



MARKETING EFFECTIVENESS STUDY: 2014 – 2015 WAVE 1 REPORT

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RESEARCH OBJECTIVES

The purpose of this study is to measure and evaluate the effectiveness of the marketing efforts conducted by marketing concerns under contract with the Hawai'i Tourism Authority.

This study, conducted since 2003, provides insight into the overall intention to travel to Hawai'i, brand valuation, and measurement of specific, separate attributes for Hawai'i's major marketing areas of U.S. West, U.S. East, Canada and Japan.

The major goals of this study are to understand:

- Consideration of Hawai'i as a destination
- Importance of key attributes
- Preference for Hawai'i
- Preference for Hawai'i by behavioral segments
- Opinions of Hawai'i vs. Competitive destinations for each major marketing area:
 - Eastern U.S. (Florida, Costa Rica, Puerto Rico, California, Mexico, Caribbean, Las Vegas and Europe)
 - Western U.S. (Alaska, Costa Rica, Australia, Mexico, Caribbean, Las Vegas and Europe)
 - Canada (Florida, Arizona, Australia, California, Mexico, Caribbean, Las Vegas and Europe)
 - Japan (Australia, China, Guam/Saipan, and Korea)

In addition, the study tracks data on the topics as well:

- Intention to/or actual visits to Hawai'i
- Hawai'i travel patterns and visitor profiles (Accommodations, Length of Stay, Frequency, Satisfaction)
- Indication of reasons for not intending/considering Hawai'i

RESEARCH OBJECTIVES

An online survey of approximately 15 minutes in length was conducted between October 27, 2014 and November 3, 2014. Each survey was presented in the language of the surveyed country or was localized, if necessary, for countries where English is the primary language.

Qualified respondents from each major marketing area were required to meet specific requirements for inclusion in this study:

- Eastern U.S.
 - Live in the states of North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, Texas, Minnesota, Iowa, Missouri, Arkansas, Louisiana, Wisconsin, Illinois, Tennessee, Mississippi, Michigan, Indiana, Kentucky, Alabama, Ohio, West Virginia, Georgia, Florida, Pennsylvania, Virginia, North Carolina, South Carolina, New York, Vermont, New Hampshire, Maine, Massachusetts, Rhode Island, Connecticut, New Jersey, Delaware, Maryland, Washington, D.C.
 - Have taken a Leisure trip by air of 500 miles or more in the past 12 months
 - Household income of USD \$75,000 or more
 - 18 years of age or older

- Western U.S.
 - Live in the states of Alaska, California, Oregon, Washington, Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah and Wyoming
 - Have taken a Leisure trip by air of 500 miles or more in the past 12 months
 - Household income of USD \$75,000 or more
 - 18 years of age or older

RESEARCH OBJECTIVES

- Canada
 - Live in the provinces of British Columbia, Alberta and Saskatchewan
 - Have taken a Leisure trip by air of 500 miles or more in the past 12 months
 - Household income of CDN \$75,000 or more
 - 18 years of age or older

- Japan
 - Live in Japan
 - Have taken and international Leisure trip in the past 24 months
 - Household income of ¥2,000,000
 - 18 years of age or older

Respondents who indicated they intend to travel to Hawai'i within then next 24 months will be re-contacted in November 2016 to determine if a trip was actually made. Actual re-contacts may be lower than reported here due to attrition in the panel.

Wave 1 respondents are as follows:

Marketing Area	Completes	Re-contact in October 2016
Eastern U.S.	604	144
Western U.S.	604	311
Canada	608	317
Japan	603	274

RESEARCH OBJECTIVES

For some analyses respondents are segmented depending on how they responded to questions regarding destination characteristics considered when making travel decisions and whether or not these characteristics pertain to Hawai'i. Following are the definitions for each segment. The definitions are meant to define travelers who prefer certain types of vacations.

Learning (Hawai'i selected for 4+ factors)	Pleasing Environment (Hawai'i selected for 4+ factors)	Romantic (Hawai'i selected)	Family (Hawai'i selected)	Culinary/Dining (Hawai'i selected)	Language <i>(Japan Only)</i> (Hawai'i selected)
It has unique scenery unlike anywhere else	It is a good place to get away from it all	It is romantic	It is a good place for family and children	It offers quality culinary and dining experiences	It is easy to communicate in my native language
There are many historic and cultural things to see and do	The environment is clean				
Offers authentic experiences	It is a safe and secure place				
It has a variety of unique experiences and activities	It's a good value for the money				
There are always opportunities to discover new activities and experiences that make you want to return again and again	It provides a sense of relaxation, a place to unwind and get re-energized				
It offers a different experience than other places	The local people are friendly				
The history and culture are intriguing	It is easy to get there				
	It is easy to navigate and get around				
	It is a good place for shopping <i>(Japan Only)</i>				

Data will be presented in five major sections. The first section includes a Summary comparing relevant data from each of the four market areas. This will be followed by detailed data for each market area – Eastern U.S., Western U.S., Canada and Japan. The exact wording of the survey question used to compile each chart is included at the bottom of each chart within the individual market area.

Excluding the Summary section, charts in each set of the market sections appear in the identical order. Since the Summary section includes only data that can be compared across all markets, some charts have been excluded; the progression, however is maintained. Charts in each market section appear in the following order:

- Demographics – Age
- Demographics – Median Age
- Demographics – Income
- Demographics – Median Income
- Demographics – Long Distance Overnight Trips in Past 12 Months (Past 24 Months for Japan)
- Demographics – Median Number of Long Distance Overnight Trips in Past 12 Months (*Past 24 Months for Japan*)
- Destination Consideration for Next Leisure Vacation
- Reasons for Taking a Leisure Vacation
- Attributes Important in Choosing a Destination
- Attributes Important in Choosing a Destination (Importance vs. Applies to Hawai'i)
- Destination Attributes – Competitive Comparisons (*competitive destinations vary by market*)
- Destination Attributes – Competitive Comparisons (point differences)
- Impression of Hawai'i

- Impression of Hawaii by Segment
- Hawai'i Visitation by Segment
- Visitation – Competitive Destinations
- Planned Visitation – Competitive Destinations
- Planned Visitation to Islands of Hawai'i
- Planned Accommodations
- Reasons for Not Visiting Hawai'i
- Lifetime Visits to Hawai'i
- Reasons for Returning to Hawai'i
- Reasons for Returning to Hawai'i – Segment Comparisons
- Year Last Visited Hawai'i
- Month Last Visited Hawai'i
- Islands' Share of Nights in Hawai'i
- Nights in Hawai'i
- Average Spending in Hawai'i
- Travel Party Size
- Hawai'i Excellent Rating
- Likelihood of Returning to Hawai'i

HIGHLIGHTS

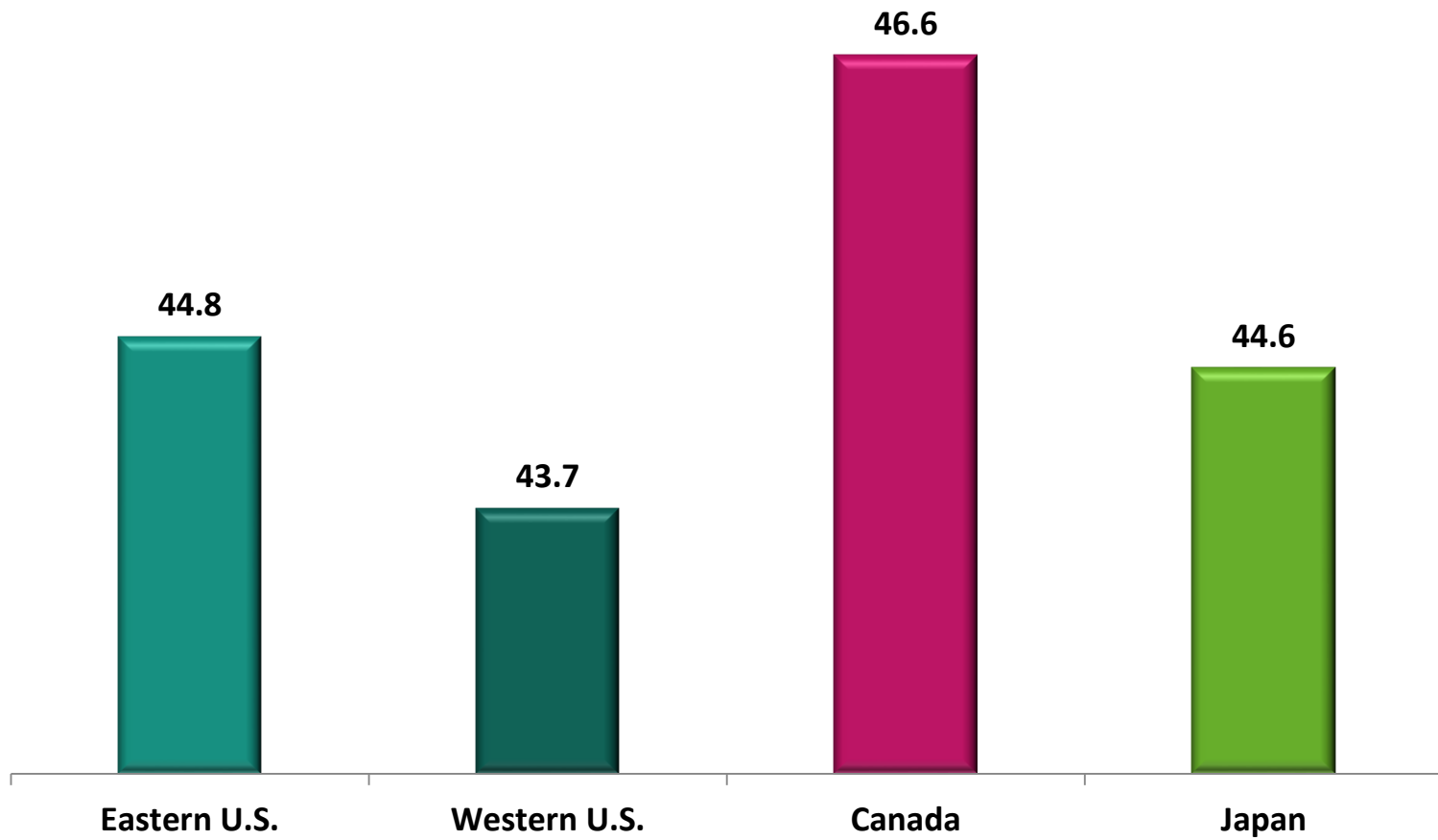
- With an average age of 47, Canadian visitors are the oldest and at 44, Western U.S. visitors are the youngest. Eastern U.S. and Japanese visitors are similarly aged at 45 years.
- Travelers to Hawai'i from all markets tend to be more affluent as their average annual household incomes exceed the national averages in each of their respective countries.
- Hawai'i is at the top of the consideration list for both Western U.S. and Japanese travelers. Hawai'i is number two behind Europe on the consideration list for Canada and number four among Eastern U.S. travelers behind Florida, the Caribbean, California, Las Vegas and the U.K.
- Among the 18 attributes (20 for the Japan market) important in choosing a leisure destination, Hawai'i meets or exceeds expectations among Eastern U.S. visitors as being romantic; among Western U.S. and Canadian visitors as a good place for family and children and as being romantic; and among Japanese visitors as a good place for family and children, a great place to get away from it all, as being romantic, a great place for shopping and ease of communicating in the travelers native language.
- While there is variance among the markets, most have the impression that Hawai'i is able to deliver high levels of relaxation and romance, recreational activities (including water sports, zip lining, snorkeling, hiking, biking, etc.), family friendly activities and State or National parks and beaches. Shopping is also rated highly among the Japanese market.
- Between 40% and 50% of visitors from all markets, excluding the Eastern U.S., have visited Hawai'i in the past 36 months and of those between 50% and 65% have visited in the past 12 months. Only about 20% of Eastern U.S. visitors have visited in the past 36 months with about 30% visiting in the past 12. Eastern U.S. visitors are most likely to visit Hawai'i in the Summer, while those in the Western U.S. are most likely to visit in the fall. The Canadians are least likely to visit in the Summer and visitors from Japan travel fairly evenly throughout the seasons.
- A majority of visitors from the Western U.S., Canada and Japan plan to visit Hawai'i again in the next 24 months, with about 70% planning to do so in the next 12 months. Only about 25% of Eastern U.S. visitors plan to visit in the next 24 months and about half of those plan to do so in the next 12 months. The primary reason Eastern U.S. visitors seem to be lagging behind the other markets is the cost of airfare and hotels as well as the time it takes to get to Hawai'i. They feel they can get a better value at other destinations.

