



Korea Fact Sheet

Korea Overview

Aviareps Marketing Garden Holdings Ltd. is contracted by HTA for Brand Marketing and 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 2022, 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 2022 Quick Facts^{1/}

Visitor Expenditures:	\$37.4 million
Primary Purpose of Stay:	Pleasure (9,380) vs. MCI (524)
Average Length of Stay:	12.05 days
First Time Visitors:	64.2%
Repeat Visitors:	35.8%

Korea (by Air)	2019	2020	2021P	2022 Annual Forecast*	YTD Apr. 2022P	YTD Apr. 2021P	% Change YTD
Visitor Expenditures (\$ Millions)	497.9	NA	49.1	192.6	37.4	7.8	378.1%
Visitor Days	1,745,666	404,206	183,299	641,680	133,798	31,770	321.1%
Arrivals	229,056	46,884	12,217	80,957	11,106	1,213	815.4%
Average Daily Census	4,783	1,104	502	1,758	1,115	265	321.1%
Per Person Per Day Spending (\$)	285.2	NA	267.75	300.1	279.25	246.0	13.5%
Per Person Per Trip Spending (\$)	2,173.7	NA	4,017.3	2,378.5	3,364.2	6,440.8	-47.8%
Length of Stay (days)	7.62	8.62	15.00	7.93	12.05	26.18	-54.0%

NA= Comparative annual 2020 visitor spending statistics were not available, as the Departure Survey could not be conducted between April to October 2020 due to COVID-19 restrictions.
 *Dept. of Business, Economic Development & Tourism (DBEDT) 2022 annual forecast (Quarter 1, 2022).

Contact Information

Hawai'i Tourism Authority: Jadie Goo, Sr. Brand Manager
 Tel: (808) 973-2252
jadie@gohta.net

Hawai'i Tourism Korea: Irene Lee, Korea Country Director
 Tel: 82 (2) 777-0033
llee@aviareps.com

^{1/} 2022 and 2021 visitor data are preliminary. 2020 and 2019 visitor data are the final numbers and reflect updated airfare statistics from DIIO Mi Airline database, data from the National Travel and Tourism Office, and final passenger counts from Airline Traffic Summary reports.

Market Summary

Prior to the global COVID-19 pandemic, Hawai'i achieved record-level visitor expenditures and arrivals in 2019 through February 2020. On March 26, 2020, the state implemented mandatory quarantine and travel restrictions. Subsequently, nearly all trans-Pacific and interisland flights were canceled, cruise ship activities were suspended and tourism to the islands all but shut down. In October 2020, the state initiated the Safe Travels program, which allowed travelers to bypass quarantine if they had a valid negative COVID test. Through March 25, 2022, domestic passengers could bypass the state's mandatory self-quarantine if they were vaccinated or have a negative COVID pre-travel test. The Safe Travels Program ended on March 26, 2022. In April 2022, there were no travel restrictions for passengers arriving on U.S. domestic flights. Passengers arriving on direct international flights were subjected to federal U.S. entry requirements which included up-to-date vaccination document and a negative COVID test taken within one day of travel, or documentation of having recovered from COVID in the past 90 days.

- Through the first four months of 2022, there were 11,106 visitors from Korea, compared to 78,027 visitors in the first four months of 2019.
- There were 133 scheduled flights with 38,702 seats in the first four months of 2022, compared to 344 flights with 111,168 seats in the first four months of 2019.
- For all of 2021, 12,217 visitors arrived from Korea. In comparison, there were 46,884 visitors (-73.9%) from Korea in 2020, and versus 229,056 visitors (-94.7%) in 2019.
- There were 140 scheduled flights and 39,160 seats from Korea in 2021, compared to 238 flights and 72,287 seats in 2020, and 1,027 flights and 326,398 seats in 2019.

Market Conditions

- South Korea's exports grew 12.6 percent from a year earlier to \$57.69 billion. April 2022 marked the 18th consecutive month the country's exports had logged a year-on-year expansion. Exports also posted double-digit growth for the 14th month in a row last month.
- In April 2022, the Korean won/dollar exchange rate was 1,235.31 (KRW/USD) which was slightly depreciated from the previous month's 1,221.74 (KRW/USD).
- Korea has recorded 86.8 percent vaccination rate and 64.5 percent booster rate as of April 30, 2022.
- On April 14, the South Korean government lifted its special travel advisory issued in March 2020 when the pandemic started. Twenty-two countries, including Singapore, Canada, Australia, and the Netherlands, and two regions, Guam and Saipan, were downgraded to the Level 1 travel warning. Except for Guam and Saipan, 129 countries, including the U.S., the U.K., Germany, and France, have been downgraded to Level 2. The first level travel warning requires travel caution and the second requires travel restraint.
- From April 18, 2022, most social distancing restrictions were lifted.
- The previously stagnant South Korean tourism industry started to rapidly reenergize when the government announced plans to normalize international flights and ease regulations, such as exemptions from quarantine for overseas travelers. In addition, as social distancing was lifted

from April 18, 2022, group travel reservations gradually increased. Overseas tour products also recorded significant sales growth.

