



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 September 2022 Quick Facts^{1/}

Visitor Expenditures:	\$188.5 million
Primary Purpose of Stay:	Pleasure (66,140) vs. MCI (2,965)
Average Length of Stay:	9.20 days
First Time Visitors:	70.6%
Repeat Visitors:	29.4%

Korea (by Air)	2019	2020	2021	2022 Annual Forecast*	YTD Sep. 2022P	YTD Sep. 2021	% Change YTD
Visitor Expenditures (\$ Millions)	497.9	NA	41.6	252.0	188.5	20.9	799.9%
Visitor Days	1,745,666	404,206	149,496	872,630	661,866	82,325	704.0%
Arrivals	229,056	46,884	10,652	94,014	71,971	4,319	1566.3%
Average Daily Census	4,783	1,104	410	2,391	2,424	302	704.0%
Per Person Per Day Spending (\$)	285.2	NA	278.0	288.7	284.79	254.4	11.9%
Per Person Per Trip Spending (\$)	2,173.7	NA	3,901.5	2,680.1	2,619.0	4,849.2	-46.0%
Length of Stay (days)	7.62	8.62	14.03	9.28	9.20	19.06	-51.8%

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).

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^{1/} 2022 visitor data are preliminary. 2021, 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 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 September 2022, there were no travel restrictions for passengers arriving to Hawai'i on domestic direct flights from the U.S. Mainland, or for passengers arriving on direct international flights.

- Through the first nine months of 2022, there were 71,971 visitors from Korea compared to 165,690 visitors in the first nine months of 2019.
- There were 462 scheduled flights with 144,253 seats in the first nine months of 2022, compared to 763 flights with 244,014 seats in the first nine months of 2019.
- For all of 2021, 10,652 visitors arrived from Korea. In comparison, there were 46,884 visitors (-77.3%) from Korea in 2020, and versus 229,056 visitors (-95.3%) 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

- Exports from South Korea increased by 2.8 percent year-on-year to \$57.46 billion in September 2022, easing sharply from a 6.6 percent rise a month earlier and compared with market consensus of 2.9 percent growth.
- In September 2022, the South Korean exchange rate was 1,399.93 (KRW/USD), appreciated from the previous month's 1,321.05 (KRW/USD).
- The number of outbound travelers from Korea in August 2022 was 310,945, a 220.3 percent year-on-year increase.
- Korea recorded 87.0 percent vaccination rate and 65.3 percent booster rate as of September 31. The rate of 4th shot is 14.1 percent.
- The announcement on August 31, 2022 of a pre-departure Covid-19 test exemption for all arrivals has resulted in a boost in the number of package travel product bookings with major travel agencies. Very Good Tour, Kyowon Tour, and Hana Tour all reported increased bookings immediately after the announcement.
- From September 30, 2022 Korean Air resumed its 'transfer-only internal flight' service between Gimhae and Incheon airports. The service had been suspended due to Covid-19. Passengers departing from Gimhae Airport and then on through Incheon International Airport can now check-in for all international flights, including departure screening and baggage check-in, at Gimhae. The changes increase the convenience for passengers departing from Busan and Gyeongnam who board international flights at Incheon International Airport.
- By the end 2022, air services between Korea and Australia are expected to increase by 50 percent compared to 2019. In addition to Korean Air and Asiana Airlines' services, Jetstar

Airways will fly three times a week on the Incheon-Sydney route from November 2. Qantas Airways will make a comeback on the Incheon-Sydney route four times a week from December 10. And T'way Air is preparing to launch regular Incheon-Sydney services this year.

- Air service in September 2022: Korean Air operates daily flights; Asiana Airlines operates 5 weekly flights; Asiana Airlines operates 5 weekly flights.

Distribution by Island

Korea (by Air)	2019	2020	2021	YTD Sep. 2022P	YTD Sep. 2021	% Change YTD
O'ahu	225,488	46,133	9,678	70,232	3,742	1777.0%
Maui County	29,619	4,711	1,299	6,656	444	1399.6%
Maui	29,303	4,668	1,268	6,587	438	1405.5%
Moloka'i	846	71	31	100	3	3089.9%
Lāna'i	499	105	14	115	9	1111.1%
Kaua'i	7,191	1,361	332	1,653	173	853.0%
Island of Hawai'i	25,273	6,923	1,215	10,166	435	2237.1%

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	48,135	70,482	91,138	235,391	3,614	6,950	10,008	18,588	39,160	609.4	592.6	604.3	390.3	501.1

Source: DBEDT analysis based on scheduled seats from Diio Mi flight schedules as of June 24, 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	152	219	305	767	13	25	36	66	140	600.0	508.0	508.3	362.1	447.9

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

Korea (by Air)	2019	2020*	2021	YTD Sep. 2022P	YTD Sep. 2021	% Change YTD
Group vs True Independent (Net)						
Group Tour	35,289	NA	801	6,677	257	2496.5%
True Independent (Net)	134,413	NA	7,747	49,096	3,518	1295.6%
Leisure vs Business						
Pleasure (Net)	218,691	44,623	8,533	66,140	2,968	2128.5%
MCI (Net)	5,574	840	299	2,965	143	1976.3%
Convention/Conf.	3,184	331	110	1,270	24	5184.4%
Corp. Meetings	232	23	86	74	57	28.9%
Incentive	2,183	487	111	1,644	61	2581.2%

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*	2021	YTD Sep. 2022P	YTD Sep. 2021	% Change YTD
First Time Visitors (%)	73.7	NA	49.4	70.6	34.2	36.4
Repeat Visitors (%)	26.3	NA	50.6	29.4	65.8	-36.4

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*	2021	YTD Sep. 2022P	YTD Sep. 2021	% Change YTD
State tax revenue generated (\$ Millions) ^{2/}	58.12	NA	4.85	21.87	2.44	794.3%

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