HIGHLIGHTS

- A majority of visitors from all four markets plan to visit O'ahu on their next trip to Hawai'i. Similar percentages of visitors from the Eastern U.S., Western U.S. and Canada also plan to visit the islands of Hawai'i and Maui. Visitors from Japan overwhelmingly plan to visit O'ahu and, while they plan to visit the other islands at a much lower rate than they do O'ahu, they plan to visit all islands except Kua'i and Moloka'i at a greater rate than visitors from the other markets.
- Visitors from all markets primarily plan to stay in a hotel. Visitors from Canada, however are least likely to stay in a hotel and most likely to stay in a condo.
- As might be expected, at about five visits, visitors from the Western U.S. have made the most lifetime visits to Hawai'i, followed by Canadian visitors also at about five lifetime visits and Japanese visitors at about four. Visitors from the Eastern U.S. have only made between two and three visits to Hawai'i in their lifetimes.
- Visitors from all four markets keep returning to Hawai'i because of its stunning natural beauty, the great weather and great beaches. They also feel it is safe and they love to experience the culture. Canadians also feel that Hawai'i is a great value and have noticed that there are more flights from cities closer to their home.
- At just about \$4,800, Japanese visitors spend the most per trip which is likely due to the large percentage that is spent on shopping. Among all markets they have the largest share of spending for shopping. A large portion of their travel dollar also goes toward transportation. Canadians spend about \$4,100, which is likely due to their longer length of stay – about 12 days. Similar to the Canadians, those from the Eastern U.S. stay about 9 days and spend about \$4,100. Western U.S. visitors spend the least on transportation and thus spend the least overall - about \$3,500.
- Visitors from all four markets rate their last visit to Hawai'i 6.5 or higher on an excellence scale of 8 and, excluding the Eastern U.S., one-third or more say they are very likely to return in the next 24 months. Almost 40% of the Eastern U.S. visitors say they are somewhat or very likely to return to Hawai'i in the next 24 months.

SUMMARY - ALL MARKETS

DEMOGRAPHICS - AGE



DEMOGRAPHICS – AVERAGE HOUSEHOLD INCOME

Respondents were asked to provide Annual Household Income in the currency of their country. Following are the Average Household Incomes of respondents from each region or country.

- **Eastern U.S.** (U.S. Dollars) **\$140,000**
- **Western U.S.** (U.S. Dollars) **\$147,000**
- **Canada** (Canadian Dollars) **\$133,000**
- **Japan** (Japanese Yen) **¥807**

Travelers to Hawai'i tend to be more affluent as their Average Annual Household Incomes exceed the national averages in each of their countries.

DESTINATION CONSIDERATION FOR NEXT LEISURE VACATION

Eastern U.S.	Western U.S.	Canada	Japan
1. Florida (41%)	1. Hawai'i (54%)	1. Europe (38%)	1. Hawai'i (34%)
1. Caribbean (41%)	2. Other Europe (36%)	2. Hawai'i (36%)	2. Europe (33%)
2. California (37%)	3. Las Vegas (31%)	3. California (35%)	3. Australia (26%)
3. Las Vegas (27%)	4. Alaska (30%)	4. Las Vegas (31%)	4. Taiwan (23%)
4. U.K. (24%)	4. Australia (30%)	5. Mexico (30%)	5. Singapore (21%)
4. Hawai'i (24%)	4. Caribbean (30%)	6. Caribbean (29%)	6. Korea (19%)
4. Other Europe (24%)	5. Italy (28%)	7. Arizona (20%)	6. Guam/Saipan (19%)
5. Italy (22%)	5. France (28%)	8. Other (19%)	7. Hong Kong (14%)
5. Other (22%)	6. U.K. (26%)	9. Australia (15%)	7. Thailand (14%)
6. Mexico (18%)	7. Mexico (25%)	10. Florida (14%)	8. China (9%)
7. Costa Rica (16%)	8. Germany (20%)	No Trip Considered (3%)	9. Other (8%)
8. France (15%)	9. Other (19%)		No Trip Considered (9%)
9. Switzerland (13%)	10. Costa Rica (17%)		
9. Puerto Rico (13%)	11. Switzerland (8%)		
9. Germany (13%)	No Trip Considered (4%)		
No Trip Considered (3%)			

REASONS FOR TAKING A LEISURE VACATION ANYWHERE (% TOP 2 BOX)

■ Japan ■ Canada ■ Western U.S. ■ Eastern U.S.

ACTIVITY

I can do fun recreational activities

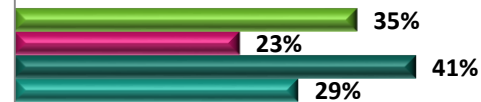


INDEPENDENT

No schedules to meet, I can do what I want, when I want



Have an outdoors adventure to test my physical abilities



I seek solitude and isolation when vacationing



RECONNECT

I can spend more quality time with my spouse/family



I can spend more time with my friends



It's nice to have others serve/wait on me



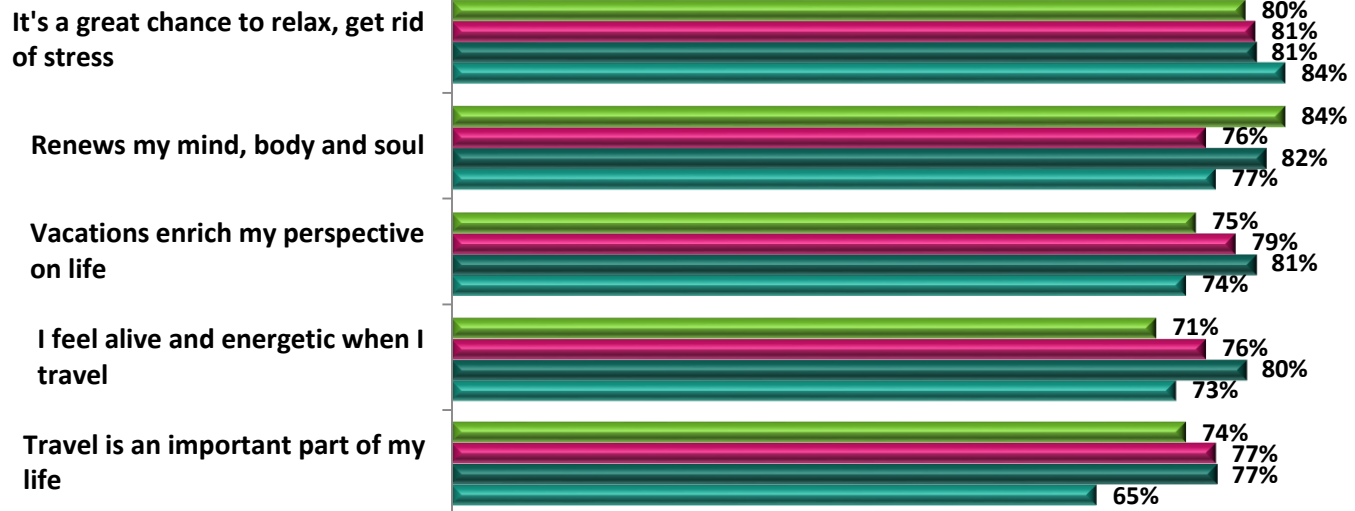
REASONS FOR TAKING A LEISURE VACATION ANYWHERE (CONT.) (% TOP 2 BOX)

■ Japan ■ Canada ■ Western U.S. ■ Eastern U.S.

