



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 April 2021 Quick Facts^{1/}

Visitor Expenditures:	Not available
Primary Purpose of Stay:	Pleasure (715) vs. MCI (44)
Average Length of Stay:	26.18 days
First Time Visitors:	17.9%
Repeat Visitors:	82.1%

	2019	2020	% Change 2020 vs 2019	2021 Annual Forecast ^{2/}	YTD Apr. 2021P	YTD Apr. 2020P	% change YTD
Korea (by Air)							
Visitor Expenditures (\$ Millions)	497.9	89.8*	NA	127.0	N/A ^{3/}	89.8†	N/A
Visitor Days	1,745,666	367,516	-78.9%	456,698	31,770	348,078	-90.9%
Arrivals	229,056	42,179	-81.6%	55,102	1,213	41,629	-97.1%
Average Daily Census	4,783	1,004	-79.0%	1,251	265	2,877	-90.8%
Per Person Per Day Spending (\$)	285.2	258.1*	NA	278.2	N/A ^{3/}	258.1†	N/A
Per Person Per Trip Spending (\$)	2,173.7	2,158.1*	NA	2,305.7	N/A ^{3/}	2,158.1†	N/A
Length of Stay (days)	7.62	8.71	14.3%	8.29	26.18	8.36	213.2%

^{*}2020 visitor spending data for Korea were from January – March 2020. Visitor surveys were not conducted from April-October 2020 due to COVID-19 restrictions. Data for November and December 2020 were not available due to limited samples.

[†]Year-to-date 2020 visitor spending statistics presented were from January-March 2020 only.

^{2/}Dept. of Business, Economic Development & Tourism (DBEDT) 2021 annual forecast (Quarter 1, 2021).

^{3/}Visitor spending data for January-April 2021 were not available due to limited samples.

Contact Information

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^{1/} 2021 and 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

In April 2021, the Safe Travels program was still underway, with most passengers arriving from out-of-state and traveling inter-county able to bypass the State's mandatory 10-day self-quarantine with a valid negative COVID-19 NAAT test result from a Trusted Testing Partner prior to departure. Kaua'i County rejoined the Safe Travels program on April 5, 2021. The counties of Hawai'i, Maui and Kalawao (Moloka'i) also had a partial quarantine in place in April. The CDC continued reduced restrictions through a "Conditional Sail Order" on all cruise ships.

All travelers to Korea, including returning Korean nationals, were required to have a negative COVID-19 PCR test and subject to a mandatory 14-day quarantine.

- In the first four months of 2021, 1,213 visitors arrived from Korea compared to 41,629 visitors in the same period last year.
- There were 21 scheduled flights and 5,838 seats from Korea during the first four months of 2021, compared to 234 scheduled flights and 71,175 seats in the same period last year.
- 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

- The Ministry of Foreign Affairs extended the special travel advisory for Koreans to avoid non-essential overseas trips until June 15, 2021.
- South Korea's economy achieved faster growth than expected in the first quarter with a modest export recovery and fiscal policy support. Korea's gross domestic product recorded a 1.6 percent increase in the first quarter compared to the fourth quarter of last year, which was higher than a market consensus. This rate is the fastest among advanced countries in the top ten global economies.
- The Consumer Composite Sentiment Index (CCSI) stood at 102.2 in April, up 1.7 points from March, continuing its fourth straight month of recovery. It seems that expectations of economic recovery due to continued strong exports, vaccination and improved employment indicators led to the positive perspective for consumption.
- South Korea's exports marked the fastest growth in April since January 2011, surging 41.1 percent from a year earlier, and extended the expansion to the sixth month in a row.
- The average USD/WON exchange rate in April was 1,118.02 won, a slight decrease from the previous rate of 1,131.00 won in March.
- The number of passengers including domestic and international at nine domestic airlines stood at 2,698,624 in March, up 78.4 percent from a year earlier. In particular, the number of passengers from domestic flights reached 2,698,624, a 135.8 percent increase from 1,096,182 a year earlier. This figure is 5.9 percent higher than pre-COVID March 2019 and indicates the full recovery for domestic travels. (Source: Ministry of Land, Infrastructure and Transport)
- COOV, South Korea's vaccine passport app, has been officially released on Apple's iOS app store on April 16. Vaccinated people can authenticate themselves by downloading a COOV on their smartphones in the form of a QR code, and can use the app at airports, restaurants, sports stadiums, and more places in the future.
- At the end of April, Korean government announced starting from May 5, those who have completed full vaccination in Korea 2 weeks prior to entering are exempted from the mandatory 14-day quarantine if tested negative. Exempted persons are subject to active monitoring with two PCR tests taken one week and two weeks after arrival before being released from monitoring. This does not apply to people who are vaccinated abroad or arrivals from countries that have more COVID-19 variants, such as South Africa and Brazil.
- Soon after the Korean government's announcement of the exemption of 14-day quarantine, travel agencies started launching long-haul outbound travel products. For example, Hana Tour launched 'Get vaccinated and travel right now!' promotion including 4 destinations without quarantine if provided negative PCR test result – Hawai'i, Maldives, Dubai and Switzerland targeting fully vaccinated people in coming months. It is expected for travel agencies to showcase various travel products soon, focusing on vacation spots where self-isolation is exempted.
- Korean Air is working on resuming 3 weekly flights for ICN-HNL route (KE053) starting this September.
- Asiana Airlines is considering resuming direct flights to Honolulu in coming September.
- Hawaiian Airlines currently operates two weekly flights (HA 460) from ICN to HNL, on every Friday and Sunday.

