



**BRANDING STANDING COMMITTEE MEETING
HAWAII TOURISM AUTHORITY
Wednesday, February 19, 2025, at 1:30 p.m.**

Virtual Meeting

MINUTES OF THE BRANDING STANDING COMMITTEE MEETING

MEMBERS PRESENT:	Roy Pfund (Chair), Kimberly Agas (Vice-Chair), David Arakawa, Mufi Hannemann, Lisa Paulson
MEMBERS NOT PRESENT:	Chris West
HTA STAFF PRESENT:	Daniel Nāho'opi'i, Isaac Choy, Caroline Anderson, Jadie Goo, Trishia Mendoza, Jennifer Bastiaanse
GUESTS:	Gina Chun, Jeffrey Eslinger, Lei-Ann Field, Kara Imai, Aaron Salā, Lynn Whitehead
LEGAL COUNSEL:	John Cole

1. Call to Order and Opening Protocol

Chair Pfund called the meeting to order at 1:34 p.m. Mr. Nāho'opi'i did the opening protocol.

2. Roll Call to Announce Name of Participating Board Members and to Identify Who Else is Present with Board Member if Location is Nonpublic

Ms. Goo did the roll call, and members were confirmed in attendance by themselves.

3. Approval of Minutes of the December 12, 2024 Branding Standing Committee Meeting

Mr. Hannemann moved to approve the minutes, and Vice Chair Agas seconded it. Ms. Goo did the roll call, and the motion passed unanimously.

4. General Remarks by Committee Chair Pfund

Chair Pfund opened with some remarks. He said he was fortunate to be a member when Mr. Miyasato was around and hoped to follow in his footsteps. He thanked the HTA staff for their support.

5. Presentation and/or Discussion on the Preparation of the 2026 HTA Marketing Plan

Mr. Nāho'opi'i started the discussion for the 2026 marketing plan. The marketing plan established through the committee then informs what the contractors/GMTs will be doing for the calendar year 2026. He spoke about top-line concepts and basic strategies they think are appropriate for 2026, addressing issues they see in the market, e.g. changes in demographics, demands, competition, etc. In March, all their international and local marketing partners will be in town, and they will take some of the input and work together to ensure that the marketing plan addresses those issues. In March, they will report to the committee what they have learned and fine-tune it. The objective is to have a final marketing plan by May because that is when the Board approves their budgeting for the upcoming year. The marketing plan should determine how much to spend in each market, what kind of additional programs they will need, and whether to increase MCI or additional programs to shore up some of what they are doing in product development.

In June, the Board approves a final budget and sends out more detailed plans. The GMTs will advise them on the amount of money that will be allocated in each market. They will then go back to the Brand Marketing Plan and discuss what they will be doing for the year following the guidelines and what targets they will be looking at. There will be another round of discussions and presentations to the Board in August, and in September, they will push out the marketing opportunities to get industry partners on board. They will have their conference at that time, where the industry partners can meet in person with the GMTs to discuss more details on how they could be integrated into it and see what kind of campaigns will be coming up.

They want to ensure the marketing committee is involved in giving their input. They also want a robust marketing plan coming from the HTA staff. The HTA has been criticized in the past. There has been a perception that the actual contractors are driving the process, which has caused the HTA to adjust their marketing plans, but that is not true. They have a strong marketing plan and guide each market with the best approach. They implement what they are working on, and adjustments will be made in the market. This can also be negotiated.

Mr. Choy said the timeline is good. He asked if they could move it up to May so they know the budget in April and then get the decisions made earlier. Mr. Nāho'opi'i said if the Board approves the finance side earlier, they can adjust it. Mr. Choy said he is trying to move the contract he is working on and is already looking at the plans for the next budget year. He suggested moving everything up by a month. Mr. Nāho'opi'i said if they expect the Budget

Committee to finalize everything earlier, they can also push the timing closer. He said some contracting needs to happen, and some of the markets are renewing their contracts. There may be some adjustments on specific markets, but they can generally move it up a little. In marketing, they are trying to increase the number of visitors who see their messaging that Hawai'i is strong in the natural, cultural, scenic resources and regenerative tourism and that they are a business and meetings kind of destination. They are trying to grow the number of people who see their website and social media posts. In essence, they are trying to increase the number of visitors who understand Hawai'i as a travel destination, the number of visitors who consider returning to visit Hawai'i, and the number of visitors who use the website for information. From the research, they have seen that it drives the intention to visit Hawai'i. This is a long-term plan for all of the HTA and not just part of marketing. They want to increase spending per person per day.

He spoke about strategy. This ensures that money flows into Hawai'i and businesses flow into Hawai'i, ensuring there are enough events meeting events, and that they are filling the HCC.

He spoke about the SWOT analysis. They identified from research that their strength towards the outside potential visitors. The multi-ethnic culture and natural beauty always sell well, and they do a good job of providing scenic beauty.