EXPERIENCE/
LEARN

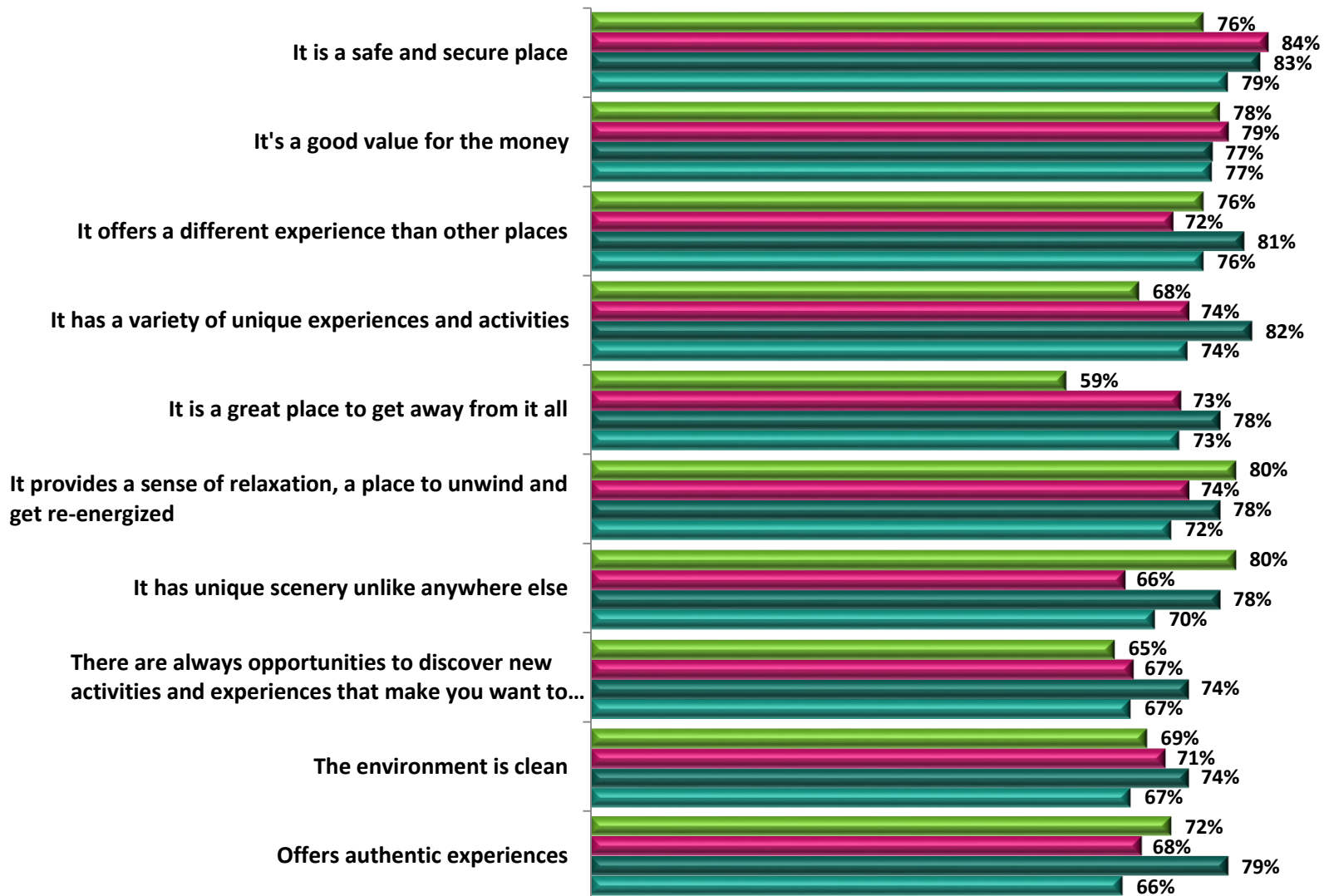


REVITALIZE



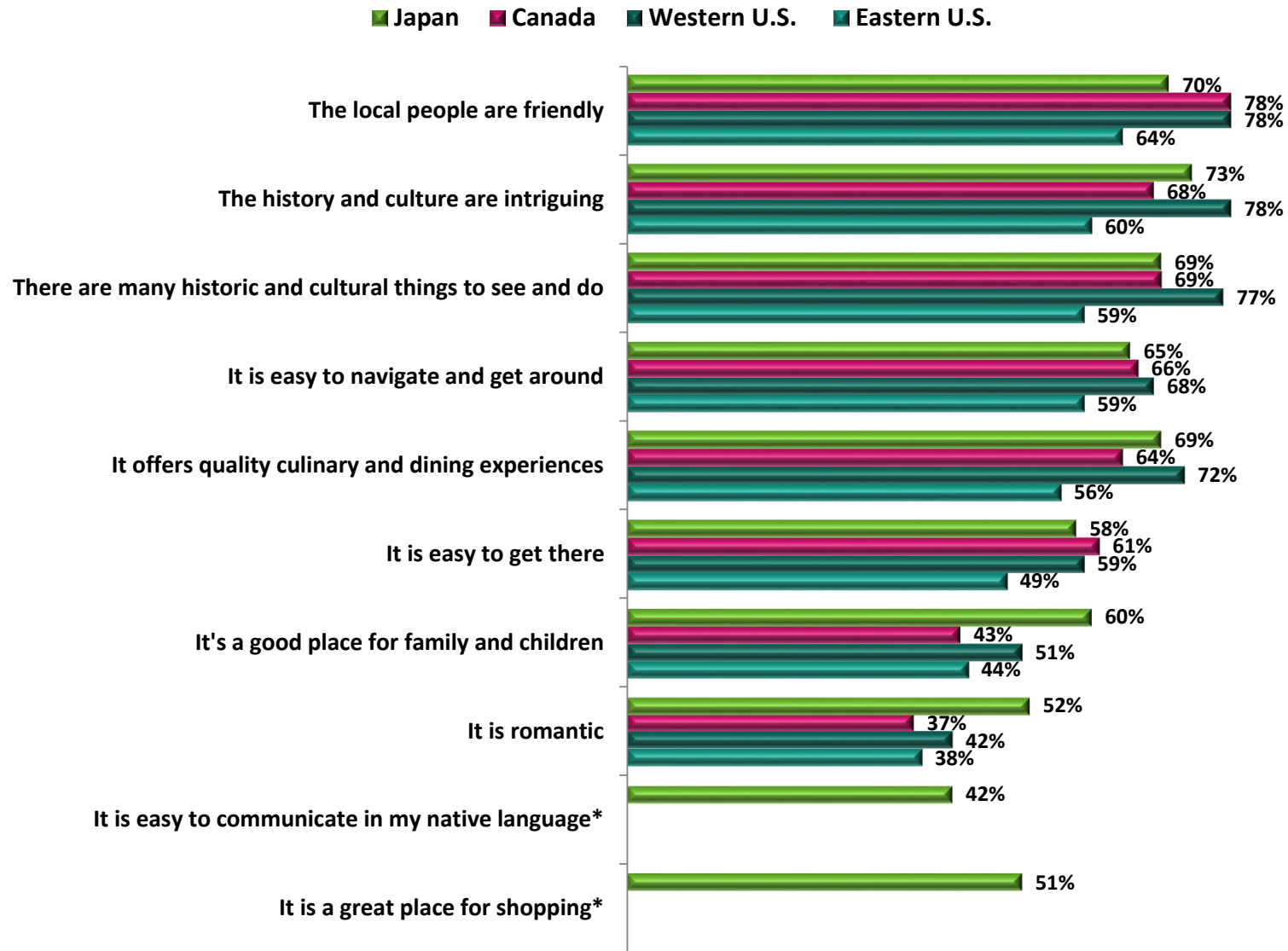
ATTRIBUTES IMPORTANT IN CHOOSING A DESTINATION (% TOP 2 BOX)

■ Japan ■ Canada ■ Western U.S. ■ Eastern U.S.



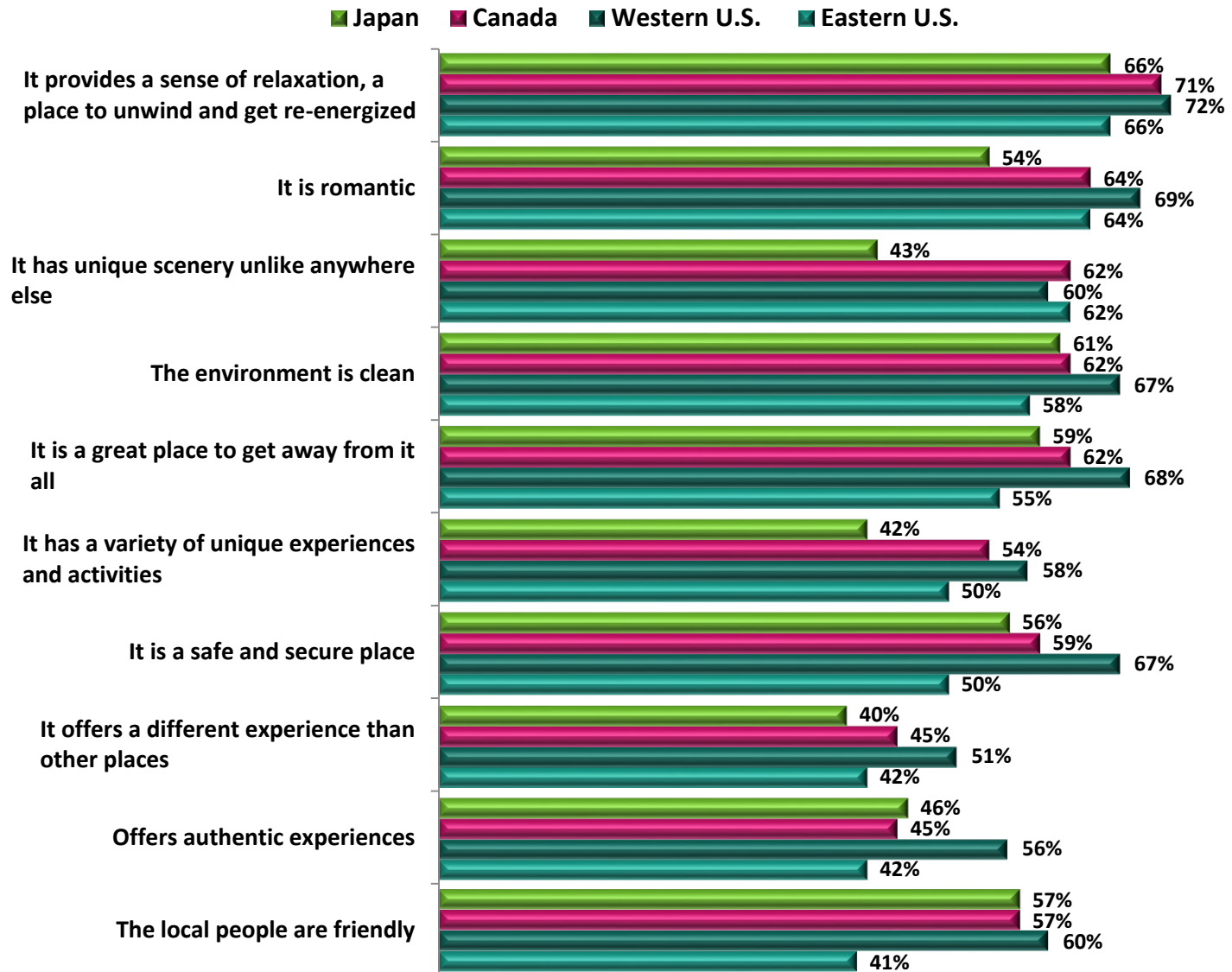
* Only asked of the Japanese Market

ATTRIBUTES IMPORTANT IN CHOOSING A DESTINATION (CONT.) (% TOP 2 BOX)



