



**HĀLĀWAI PAPA ALAKA'Ī KŪMAU
KE'ENA KULEANA HO'OKIPA O HAWAII'**

**HĀLĀWAI KIKOHO'E
HYBRID IN-PERSON & VIRTUAL MEETING**

**REGULAR BOARD MEETING
HAWAII TOURISM AUTHORITY**

**Po'ahā, Pepeluuli 24, 2022 ma ka 9:30 kak.
Thursday, February 24, 2022 at 9:30 a.m.**

Kikowaena Hālāwai O Hawaii'
Papahale 'Ehā | Lumi Nui C
1801 Alaākea Kalākaua
Honolulu, Hawaii 96815

Hawaii Convention Center
Fourth Floor | Ballroom C
1801 Kalākaua Avenue
Honolulu, Hawaii 96815

'O ka ho'opakele i ke ola o ka lehulehu ka makakoho nui. E maliu ana ke ke'ena i ke kuhikuhina a nā loa no ke kū kōwā, ka uhi maka, me nā koina pili olakino 'ē a'e. Koi 'ia ke komo i ka uhi maka a me ke kū kōwā ma nā ke'ena a ma nā hālāwai.

The safety of the public is of the utmost importance. Pursuant to expert guidance, HTA will be following strict physical distancing, facial coverings, and other health-related requirements. Face coverings and physical distancing are required in HTA offices and meetings.

Koi 'ia ka hō'oiā i kou olakino maika'i ma mua o ke komo i ke Kikowaena Hālāwai O Hawaii' ma ka 'īpuka o waena o ka hale ho'okū ka'a. E pāpā 'ia ke komo 'ana o ke kanaka nona ka piwa ma luna a'e o ka 100.4°F. Inā 'ōma'ima'i 'oe, e 'olu'olu, e 'imi i ke kauka nāna e kōkua iā 'oe.

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No nā kānaka a pau e komo ana i kēia hale, koi 'ia ka hō'ike 'ana i ke kāleka lā'au ko'oko'o a i 'ole ka hō'ike COVID-19 'ole i loko o nā lā 'ehiku ma mua pono o ke komo.

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'O ka po'e e komo ana ma nā hālāwai kikoho'e, ua hiki iā lākou ke hō'ike mai i ko lākou mau 'ōlelo hō'ike ma o ka māhele nīnau a hā'ina o Zoom.

Members of the public attending via Zoom may provide testimony through the questions and answer feature of the Zoom platform.

Papa Kumumana'o
AGENDA

1. *Ho'omaka*
Call to Order
2. *E Mālama 'Ia Ana Ke Kikolā I Hiki Ke Ho'olauna 'Ia Nā Lālā Papa Luna Ho'okele A Me Nā Kānaka 'Ē A'e E Komo Pū Ana Ma Ka Hālāwai*
Roll Call to Announce Name of Participating Board Members and to Identify Who Else is Present with Board Member if Location is Nonpublic
3. *Wehena*
Opening Cultural Protocol
4. *'Āpono I Ka Mo'o'ōlelo Hālāwai*
Approval of Minutes of the January 27, 2022 Board Meeting
5. *Hō'ike Lālā*
Report of **Permitted Interactions** at an Informational Meeting or Presentation Not Organized by the Board Under HRS section 92-2.5(c)
6. *Hō'ike A Ka Luna Ho'okele*
Reports of the Chief Executive Officer/Chief Administrative Officer/Chief Brand Officer
 - a. *Hō'ike No Ka Ho'okō I Nā Pāhana HTA Like 'ole*
Relating to Update on **HTA's Programs During January 2022**
 - b. *Hō'ike No Ko HTA Ho'okō I Ka Papahana Ho'okele Huliau*
Relating to Update on **HTA's Implementation of Change Management Plan**
7. *Ka Nū Hou Mai Ka Hālāwai Kūmau 'o Ho'okahua*
Ho'okahua Hawai'i Standing Committee Update
 - a. *Ke Kūkākūkā A Me Ka Hana E Pili Pū Ana I Nā Mana'o A Ke Kōmike Ho'okahua Hawai'i Kūmau I Hāpai Ai No Ka Papa Hana Hokona No Ka Ho'ōla 'Ana I Ka 'Oihana Kipa Malihini, Me Ka Nā'ana Pū 'Ia O Nā Loli Hou I Hāpai 'Ia Ma Ka Hālāwai O Pepeluuli 15, 2022*
Discussion and Action on the Recommendation by the **Ho'okahua Hawai'i Standing**



Committee on the Tourism Recovery Marketing Plan's Section as Presented and Proposed Revisions Discussed at the February 15, 2022 Meeting

