106	20,374	-99.5%
MCI (Net)	5,574	749	-86.6%	11	426	-97.4%
Convention/Conf.	3,184	281	-91.2%	4	243	-98.3%
Corp. Meetings	232	23	-90.3%	2	4	-54.5%
Incentive	2,183	446	-79.6%	5	179	-97.1%

1/ Note: Beginning November 2020, certain categories reflect only domestic data (italicized) as international data were not available.

First Timers vs. Repeat Visitors

Korea (by Air)	2019	2020P 1/	% Change 2020 vs 2019	YTD Jan. 2021P 1/	YTD Jan. 2020	% change YTD
1st timers (%)	73.7	75.4	1.6	14.9	76.7	-61.8
Repeaters (%)	26.3	24.6	-1.6	85.1	23.3	61.8

1/ Note: Beginning August 2020, certain categories reflect only domestic data (italicized) as international data were not available.

Tax Revenue

Korea (by Air)	2019	2020P 1/	% Change 2020 vs 2019	YTD Jan. 2021P 1/	YTD Jan. 2020	% change YTD
State tax revenue generated* (\$ Millions)	58.12	NA	NA	NA	5.14	NA

*State government tax revenue generated (direct, indirect, and induced)