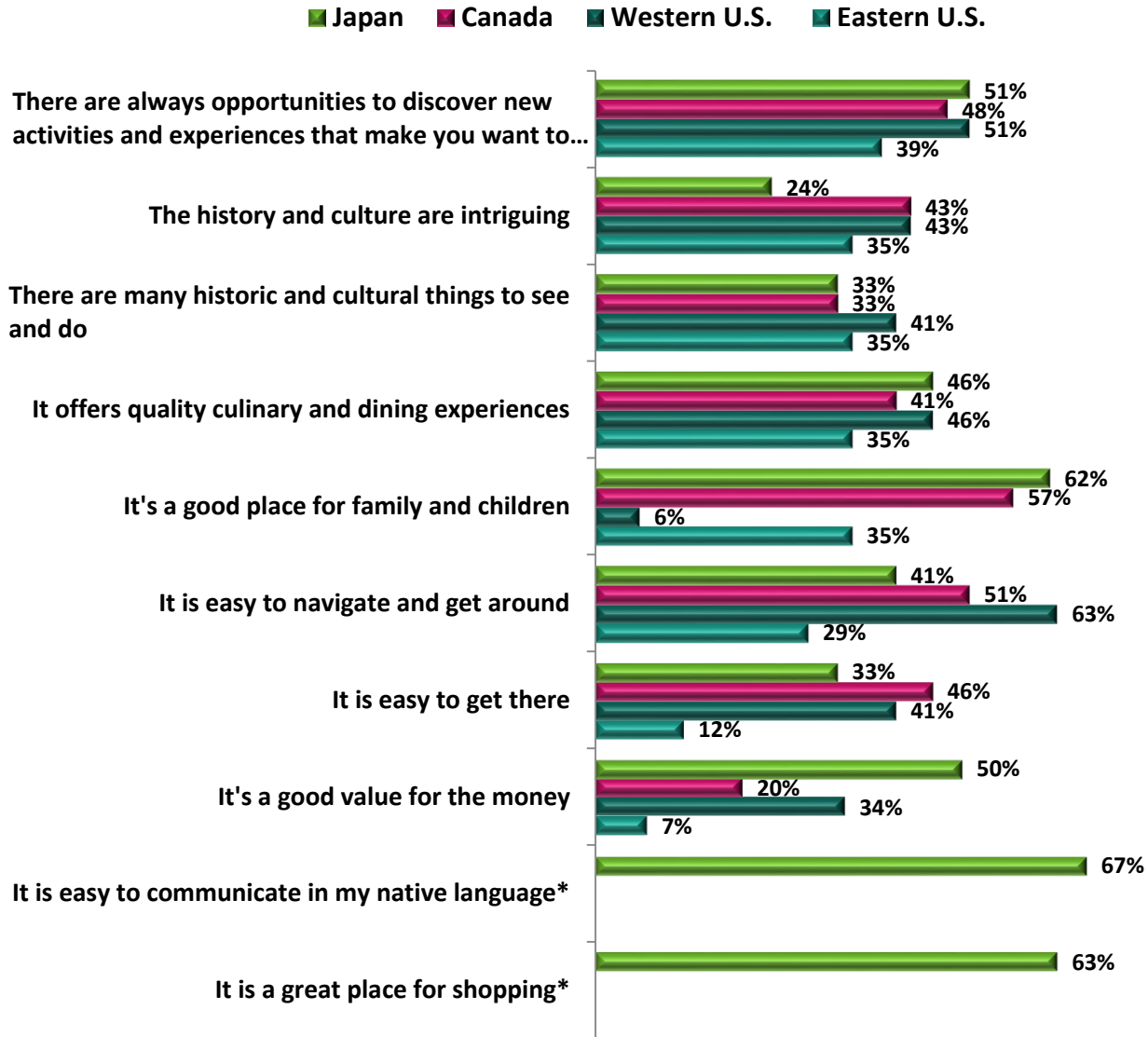
* Only asked of the Japanese Market

HAWAI'I PERFORMANCE ON ATTRIBUTES IMPORTANT IN CHOOSING A DESTINATION (% TOP 2 BOX)



* Only asked of the Japanese Market

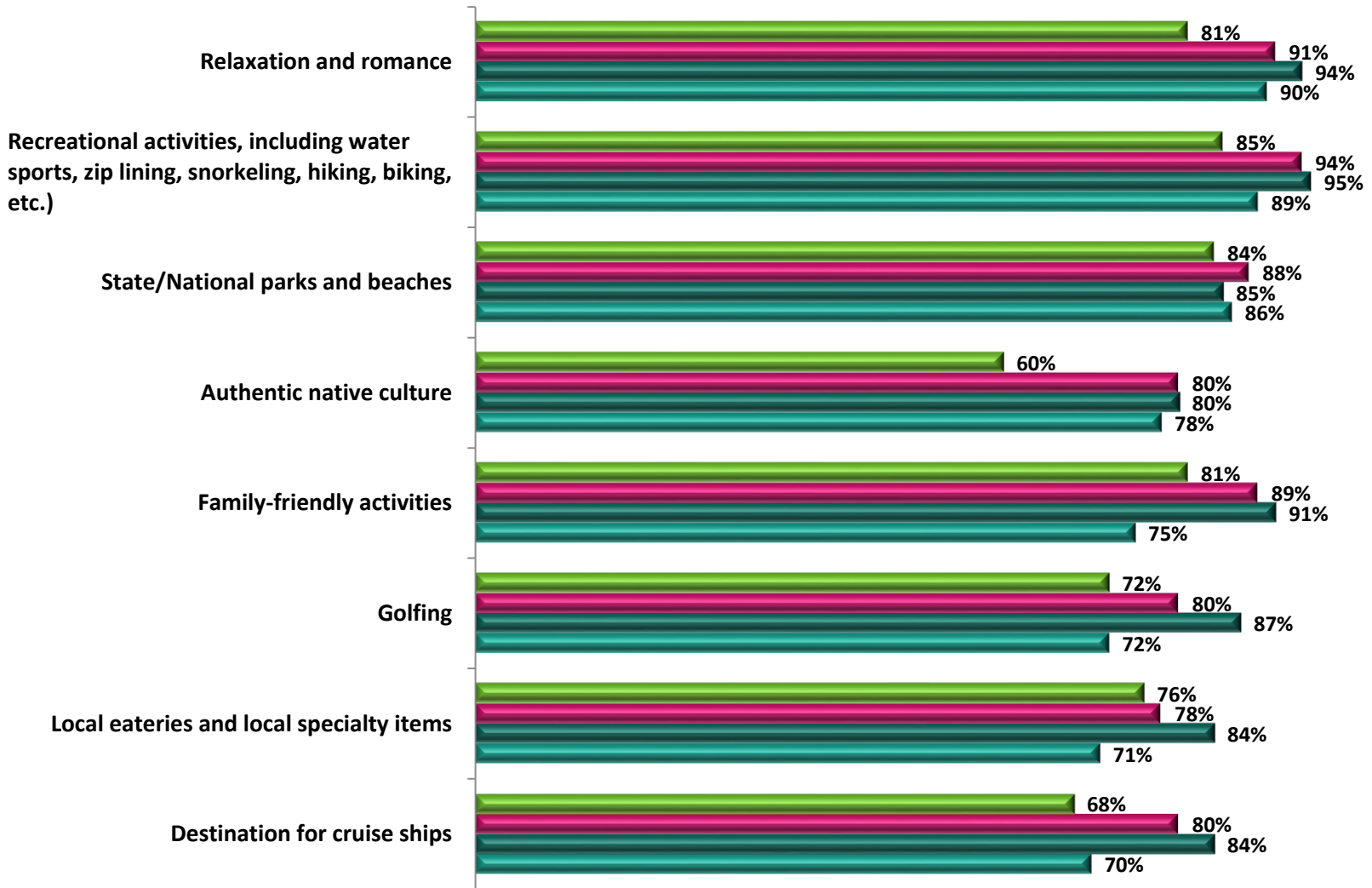
HAWAI'I PERFORMANCE ON ATTRIBUTES IMPORTANT IN CHOOSING A DESTINATION (CONT.) (% TOP 2 BOX)



* Only asked of the Japanese Market

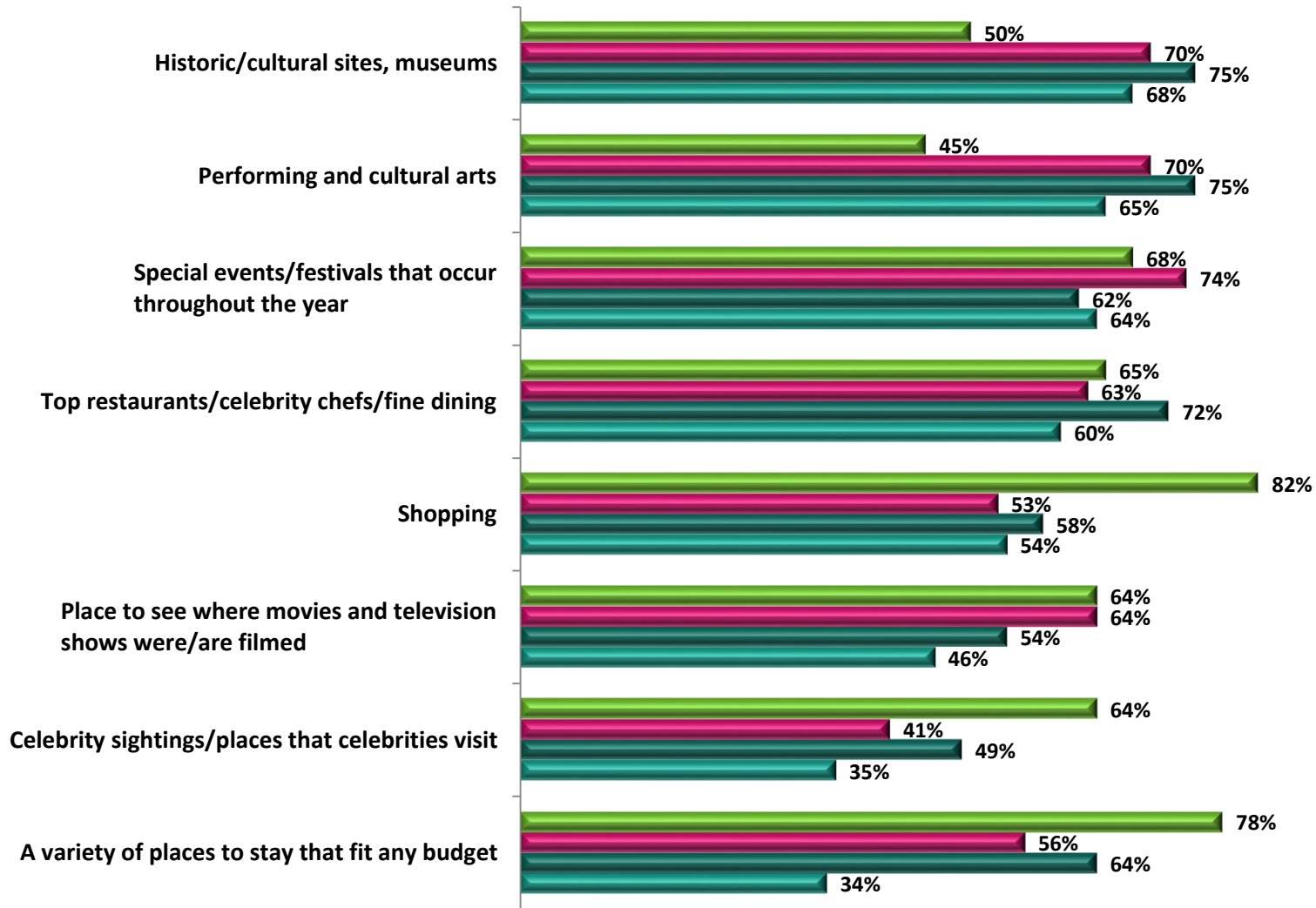
IMPRESSION OF HAWAII (% TOP 2 BOX)

