



Japan Fact Sheet

Japan Overview

The Hawai'i Tourism Authority selected a.Link LLC. for Brand Marketing and Management Services in Japan. Japan has long been Hawai'i's largest source of international visitors. While the coronavirus pandemic significantly reduced the number of Japanese visitor arrivals, Hawai'i Tourism Japan (HTJ) continues to leverage the regions' longstanding ties to advance tourism recovery efforts in 2022. HTJ's regenerative tourism framework aims to inspire the values of *aloha* and *mālama* with travelers and industry partners while developing consumer, public relations, and travel trade programs to educate and connect visitors with the local community.

Year-to-date June 2022 Quick Facts^{1/}

| | |
|--------------------------|-----------------------------------|
| Visitor Expenditures: | \$86.7 million |
| Primary Purpose of Stay: | Pleasure (26,427) vs. MCI (2,308) |
| Average Length of Stay: | 10.77 days |
| First Time Visitors: | 18.5% |
| Repeat Visitors: | 81.5% |

| JAPAN MMA (by Air) | 2019 | 2020 | 2021P | 2022 Annual Forecast* | YTD June 2022P | YTD June 2021P | % Change YTD |
|------------------------------------|-----------|-----------|---------|-----------------------|----------------|----------------|--------------|
| Visitor Expenditures (\$ Millions) | 2,248.3 | NA | 82.9 | 805.1 | 86.7 | 27.7 | 212.7% |
| Visitor Days | 9,306,767 | 1,719,843 | 378,558 | 3,167,750 | 375,971 | 128,471 | 192.7% |
| Arrivals | 1,576,205 | 289,137 | 24,232 | 521,380 | 34,925 | 7,448 | 368.9% |
| Average Daily Census | 25,498 | 4,699 | 1,037 | 8,679 | 2,077 | 710 | 192.7% |
| Per Person Per Day Spending (\$) | 241.6 | NA | 218.9 | 254.2 | 230.5 | 215.8 | 6.8% |
| Per Person Per Trip Spending (\$) | 1,426.4 | NA | 3,419.5 | 1,544.3 | 2,481.5 | 3,721.7 | -33.3% |
| Length of Stay (days) | 5.90 | 5.95 | 15.62 | 6.08 | 10.77 | 17.25 | -37.6% |

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 Japan: Eric Takahata, Managing Director
 Tel: (808) 942-4114
etakahata@htjapan.jp

^{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 June 2022, passengers arriving on direct international flights through June 11 were subjected to federal U.S. entry requirements which included proof of an up-to-date vaccination document and negative COVID-19 test result taken within one day of travel, or documentation of having recovered from COVID-19 in the past 90 days, prior to their flight. This requirement was lifted on June 12, 2022. There were no travel restrictions for passengers arriving to Hawai'i on domestic direct flights from the U.S. Mainland.

- Through the first half of 2022 there were 34,925 visitors from Japan compared to 734,235 visitors (-95.2%) in the first half of 2019.
- Visitors from Japan spent \$86.7 million in the first half of 2022 compared to \$1.03 billion (-91.6%) in the first half of 2019.
- There were 513 scheduled flights with 115,549 seats in the first half of 2022, compared to 3,907 flights with 981,290 seats in the first half of 2019.
- For all of 2021, 24,232 visitors arrived from Japan. In comparison, there were 289,137 visitors (-91.6%) from Japan in 2020, and 1,576,205 visitors (-98.5%) in 2019.
- Total visitor spending in 2021 was \$82.9 million, a 96.3 percent drop from \$2.25 billion in 2019. Comparative 2020 visitor spending data was not available.
- In 2021, there were 529 scheduled flights with 131,766 seats from Japan. In comparison, there were 1,787 flights with 483,574 seats in 2020, and 7,696 flights with 1,999,204 seats in 2019.