Although they have a strong brand strength of a quality vacation destination, there are some concerns. Their tracking has shown that awareness of Hawai'i as a travel destination compared to some other destinations is slowly falling behind in specific markets. They still have a good reputation for cuisine, which is also a driver of intention to visit and safety, particularly in the Asian market. However, they still face exchange rate issues compared to the strong U.S. dollar. The U.S. and Canada markets still have the perception that Maui is not ready for travelers. That is still a weakness for them. The Lahaina area needs to be rebuilt. They still have some issues related to the difficulty between resident sentiment and industry wanting to do certain things. They are also addressing a lack of new experiences and traffic congestion hotspots.

In terms of opportunities for amateur sports and sports overall, there has been a big push at the federal level and globally to utilize sports events as drivers for travel to Hawai'i. They can do a lot more in terms of product development. They are investing in that through the regenerative tourism components and the Community Tourism Collaborative to develop new products in technology. They have been working closely with some of the leaders in the AI area in tourism, trying to understand how that works and see where that will be applied to both marketing and managing their own efforts on the website.

To drive the higher spending visitors, they must continue to develop special curated, exclusive experiences that have higher demand and cannot be found in other places so that they can increase the price and bring a specific clientele. They are considering diversifying their source markets if funds are available to help lower risk and start to develop. As markets start to mature, they need to build up growing markets to ensure a steady flow of visitors and airseats. There is still the opportunity to increase off-peak demand so that there are constant visitors, resulting in constant work for their employees.

Some of the threats include the closing of businesses in Maui or those that are on the brink of closing because of the fires. They are also still recovering from losses of businesses closing during COVID. There are not as many activities, restaurants, etc., so they will have to build back a new product. They still have an issue with population exodus, which results in insufficient workers to staff their programs, hotels, etc. Other things include negative media coverage both in traditional and social media, which takes a lot of effort to address. They are constantly working on that, which takes resources away from their regular marketing efforts. The GMTs have told them there is intensified competition from other destinations, particularly because of the dollar.

To wrap it up with what they saw in the market. For Maui, they still have to work in the U.S. and Canada. It is not where it was before, but it is improving. International markets have not recovered. Japan is 45% to 50% of where it should be. They are doing well in Korea, but it is not as good as the previous year. There are some positives - increasing demand across all markets and types of demographic segments for sustainable, regenerative, and experiential travel, which is what they specialize in. As long as they continue to build new products in that area and work with wholesalers and travel agents to create new programs and products that feature their local businesses that offer that, they can draw the kind of visage they want. On the negative, there is intense competition. They are also seeing a shift in travelers' preferences for more exclusivity, which is good. If they can master that area by offering those exclusive options, they can ask for a higher price point, which will help them increase the spending per trip per person. They will have to ensure they are authentic and have quality experiences. That is what the curator program is for. Visitors can check and read comments and reviews from others.

Strategy:

- Stabilizing the travel for U.S. And Canada to Maui over the next year.
- Revitalizing higher spending visitors - Europe, Oceania, Korea, and China.
- They must also maintain Japan for the volume of visitors. It is their first international market in terms of number of visitors. They have the networks and the systems in place to ramp up very quickly, so they just need to maintain that even though the spending per person per day is lower, the total volume makes up for it. And they also do diverse

spending.

- Building new markets for Taiwan. If they are given enough resources to do so, that would be the next market they would look at.
- Strengthen brand recognition. Make sure it's a premier leisure and business destination. Continuing to do the marketing that the GMTs are instructed to do.
- Increase the person's expenditures through more immersive experiences. Doing more activities and having higher quality product establishments. Increasing more activities will result in more spending.
- Continue to differentiate – multi-ethnic experiences with the various festivals. Stewardship opportunities. All the various sustainability activities.
- Attract the affluent travelers and ensure MCI has the high sector, targeting those sectors like medical, technology, ocean sciences, etc. That aligns with their strengths.
- Romance has always been good. They do many activities, stay longer, and do multi-island travel. They are trying to emphasize multi-island visitation, which will increase spending in Hawai'i.
- Active travelers also try participating in and doing as many activities as possible, such as shopping, eating, etc.

He spoke about examples of the KPIs to which they hold themselves and their GMTs accountable. He also spoke about increasing total visitor expenditure. At a later stage, they will determine where they want to increase, etc. What was asked in the past for the high-value travel segment is if they are tracking the specific demographics that will result in high-value, high-spending travelers. They will build out additional tracking to see that their assumptions work.

The higher household incomes can afford to spend more. They will track the higher household incomes to see if they are increasing their reach to those areas. This means adjusting some of their research and availability of resources to track those.

Enhanced visitor satisfaction. They need to meet the expectations, which will result in more visits.