■ Japan ■ Canada ■ Western U.S. ■ Eastern U.S.



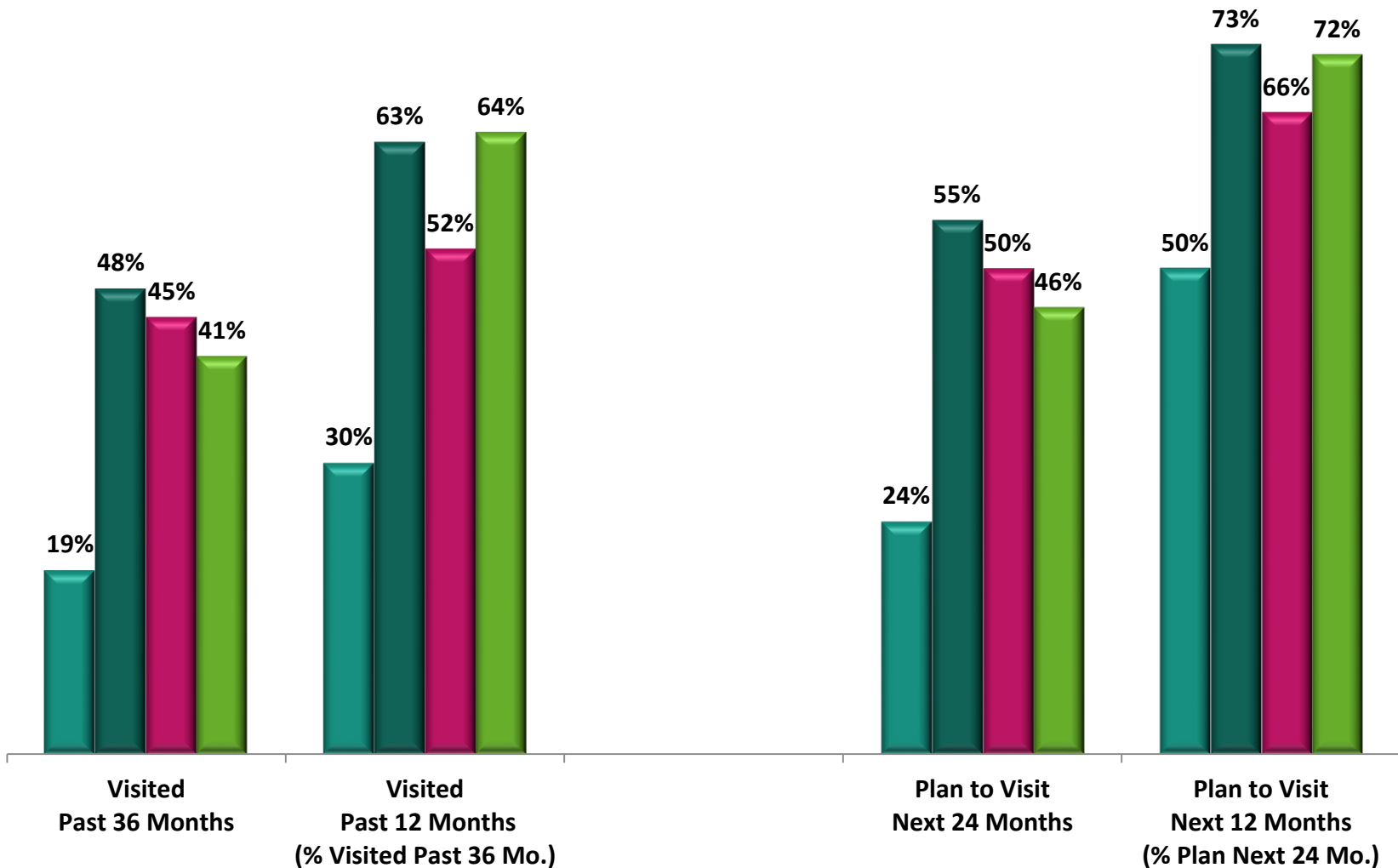
IMPRESSION OF HAWAI'I (CONT.) (% TOP 2 BOX)

■ Japan ■ Canada ■ Western U.S. ■ Eastern U.S.