Market Conditions

- The summer bonuses of major companies increased by 13.8 percent from last year. It shows that economy has recovered since the pandemic and become positive as four years ago. According to Royalty marketing's consumer sentiment survey, the number one use of bonuses was "savings/ deposits" for nine consecutive years, while the number two use "travel" increased the most from last year. The desire to save money has also decreased from the previous survey, and the results show that the willingness to both travel and consume have increased. According to Nowcast's household survey result, consumption in the first half of June 2022 increased by 6.5 percent compared to year 2016 to 2018. The overall recovery trend including service consumption continues.
- Japan's government and central bank were concerned by the recent sharp falls in the yen. In their joint statement, they warned that Tokyo could intervene to support the currency as it dropped to 20-year lows. The statement underscores growing concern among policymakers over the damage that sharp yen depreciation could inflict on Japan's fragile economy by hurting business activity and consumers.

- As of July 10, 80.8 percent of the population are fully vaccinated and 62.1 percent have received the booster shot.
- Japan increased its daily new entry capacity up to 20,000 since June 1, 2022. The boarder entry requirements haven't changed.
- According to Japan National Tourism Organization (JNTO), the number of Japanese departures in May 2022 was 134,000, the number exceeded 100,000 consecutively from April 2022. The recovery of international flights is remarkable, and in May, the number of flights departing from the six major airports increased by 30.9 percent YOY and the number of seats increased by 32.7 percent YOY. Flight to Hawai'i alone also increased by 160 percent YOY.
- Total of 101 flights with 23,534 seats by four airlines (ANA, Hawaiian Airlines, JAL, and ZIPAIR) operated during June 2022, according to DIIO Mi flight schedules. The announcement of increasing flights by each company continues and reservations are filled from higher classes such as business and premium economy. It has been challenging for US carriers to resume their flights due to immigration restrictions.
- Hawaiian Airlines announced that they will resume their daily flights between Haneda and Honolulu from August 2022. Narita and KIX flights currently in service will also operate daily. They aim to recover demand by launching a special project "HAWAII Omotenashi Campaign" that offers numerous benefits in Hawai'i exclusively for passengers departing from Japan.

Distribution by Island

| JAPAN MMA (by Air) | 2019 | 2020 | 2021P | YTD June 2022P | YTD June 2021P | % Change YTD |
|--------------------|-----------|---------|--------|----------------|----------------|--------------|
| O'ahu | 1,492,753 | 269,402 | 23,130 | 33,275 | 7,177 | 363.6% |
| Maui County | 48,524 | 8,265 | 912 | 1,701 | 177 | 863.8% |
| Maui | 46,684 | 7,929 | 902 | 1,571 | 175 | 795.0% |
| Moloka'i | 1,941 | 416 | 17 | 14 | 7 | 107.0% |
| Lāna'i | 2,300 | 128 | 20 | 171 | 8 | 2095.0% |
| Kaua'i | 25,333 | 3,622 | 424 | 658 | 69 | 852.7% |
| Island of Hawai'i | 170,686 | 35,453 | 1,360 | 3,059 | 248 | 1133.1% |

Airlift: Scheduled Seats and Flights

| Scheduled seats | 2022 | | | | | 2021 | | | | | %CHANGE | | | | |
|-----------------|---------------|---------------|----------------|----------------|----------------|---------------|---------------|---------------|---------------|----------------|-------------|--------------|--------------|--------------|--------------|
| | Q1 | Q2 | Q3 | Q4 | Annual | Q1 | Q2 | Q3 | Q4 | Annual | Q1 | Q2 | Q3 | Q4 | Annual |
| JAPAN | 51,243 | 64,306 | 242,527 | 452,051 | 810,127 | 30,717 | 24,354 | 32,490 | 44,205 | 131,766 | 66.8 | 164.0 | 646.5 | 922.6 | 514.8 |
| Fukuoka | | | 3,614 | 14,734 | 18,348 | | | 0 | 0 | 0 | NA | NA | NA | NA | NA |
| Nagoya | | | 8,762 | 21,988 | 30,750 | | | 0 | 186 | 186 | NA | NA | NA | 11721.5 | 16432.3 |
| Osaka | 3,809 | 3,614 | 28,067 | 60,759 | 96,249 | 5,004 | 3,614 | 3,892 | 3,614 | 16,124 | -23.9 | 0.0 | 621.1 | 1581.2 | 496.9 |
| Sapporo | | | 3,058 | 10,842 | 13,900 | | | 0 | 0 | 0 | NA | NA | NA | NA | NA |
| Tokyo HND | 14,946 | 20,530 | 82,945 | 155,360 | 273,781 | 12,500 | 9,620 | 11,520 | 12,876 | 46,516 | 19.6 | 113.4 | 620.0 | 1106.6 | 488.6 |
| Tokyo NRT | 32,488 | 40,162 | 116,081 | 188,368 | 377,099 | 13,213 | 11,120 | 17,078 | 27,529 | 68,940 | 145.9 | 261.2 | 579.7 | 584.3 | 447.0 |