- From March 11 to 20, 2022, the number of reservations for overseas travel products through Hana Tour reached 3,200, a 93.7 percent increase from the previous 10 days. During the same period, the number of overseas ticket reservations reached 7,300, more than double the number of product bookings.
- Demand increased further in April 2022. According to Very Good Tour, the number of reservations from April 1 to 17 reached 15,456, an increase of 12,784 from the same period a year ago. European tour reservations were made by 7,553 people, a healthy gain compared to 190 in the same period a year ago.
- According to Yellow Balloon Tour, ticket sales had jumped about 250 percent from the previous month.
- Walking Tours Trending for Millennials and Gen Z's according to Ministry of Culture, Sports and Tourism and the Korea Tourism Organization's 2021 Walking Tour Survey:
 - The popularity of walking tours among South Koreans is on the rise, with the number of people in their 20s stepping out rising by 1.4 percent to 34.7 percent in 2021, compared to 2020.
 - The reasons given for participating in walking tours were "promoting physical health (67.6%)," "communion with nature (52.3%)," and "relieving stress (50.9%)," the latter a stronger focus of the younger generation.
 - Key factors involved in selecting a walking tour destination were "attraction of natural scenery (91.5%)," "diversity of attractions (88.8%)," "course management status (88.3%)" and "road safety (88.1%)."
- Airlift: Korean Air is operating 3 weekly flights. Asiana Airlines resumed operations on April 3, 2022, and is operating 3 times a week. Hawaiian Airlines is operating 4 weekly flights.

Korea (by Air)	2019	2020	2021P	YTD Apr. 2022P	YTD Apr. 2021P	% Change YTD
O'ahu	225,488	46,133	11,196	10,598	1,020	938.7%
Maui County	29,619	4,711	1,387	1,447	119	1114.9%
Maui	29,303	4,668	1,352	1,424	115	1140.3%
Moloka'i	846	71	36	24	0	NA
Lāna'i	499	105	14	40	4	843.9%
Kaua'i	7,191	1,361	342	350	32	1001.3%
Island of Hawai'i	25,273	6,923	1,372	1,741	144	1109.9%

Airlift: Scheduled Seats and Flights

Scheduled seats	2022					2022					%CHANGE				
	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual
Seoul	25,636	51,205	78,414	93,538	248,793	3,614	6,950	10,008	18,588	39,160	609.4	636.8	683.5	403.2	535.3

Source: DBEDT analysis based on scheduled seats from Diio Mi flight schedules as of April 26, 2022, subject to change.

Scheduled flights	2022					2022					%CHANGE				
	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual
Seoul	91	163	245	313	812	13	25	36	66	140	600.0	552.0	580.6	374.2	480.0

Source: DBEDT analysis based on scheduled flights from Diio Mi flight schedules as of April 26, 2022, subject to change.

Group vs. True Independent; Leisure vs. Business

Korea (by Air)	2019	2020*	2021P	YTD Apr. 2022P	YTD Apr. 2021P	% Change YTD
Group vs True Independent (Net)						
Group tour	35,289	NA	817	988	14	7016.1%
True Independent (Net)	134,413	NA	8,262	7,390	1,061	596.7%
Leisure vs business						
Pleasure (Net)	218,691	44,623	9,586	9,380	715	1211.6%
MCI (Net)	5,574	840	386	524	44	1101.3%
Convention/Conf.	3,184	331	128	361	6	5710.8%
Corp. Meetings	232	23	111	20	26	-24.5%
Incentive	2,183	487	155	163	11	1323.6%

NA = Visit Status/Travel Method data statistics were not available from May – October 2020 as a result of limited fielding due to COVID-19 restrictions.

First Timers vs. Repeat Visitors

Korea (by Air)	2019	2020*	2021P	YTD Apr. 2022P	YTD Apr. 2021P	% Change YTD
1st timers (%)	73.7	NA	54.1	64.2	17.9	46.3
Repeaters (%)	26.3	NA	45.9	35.8	82.1	-46.3

NA = Visit Status/Travel Method data statistics were not available from May – October 2020 as a result of limited fielding due to COVID-19 restrictions.

Tax Revenue

Korea (by Air)	2019	2020*	2021P	YTD Apr. 2022P	YTD Apr. 2021P	% Change YTD
State tax revenue generated (\$ Millions) ^{2/}	58.12	NA	5.73	4.33	0.91	375.2%

^{2/}State government tax revenue generated (direct, indirect, and induced).