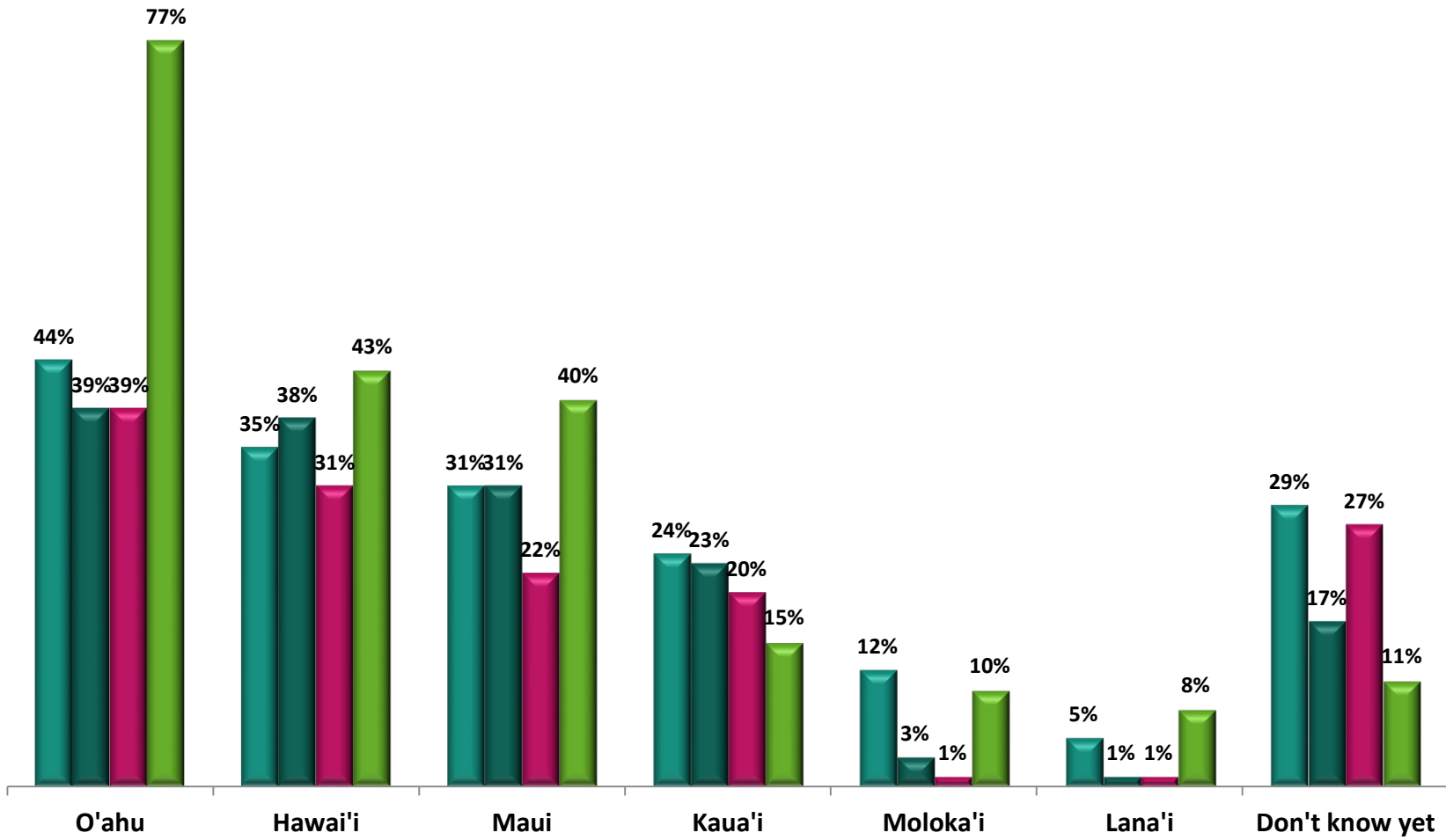
HAWAI'I VISITATION FREQUENCY

■ Eastern U.S. ■ Western U.S. ■ Canada ■ Japan



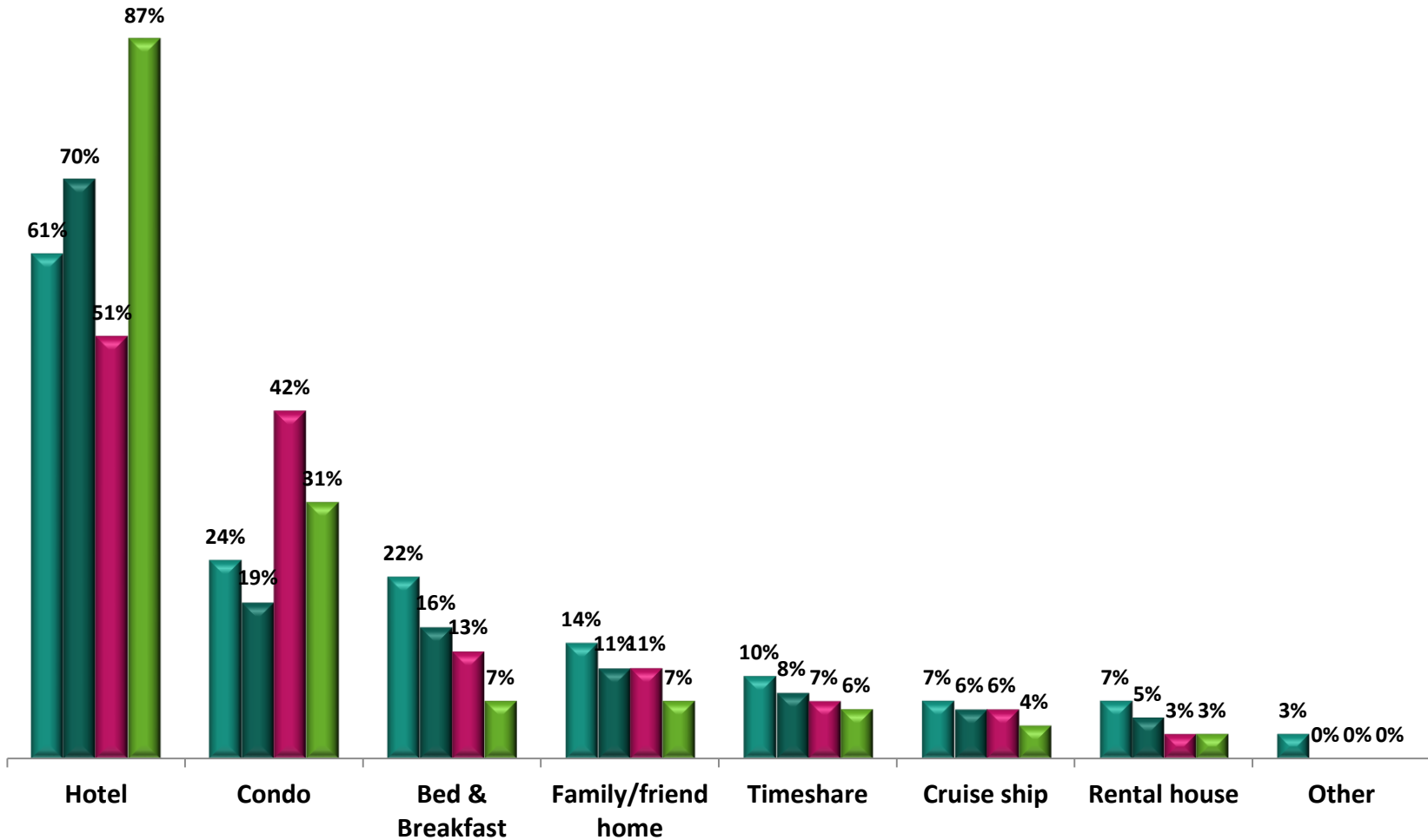
PLANNED VISITATION TO ISLANDS OF HAWAI'I (AMONG THOSE PLANNING TO VISIT IN NEXT 24 MONTHS)

■ Eastern U.S. ■ Western U.S. ■ Canada ■ Japan



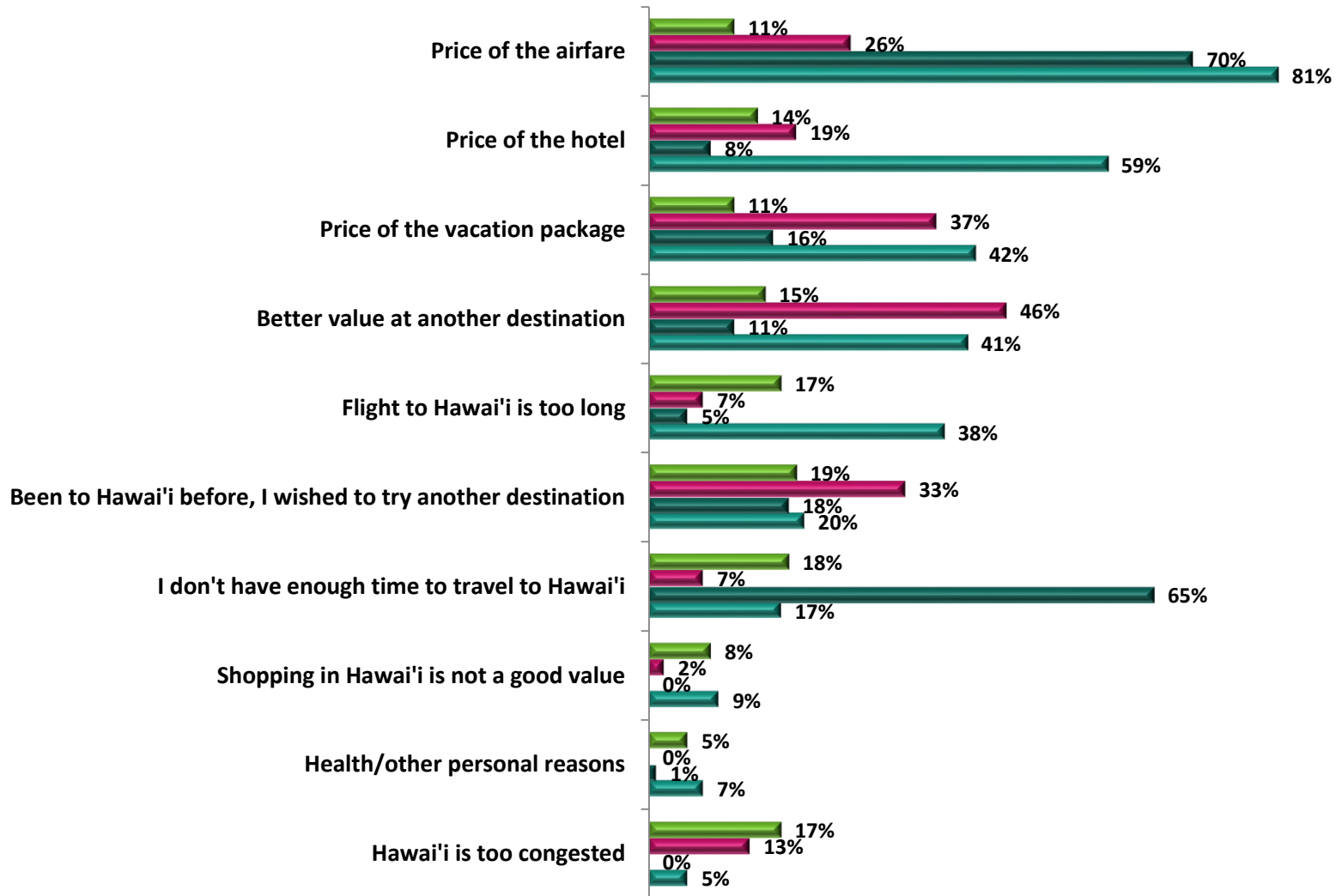
PLANNED ACCOMMODATIONS (AMONG THOSE PLANNING TO VISIT HAWAI'I IN NEXT 24 MONTHS)

■ Eastern U.S. ■ Western U.S. ■ Canada ■ Japan



REASONS FOR NOT VISITING HAWAI'I (AMONG THOSE CONSIDERING, BUT NOT PLANNING TO VISIT)

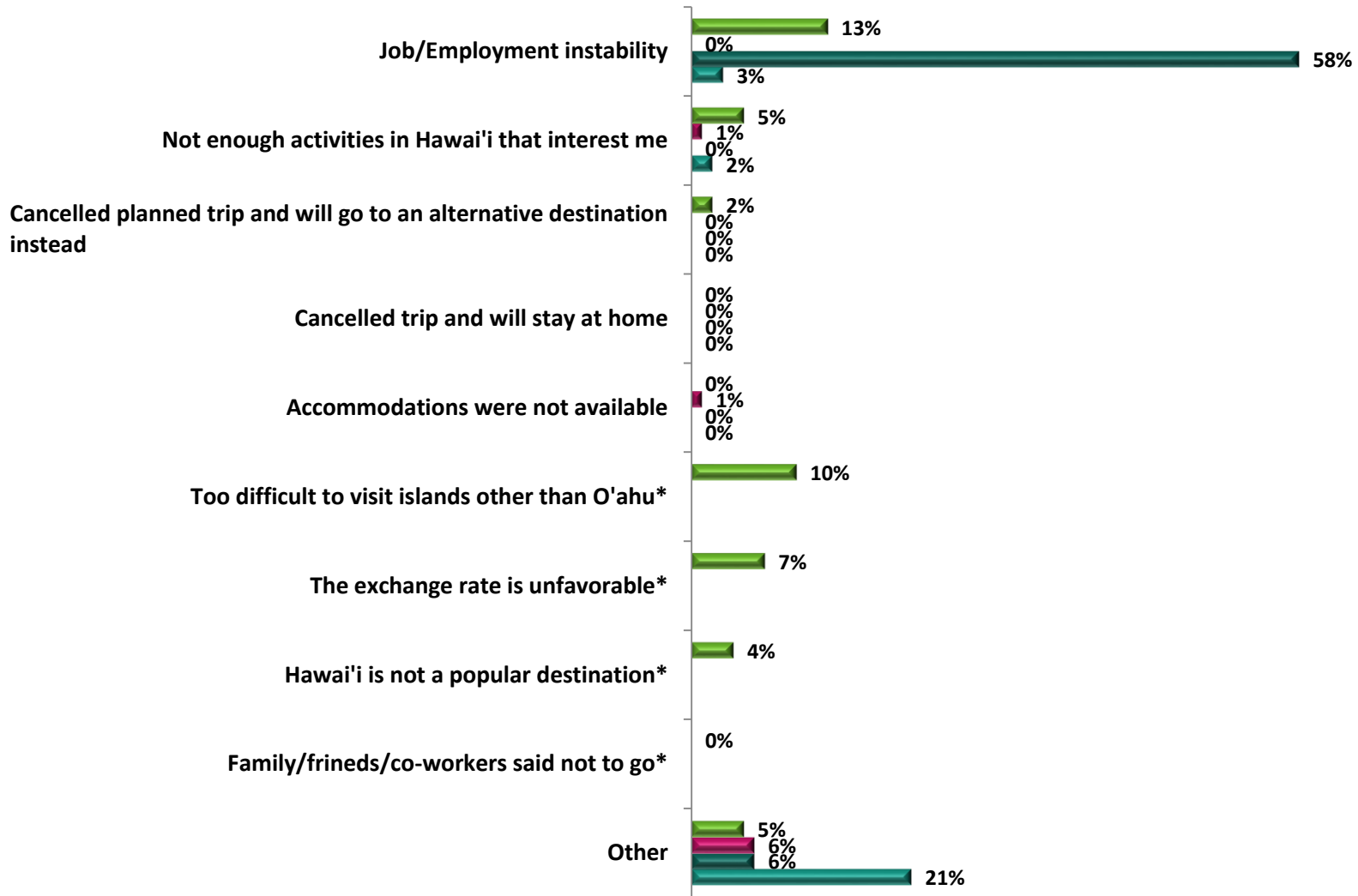
■ Japan ■ Canada ■ Western U.S. ■ Eastern U.S.



