



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.

Year-to-Date February 2021 Quick Facts¹

Visitor Expenditures:	NA (Not available)
Primary Purpose of Stay:	Pleasure (238) vs. MCI (22)
Average Length of Stay:	31.6 days
First Time Visitors:	16.0%
Repeat Visitors:	84.0%

	2019	2020	% Change 2020 vs 2019	2021 Annual Forecast*	YTD Feb. 2021P	YTD Feb. 2020P	% change YTD
Korea (by Air)							
Visitor Expenditures* (\$ Millions)	497.9	NA	NA	127.0	N/A	83.6	N/A
Visitor Days	1,745,666	367,516	-78.9%	456,698	14,898	324,768	-95.4%
Arrivals	229,056	42,179	-81.6%	55,102	472	39,214	-98.8%
Average Daily Census	4,783	1,004	-79.0%	1,251	253	5,413	-95.3%
Per Person Per Day Spending* (\$)	285.2	NA	NA	278.2	N/A	257.5	N/A
Per Person Per Trip Spending* (\$)	2,173.7	NA	NA	2,305.7	N/A	2,132.8	N/A
Length of Stay (days)	7.62	8.71	14.3%	8.29	31.56	8.28	281.1%

*Dept. of Business, Economic Development & Tourism (DBEDT) 2021 annual forecast (Quarter 1, 2021).

Contact Information

Hawai'i Tourism Authority: Jadie Goo, Director of Marketing
 Tel: (808) 973-2252
jadie@gohta.net

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

Market Summary

During February 2021, 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. Kaua'i County continued to temporarily suspend its participation in the Safe Travels program for trans-Pacific travelers, but inter-island travelers who had been in Hawai'i for more than three days could bypass the quarantine with a valid test result. Trans-Pacific travelers to Kaua'i 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 and Maui also had a partial quarantine in place in February. 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. Effective February 24, a negative COVID-19 PCR test was required from all arriving travelers. The Korean government extended its special travel advisory for Koreans to avoid non-essential overseas trips until March 17, 2021.

- In the first two months 2021, 472 visitors arrived from Korea compared to 39,214 visitors in the same period last year. The average daily census showed 253 visitors per day compared to 5,413 visitor per day in the first two months of 2020. Visitor spending data were not available.
- There were nine scheduled flights and 1,112 seats from Korea during the first two months of 2021, compared to 197 scheduled flights and 28,726 seats a year ago.
- For all of 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

- South Korea saw the volume of exports continue growing for a fourth consecutive month in February, showing signs of recovery from the COVID-19 crisis. According to the Ministry of Trade, Industry, and Energy, outbound shipments came to \$44.81 billion last month, up 9.5% from the previous year. Also, the average daily export volume increased 26.4% to reach \$2.3 billion, the largest for the month.
- South Korea's consumer prices grew at the fastest pace in one year in February due to increased expectations for an economic recovery and rapid inoculations of COVID-19 vaccines. South Korea's consumer price index rose 1.1 percent in February 2021, compared to a 0.6 percent gain the previous month, and it was the first time to be above 1 percent since September last year.
- According to Bank of Korea, the composite consumer sentiment index (CCSI) came in at 97.4 for February 2021, up 2.0 from the previous month as a third wave of coronavirus infections showed signs of slowing down.
- The average USD/WON exchange rate in February was KRW 1,111.72 won, slightly depreciated from the previous rate of 1,097.49 won in January.
- Incheon International Airport Corporation started its own COVID-19 test center starting March 1, drastically reducing the test time from 7 hours to 2-4 hours. The rapid PCR test is highly recommended to check the health status of passengers who depart for other countries without COVID-19 symptoms.
- According to Timon, one of leading social e-commerce companies, domestic flight booking increased more than 7 times in February compared to the last month. Domestic flights booked from February 1 to 20 departing in March increased 650 percent when compared with January sales, 744 percent departing in April, and 1308 percent departing in May.
- Korean Air extended its suspension of flight services on ICN-HNL route (KE053) and ICN-NRT-HNL route (KE001) until April 30.
- Asiana Airlines halted flights service of ICN-HNL route (OZ232) until April 30.
- Hawaiian Airlines has resumed its weekly flight from ICN to HNL (HA 460) from November 27, 2020 and will increase to 2 weekly flights starting from April 4, which will operate every Friday and Sunday.

Distribution by Island

Korea (by Air)	2019	2020	% Change 2020 vs 2019	YTD Feb. 2021P	YTD Feb. 2020P	% change YTD
O'ahu	225,488	41,470	-81.6%	380	38,753	-99.0%
Maui County	29,619	4,267	-85.6%	44	3,886	-98.9%
Maui	29,303	4,224	-85.6%	42	3,851	-98.9%
Moloka'i	846	60	-93.0%	0	60	-100.0%
Lāna'i	499	94	-81.2%	2	86	-97.5%
Kaua'i	7,191	1,221	-83.0%	14	1,168	-98.8%
Island of Hawai'i	25,273	6,161	-75.6%	70	5,782	-98.8%

Airlift

Departure City	2021					2020					%CHANGE				
	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual
Seoul	3,614	51,590	79,526	79,804	214,534	70,957	218	0	1,112	72,287	-94.9	23,565.1	NA	7,076.6	196.8

Source: HTA analysis based on scheduled Seats from Diio Mi flight schedules as of March 18, 2021, subject to change.

Group vs. True Independent; Leisure vs. Business

Korea (by Air)	2019	2020P 1/	% Change 2020 vs 2019	YTD Feb. 2021P 1/	YTD Feb. 2020	% change YTD
Group vs True Independent (Net)						
Group tour	35,289	6,960	-80.3%	7	6,678	-99.9%
True Independent (Net)	134,413	24,569	-81.7%	440	22,584	-98.1%
Leisure vs business						
Pleasure (Net)	218,691	40,091	-81.7%	238	37,655	-99.4%
MCI (Net)	5,574	749	-86.6%	22	723	-96.9%
Convention/Conf.	3,184	281	-91.2%	4	281	-98.5%
Corp. Meetings	232	23	-90.3%	13	18	-29.8%
Incentive	2,183	446	-79.6%	5	424	-98.8%

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 Feb. 2021P 1/	YTD Feb. 2020	% change YTD
1st timers (%)	73.7	75.4	1.6	16.0	76.2	-60.2
Repeaters (%)	26.3	24.6	-1.6	84.0	23.8	60.2

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 Feb. 2021P	YTD Feb. 2020P	% change YTD
State tax revenue generated* (\$ Millions)	58.12	NA	NA	NA	9.76	NA

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