Distribution by Island

Korea (by Air)	2019	2020	% Change 2020 vs 2019	YTD Apr. 2021P	YTD Apr. 2020P	% change YTD
O'ahu	225,488	41,470	-81.6%	1,020	41,052	-97.5%
Maui County	29,619	4,267	-85.6%	119	4,208	-97.2%
Maui	29,303	4,224	-85.6%	115	4,165	-97.2%
Moloka'i	846	60	-93.0%	0	60	-100.0%
Lāna'i	499	94	-81.2%	4	94	-95.5%
Kaua'i	7,191	1,221	-83.0%	32	1,205	-97.4%
Island of Hawai'i	25,273	6,161	-75.6%	144	6,093	-97.6%

Airlift

Departure City	2021					2020					%CHANGE				
	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual
Seoul	3,614	7,228	14,456	79,804	105,102	70,957	218	0	1,112	72,287	-94.9	3,215.6	NA	7,076.6	45.4

Source: HTA analysis based on scheduled Seats from Diio Mi flight schedules as of May 25, 2021, subject to change.

Group vs. True Independent; Leisure vs. Business

Korea (by Air)	2019	2020P ^{4/}	% Change 2020 vs 2019	YTD Apr. 2021P	YTD Apr. 2020P	% change YTD
Group vs True Independent (Net)						
Group tour	35,289	6,960	-80.3%	14	6,946	-99.8%
True Independent (Net)	134,413	24,569	-81.7%	1,061	24,086	-95.6%
Leisure vs business						
Pleasure (Net)	218,691	40,091	-81.7%	715	39,888	-98.2%
MCI (Net)	5,574	749	-86.6%	44	747	-94.2%
Convention/Conf.	3,184	281	-91.2%	6	281	-97.8%
Corp. Meetings	232	23	-90.3%	26	20	27.6%
Incentive	2,183	446	-79.6%	11	446	-97.4%

^{4/}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 ^{4/}	% Change 2020 vs 2019	YTD Apr. 2021P ^{3/}	YTD Apr. 2020	% change YTD
1st timers (%)	73.7	75.4	1.6	17.9	75.8	-57.9
Repeaters (%)	26.3	24.6	-1.6	82.1	24.2	57.9

^{4/}Beginning November 2020, certain categories reflect only domestic data (italicized) as international data were not available.

Tax Revenue

Korea (by Air)	2019	2020P	% Change 2020 vs 2019	YTD Apr. 2021P	YTD Apr. 2020P	% change YTD
State tax revenue generated ¹ (\$ Millions) ^{5/}	58.12	10.49 ^{6/}	NA	NA	10.49 ^{6/}	NA

^{5/}State government tax revenue generated (direct, indirect, and induced)

^{6/}2020 state tax revenue generated statistics were calculated based visitor spending data from January – March 2020 only. Visitor spending data for the rest of 2020 were not available.