Note: Sample sizes for this question are very small; use data with proper caution

REASONS FOR NOT VISITING HAWAI'I (CONT.) (AMONG THOSE CONSIDERING, BUT NOT PLANNING TO VISIT)

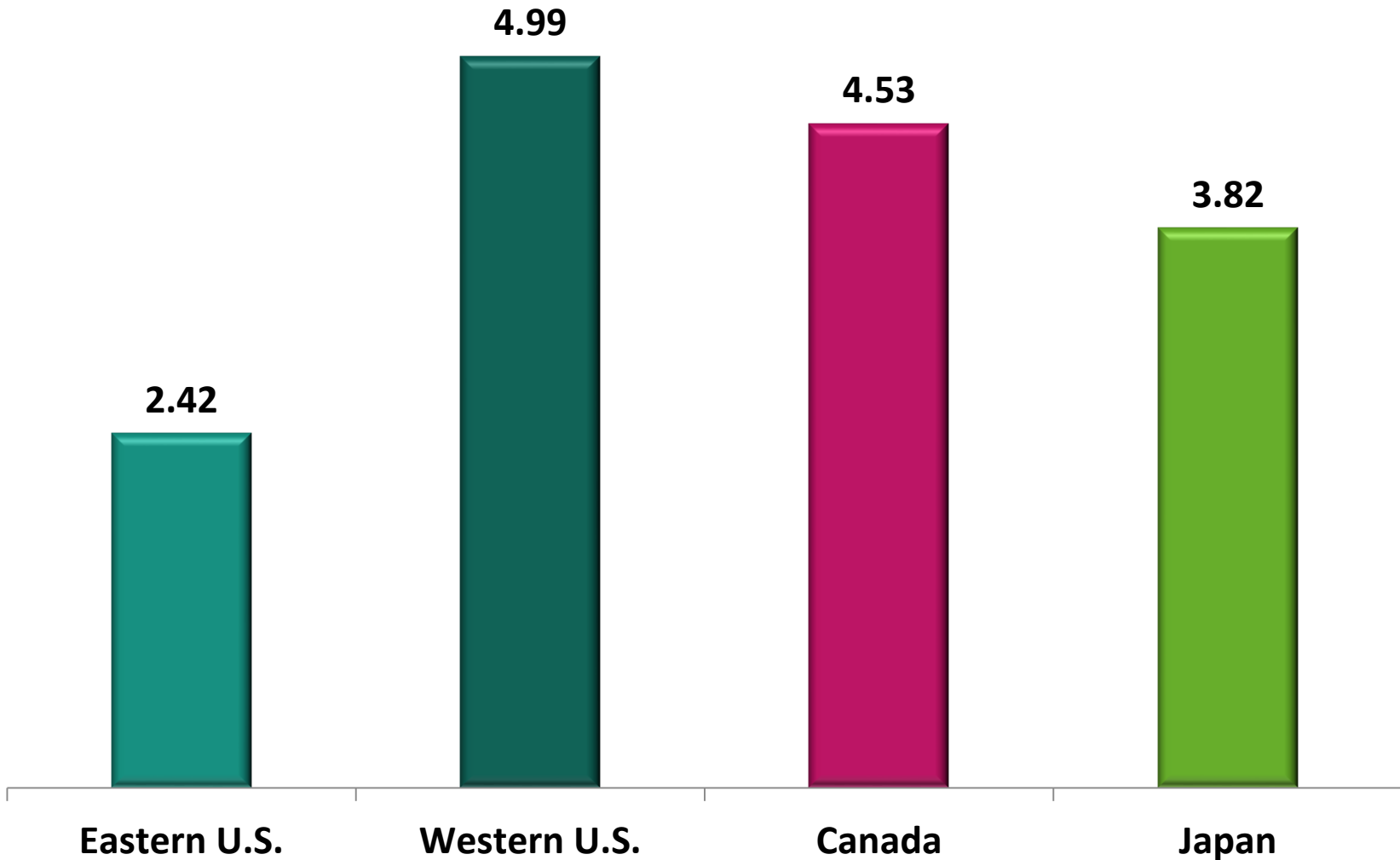
■ Japan ■ Canada ■ Western U.S. ■ Eastern U.S.



* Only asked of the Japanese Market

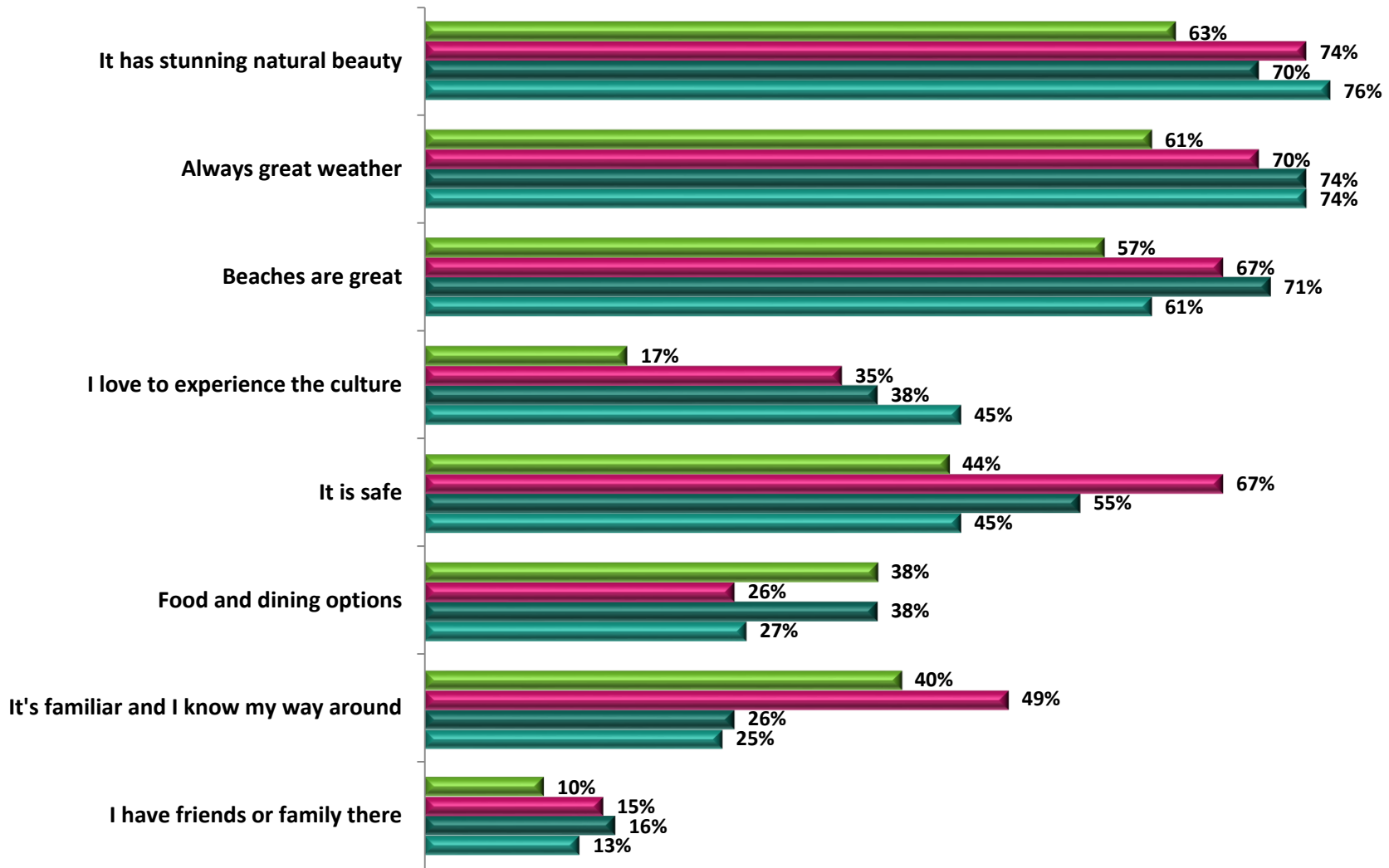
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AVERAGE LIFETIME VISITS TO HAWAI'I (AMONG THOSE VISITING 1+ TIMES)