Source: DBEDT analysis based on scheduled seats from Diio Mi flight schedules as of June 24, 2022, subject to change.

| Scheduled flights | 2022 | | | | | 2021 | | | | | %CHANGE | | | | |
|-------------------|------------|------------|------------|--------------|--------------|------------|------------|------------|------------|------------|--------------|--------------|--------------|--------------|--------------|
| | Q1 | Q2 | Q3 | Q4 | Annual | Q1 | Q2 | Q3 | Q4 | Annual | Q1 | Q2 | Q3 | Q4 | Annual |
| JAPAN | 236 | 277 | 937 | 1,644 | 3,094 | 118 | 102 | 128 | 181 | 529 | 100.0 | 171.6 | 632.0 | 808.3 | 484.9 |
| Fukuoka | | | 13 | 53 | 66 | | | 0 | 0 | 0 | NA | NA | NA | NA | NA |
| Nagoya | | | 38 | 92 | 130 | | | 0 | 1 | 1 | NA | NA | NA | 9100.0 | 12900.0 |
| Osaka | 14 | 13 | 110 | 219 | 356 | 18 | 13 | 14 | 13 | 58 | -22.2 | 0.0 | 685.7 | 1584.6 | 513.8 |
| Sapporo | | | 11 | 39 | 50 | | | 0 | 0 | 0 | NA | NA | NA | NA | NA |
| Tokyo HND | 70 | 98 | 338 | 606 | 1,112 | 53 | 49 | 55 | 63 | 220 | 32.1 | 100.0 | 514.5 | 861.9 | 405.5 |
| Tokyo NRT | 152 | 166 | 427 | 635 | 1,380 | 47 | 40 | 59 | 104 | 250 | 223.4 | 315.0 | 623.7 | 510.6 | 452.0 |

Source: DBEDT analysis based on scheduled flights from Diio Mi flight schedules as of June 24, 2022, subject to change.

Group vs. True Independent; Leisure vs. Business

| JAPAN MMA (by Air) | 2019 | 2020 | 2021P | YTD June 2022P | YTD June 2021P | % Change YTD |
|---------------------------------|-----------|---------|--------|-------------------|-------------------|-----------------|
| Group vs True Independent (Net) | | | | | | |
| Group tour | 246,490 | NA | 292 | 2,608 | 96 | 2619.6% |
| True Independent (Net) | 594,917 | NA | 23,087 | 28,942 | 7,104 | 307.4% |
| Leisure vs business | | | | | | |
| Pleasure (Net) | 1,360,644 | 247,980 | 16,915 | 26,427 | 4,987 | 429.9% |
| MCI (Net) | 85,595 | 18,464 | 680 | 2,308 | 223 | 935.6% |
| Convention/Conf. | 12,527 | 3,983 | 175 | 691 | 33 | 2001.7% |
| Corp. Meetings | 4,068 | 951 | 451 | 442 | 159 | 177.3% |
| Incentive | 70,254 | 13,922 | 75 | 1,380 | 32 | 4197.5% |

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

| JAPAN MMA (by Air) | 2019 | 2020 | 2021P | YTD June 2022P | YTD June 2021P | % Change YTD |
|--------------------|------|------|-------|-------------------|-------------------|-----------------|
| 1st timers (%) | 31.7 | NA | 15.3 | 18.5 | 19.3 | -0.9 |
| Repeaters (%) | 68.3 | NA | 84.7 | 81.5 | 80.7 | 0.9 |

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

| JAPAN MMA (by Air) | 2019 | 2020 | 2021P | YTD June 2022P | YTD June 2021P | % Change YTD |
|---|--------|------|-------|-------------------|-------------------|-----------------|
| State tax revenue generated (\$ Millions) ^{2/} | 262.43 | NA | 9.67 | 10.05 | 3.24 | 210.7% |

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