Responsible travel - the GMTs and other programs they are doing for destination stewardship are to increase awareness of safe and responsible travel so that visitors know what to expect. That will be one of the messaging types of KPIs that they will ensure the GMTs track.

Media engagement with website traffic is also important. Each one will depend on the specific market. Not all markets use the website as a strong tool. Some are more of a base but not as a marketing tool. It will adjust depending on the market.

They still want to track multi-island visiting. It helps spending and distribution on each island, particularly in some of the smaller communities. It also increases spending in Hawai'i by utilizing local airlines, other resources, and services.

Chair Pfund thanked Mr. Nāho'opi'i for the presentation.

Dr. Salā spoke about sports being encouraged at the national level. At the federal level, that will be expedited. They are looking to incentivize not just the big cities but small cities and towns throughout America. He would like to see more of that from a strategic perspective. He mentioned the big volleyball tournament at the HCC and how it went so well. Local businesses profit from the additional visitors that come with sports events. Another area that should not be excluded is the presence of the military in Hawai'i. The two major pillars that hold up the economy are tourism and defense. He said it is an untapped market. All the islands have a defense component that could lend itself to having meetings and conferences held in Honolulu and throughout the neighbor islands. He said they should try to weave that into their thinking when discussing strengthening the economy in these times and going after the objectives. He said the East-West Center is the host of many meetings that come with high-level diplomats and the like. When they come, they travel with an entourage. He said defense tourism should be part of the strategy going forward.

Mr. Nāho'opi'i said at the next Board meeting, they will discuss sport with the newly hired sports brand manager. This will make a big impact in the future. For 2026, they can put more emphasis on the sports area.

Dr. Salā said the Okinawa festival is an opportunity to build on. Relationships have been solidified as a result of FestPAC, and they are all looking to return to Hawai'i.

Ms. Paulson said she is concerned about the Canada market, especially for Maui, canceling their flights because of what is going on from a federal perspective. She asked if that was on the radar and if there were any special plans because the Canadian visitors were impactful for Maui numbers.

Mr. Nāho'opi'i said they have been monitoring this and working closely with Canada. They are hearing that the effects of Canadians not wanting to travel to the U.S. are generally due to various policies, etc. That sentiment does not carry as strongly to Hawai'i. They look at Hawai'i as an independent country, but more in alignment with some of their beliefs, feelings, and political beliefs are very more in line than the people of Hawai'i. HTC has monitored it carefully to see if there is going to be a drop in media use on the continent. They are going to swoop in and see if they can then convince those to do it in Hawai'i, special offers, etc., to take

advantage of this. There is some falloff, but they are on it and monitoring it daily. They keep in touch with Ms. Chun.

Mr. Arakawa agreed with Mr. Hannemann on the sports angle. He noticed that the SWOT analysis on opportunities talked about amateur sports only.

Mr. Nāho'opi'i said the opportunity is about what else they can do. They are already working on professional sports. In addition, they have not done as much on amateur sports, which is a new opportunity they can continue to work on. The SWOT analysis is about newer ideas that they can take advantage of. In their main strategy, they have a sports strategy in general, but these are additional things they can work on. Mr. Arakawa asked Chair Pfund to look at that because he was shocked that it did not have pro sports because they could do more. Chair Pfund said that was great input.

Mr. Arakawa said that on the multi-team thing concerning amateur sports, he understood that they assisted and spent some of their money to assist with a game. He said when they look at amateur sports opportunities, they should look at broader opportunities. He also suggested looking at the education market. Students travel, and it is an opportunity for the HTA to work on that. Some of the Japanese tour companies are looking at that particular market. He mentioned FestPAC and said Chair Hanneman was the tallest adopted Okinawan at the festival. This needs to be done in Hawai'i as well.

The committee member entered the Executive Session at 2:23 p.m.

6. Presentation, Discussion and/or Approval on the Plans for 2025 U.S. Market Saturation Activations ***

The committee members returned from the Executive Session at 3:28 p.m.

Ms. Anderson reported that the HTA staff recommended the Branding Standing Committee recommending to the Board \$6.3 million to HTUSA for California market activation in 2025, consistent with the Governor's intent to address the Maui Recovery and the California downturn, subject to the Budget, Finance, Convention Center standing committee's approval. Chair Pfund reported that the committee members unanimously voted in the executive session.

7. Presentation, Discussion, and/or Approval on Proposed Booth Improvements for the Worldwide Exhibition for Incentive Travel, Meetings, and Events (IMEX) Tradeshow

Chair Pfund announced that agenda items 7 and 8 are deferred to the next meeting.

8. Presentation and/or Discussion Regarding an Update on the Meetings, Conventions and Incentives Market Activity and Pace Report, and Hawai'i Convention Center Activity and Local Sales with Meet Hawai'i

9. Adjournment

The meeting adjourned at 3:31 p.m.

Respectfully submitted,



Sheillane Reyes
Recorder