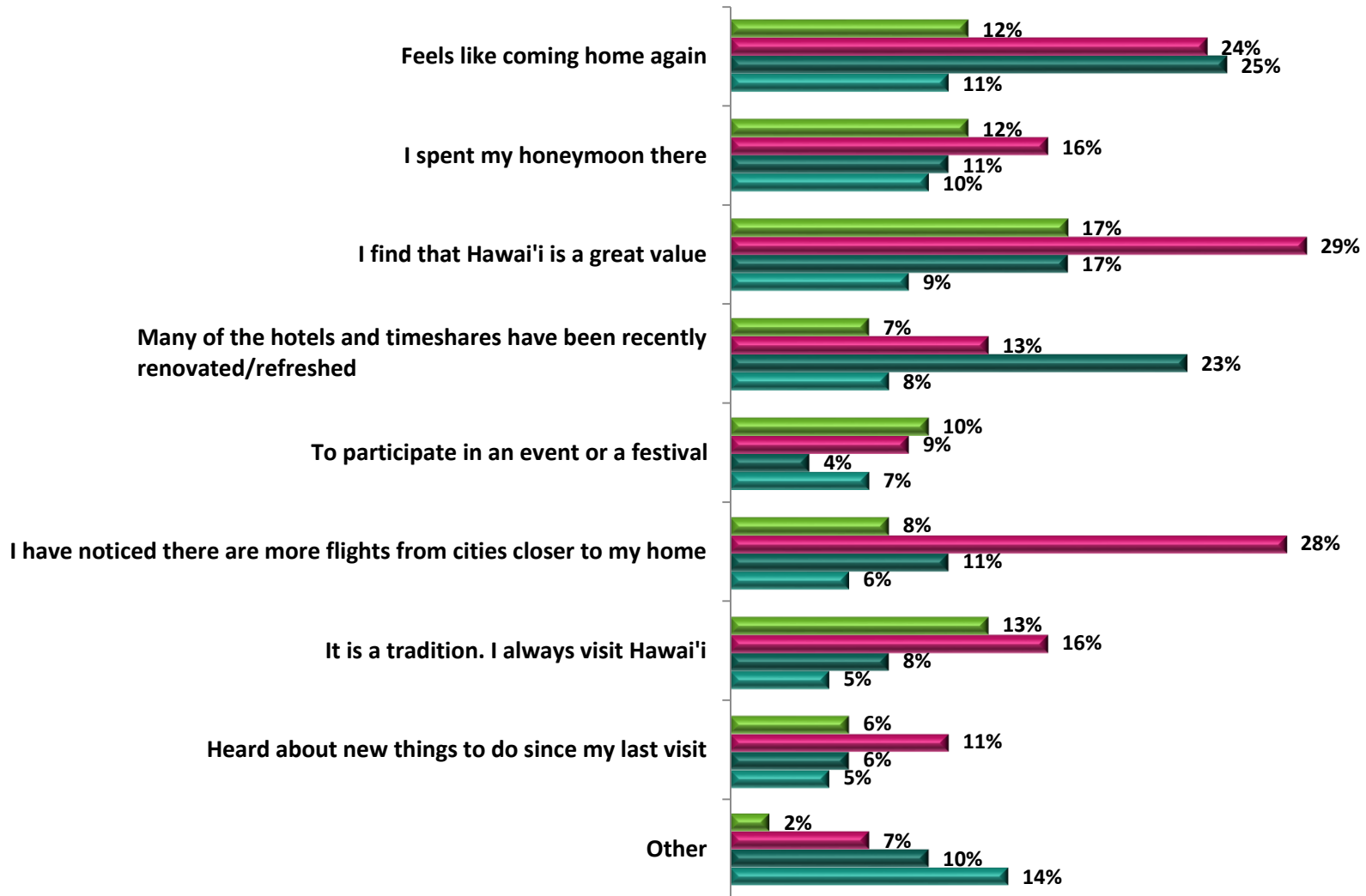
REASONS FOR RETURNING TO HAWAII (AMONG THOSE VISITING HAWAII 2+ TIMES)

■ Japan ■ Canada ■ Western U.S. ■ Eastern U.S.



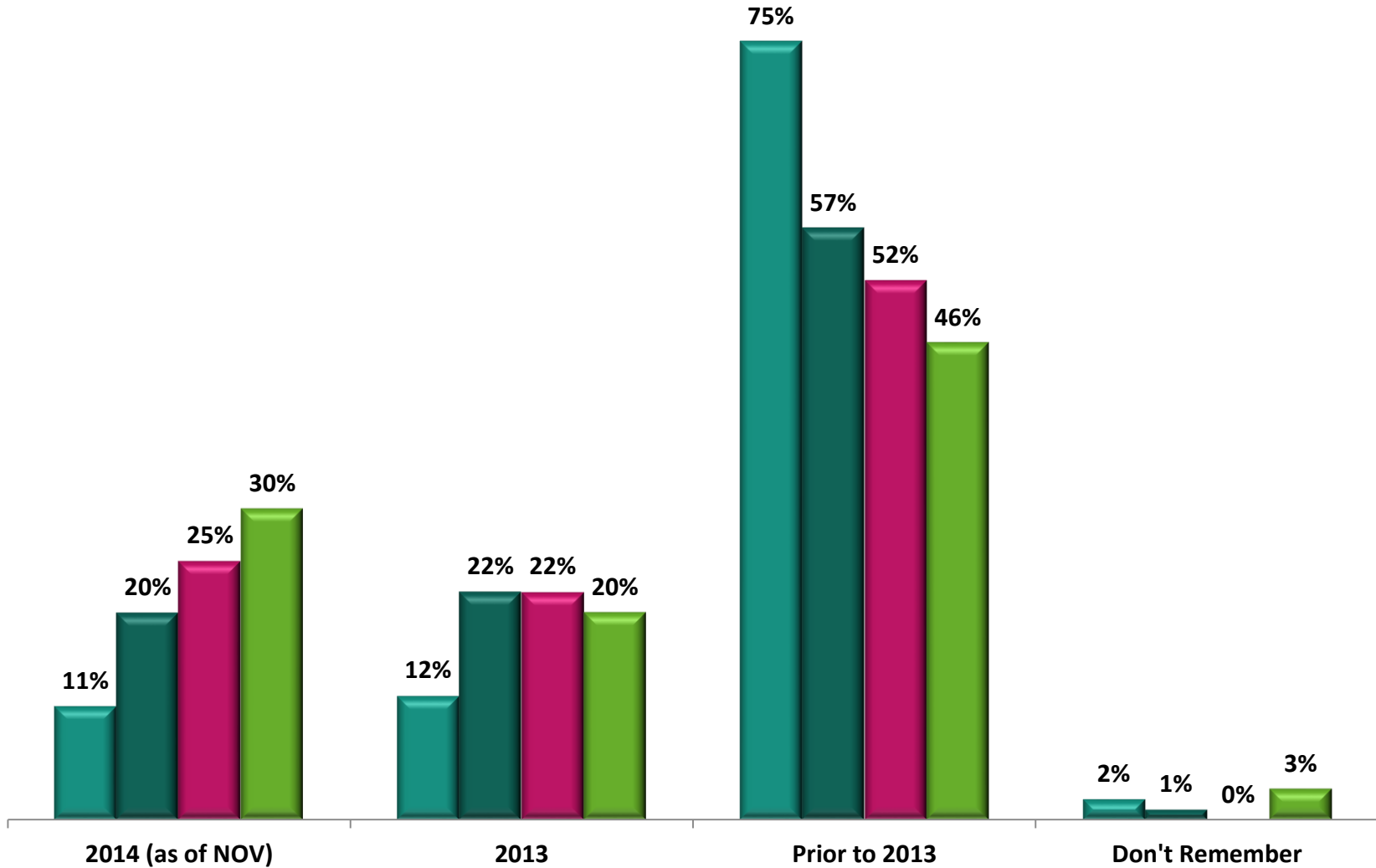
REASONS FOR RETURNING TO HAWAI'I (CONT.) (AMONG THOSE VISITING HAWAI'I 2+ TIMES)

■ Japan ■ Canada ■ Western U.S. ■ Eastern U.S.



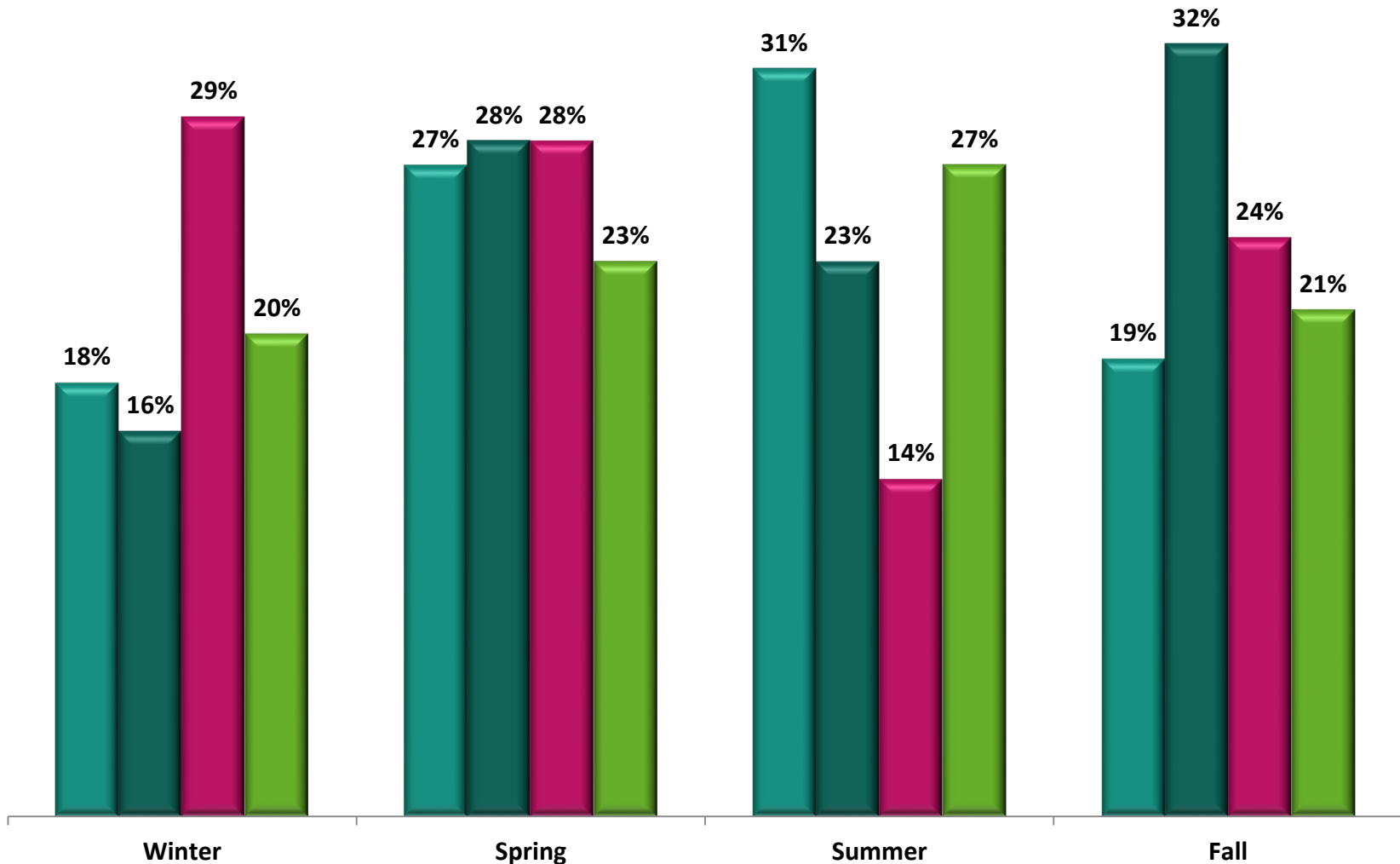
YEAR LAST VISITED HAWAI'I

■ Eastern U.S. ■ Western U.S. ■ Canada ■ Japan



SEASON LAST VISITED HAWAII

■ Eastern U.S. ■ Western U.S. ■ Canada ■ Japan



LIKELIHOOD OF RETURNING TO HAWAI'I IN NEXT 24 MONTHS (%; MEAN)

