



China Fact Sheet

China Overview

The Hawai'i Tourism Authority selected TRAVLOCAL LIMITED for Brand Marketing and Management Services in China. China market continues to lead in per person per day spending among all major source markets for Hawai'i. In 2022, Hawai'i Tourism China (HTC) focuses on market education with Mālama Hawai'i messaging. An integrated digital marketing strategy is deployed to elevate Hawai'i's image and brand awareness by using Chinese consumer preferred social and digital media platforms highlighting Hawai'i's culture, natural resources, community and regenerative tourism.

Year-to-date June 2022 Quick Facts¹

Visitor Expenditures:	\$15.6 million
Primary Purpose of Stay:	Pleasure (5,064) vs. MCI (247)
Average Length of Stay:	8.16 days
First Time Visitors:	69.8%
Repeat Visitors:	30.2%

CHINA (by Air)	2019	2020	2021P	2022 Annual Forecast	YTD June 2022P	YTD June 2021P	% Change YTD
Visitor Expenditures* (\$ Millions)	242.8	NA	18.2	NA	15.6	5.6	179.9%
Visitor Days	737,950	151,110	63,065	NA	45,018	17,971	150.5%
Arrivals	92,082	15,878	6,348	NA	5,519	1,693	226.0%
Average Daily Census	2,022	413	173	NA	249	99	150.5%
Per Person Per Day Spending* (\$)	329.0	NA	288.5	NA	347.3	310.9	11.7%
Per Person Per Trip Spending* (\$)	2,636.6	NA	2,866.3	NA	2,833.4	3,299.7	-14.1%
Length of Stay (days)	8.01	9.52	9.93	NA	8.16	10.61	-23.1%

*Dept. of Business, Economic Development & Tourism (DBEDT) 2022 forecasts were not available at the time of report publication.

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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 5,519 visitors from China, compared to 53,141 visitors in the first half of 2019.
- There have been no direct flights from China to Hawai'i since service ended in early February 2020. There were 238 flights with 65,007 seats in the first half of 2019.
- For all of 2021, 6,348 visitors arrived from China. In comparison, there were 15,878 visitors (-60.0%) from China in 2020, and 92,082 visitors (-93.1%) in 2019.
- There were 28 scheduled flights and 8,176 seats from Shanghai China in 2020, compared to 419 flights and 116,539 seats in 2019 with service to Shanghai (90,812 seats), Beijing (24,941) and Hangzhou (786).

Market Conditions

- Chinese government announced in June 2022 that quarantine for international arrivals to any part of China will now be cut down to 7 days in an official quarantine facility, followed by 3 days of home isolation – the most significant loosening of inbound travel policy in years.
- June 2022 month-end (ME) rate for Chinese Yuan (CNY) vs. USD was 6.71 vs. 6.66 May 2022 ME rate.
- The consumer price index (CPI) increased by 2.5 percent in June 2022 from a year earlier, which also went up from 2.1 percent in May 2022, the National Bureau of Statistics (NBS) stated in early July. This was above expectations, with CPI having been expected to increase by 2.4 percent, according to Chinese financial data provider Wind.
- The producer price index (PPI), which reflects the prices that factories charge wholesalers for products, grew by 6.1 percent in June 2022, but dropped from a rise of 6.4 percent in May 2022.
- Local Chinese governments sold 1.94 trillion CNY (US\$289B) worth of bonds in June 2022 to boost economic growth. This is a year-on-year increase of 123.27 percent, as China seeks to drive growth through public investment. China's State Council said in June that policy banks would increase their credit line to provide 800B CNY to fund infrastructure projects.
- YTD May 2022 China investment in real estate development reached 5,213.4 billion CNY, down 4.0 percent from the same period in 2021. Of this amount, residential investment was 395.21 billion CNY, down 3.0 percent from the same period in 2021.

- In May 2022, the national urban survey unemployment rate was 5.9 percent, up 0.9 percent vs May 2021 and down 0.2 percent vs April 2022.
- As of July 8, 2022, 89.3 percent of China's population has been fully vaccinated (assuming two shots), with over 3.4B doses given and 1.26B fully vaccinated.
- China eased restrictions on international flights to China. Passengers can take direct flights or can transfer to China. Travelers can make multiple transfers and there is no requirement for transfer route. For transit passengers, nucleic acid tests and new health codes are required at the transit points.

Distribution by Island

CHINA (by Air)	2019	2020	2021P	YTD June 2022P	YTD June 2021P	% Change YTD
O'ahu	88,596	15,167	5,262	4,659	1,412	229.9%
Maui County	19,743	4,000	1,362	1,022	340	200.9%
Maui	19,387	3,925	1,311	982	332	195.2%
Moloka'i	718	107	20	35	4	733.4%
Lāna'i	847	79	62	59	13	367.5%
Kaua'i	3,781	1,004	437	268	100	167.7%
Hawai'i Island	34,445	6,412	1,945	1,598	503	217.6%

Group vs. True Independent; Leisure vs. Business

CHINA (by Air)	2019	2020	2021P	YTD June 2022P	YTD June 2021P	% Change YTD
Group vs True Independent (Net)						
Group tour	16,198	NA	223.0	261	38	594.7%
True Independent (Net)	45,857	NA	4,951.8	4,136	1,343	208.0%
Leisure vs business						
Pleasure (Net)	80,528	14,405	6,029	5,064	1,622	212.1%
MCI (Net)	7,246	684	66	247	7	3231.0%
Convention/Conf.	3,544	392	23	171	2	7993.0%
Corp. Meetings	1,158	131	14	24	1	2218.9%
Incentive	2,693	162	38	73	4	1603.2%

First Timers vs. Repeat Visitors

CHINA (by Air)	2019	2020	2021P	YTD June 2022P	YTD June 2021P	% Change YTD
1st timers (%)	77.7	NA	65.8	69.8	63.7	6.1
Repeaters (%)	22.3	NA	34.2	30.2	36.3	-6.1

Tax Revenue

CHINA (by Air)	2019	2020	2021P	YTD June 2022P	YTD June 2021P	% Change YTD
State tax revenue generated* (\$ Millions)	28.34	NA	2.12	1.81	0.65	178.2%

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