8. *Hō'ike Mai Ke Kōmike Mo'ohelu Kālā, 'Oihana Kālā, A Me Ke Kikowaena Hālāwai*
Report by the **Budget, Finance, and Convention Center Standing Committee**
 - a. *Hō'ike, Kūkākūkā A Ho'oholo No Nā Mo'okālā*
Discussion and Action on the Recommendation by the **Budget, Finance, and Convention Center Standing Committee** on the **HTA's Financial Report for January 2022** as Presented at the February 22, 2022 Meeting
 - b. *Ke Kūkākūkā A Me Ka Hana E Pili Pū Ana I Ka Mana'o A Ke Kōmike Mo'ohelu Kālā, 'Oihana Kālā, A Me Ke Kikowaena Hālāwai I Hāpai Ai No Ka Ho'oka'awale 'Ana I Ke Kālā Mai Ka Makahiki 'Auhau 2022, No Ke Kāko'o 'Ana I Ko HTA 'Aelike Alowelo Me Ko Ke Kulanui O Hawaii'i Māhele 'Ālapa, Ma O Ko HTA 'Aelike Me Ka Hui Kūkā 'O Big West, E Like Me Ka Mea I Hō'ike 'Ia Ma Ka Hālāwai O Pepeluali 22, 2022*
Discussion and Action on the Recommendation by the **Budget, Finance, and Convention Center Standing Committee** to Allocate FY22 Funds to Support HTA's Branding Partnership with University of Hawaii'i Athletics through Funding of HTA's Contract with the Big West Conference as Presented at the February 22, 2022 Meeting
 - c. *Ke Kūkākūkā A Me Ka Hana E Pili Pū Ana I Ko Ke Kōmike Mo'ohelu Kālā, 'Oihana Kālā, A Me Ke Kikowaena Hālāwai Kūmau 'Āpono 'Ana I Ko Ke Kikowaena Hālāwai Mo'ohelu Kālā Kānāwai Papa Hana Ho'opakele o 'Amelika (ARPA) O Ka Makahiki 2021 No Ka Makahiki 'Auhau 2022, E Like Me Ka Mea I Hō'ike 'Ia Ma Ka Hālāwai O Kekemapa 21, 2021*
Discussion and Action on the Recommendation by the **Budget, Finance, and Convention Center Standing Committee** to approve the Convention Center's American Rescue Plan Act of 2021 (ARPA) FY 2022 Budget as Presented at the December 21, 2021 Meeting
 - d. *Ke Kūkākūkā A Me Ka Hana E Pili Pū Ana I Ka Mana'o A Ke Kōmike Kōmike Mo'ohelu Kālā, 'Oihana Kālā, A Me Ke Kikowaena Hālāwai I Hāpai Ai, No Ka Palapala Waiwai A Ke Kikowaena Hālāwai O Ianuali No Ianuali 2022, E Like Me Ka Mea I Hō'ike 'Ia Ma Ka Hālāwai O Pepeluali 22, 2022*
Discussion and Action on the Recommendation by the **Budget, Finance, and Convention Center Standing Committee** on the **Hawaii Convention Center's January Financial Report for January 2022** as Presented at the February 22, 2022 Meeting
 - e. *Ke Kūkākūkā A Me Ka Hana E Pili Pū Ana I Ka Mana'o A Ke Kōmike Mo'ohelu Kālā, 'Oihana Kālā, A Me Ke Kikowaena Hālāwai I Hāpai Ai No Ka 'Imi 'Ana I Ke Kālā E Kāko'o Ai I Ka Ho'āno Hou 'Ia 'O Ka Hō'ike A Ke Kikowaena Hālāwai O Hawaii'i No Ka Wā E Hiki Mai Ana*
Discussion and Action on the Recommendation by the **Budget, Finance, and Convention Center Standing Committee** for the Funding to Support an Update of the Hawaii Convention Center Futures Study as Presented at the February 22, 2022 Meeting



- f. *Ka Hō'ike'ike, Ke Kūkākūkā, A Me Ka Hana E Pili Pū Ana I Ka Ho'okumu 'Ana I Hui Ho'okolokolo E Noi'i Ai Ma Nā Hihia E Pili Pū Ana I Ke Kikowaena Hālāwai O Hawai'i A Me Nā Hihia RFP*
Presentation, Discussion, and Action to Create a Convention Center Permitted Investigative Group to Explore Issues Relating to the Future of the Hawai'i Convention Center and RFP Issues

9. *Hō'ike 'Ikepili Noi'i 'Oihana Ho'omāka'ika'i*

Presentation and Discussion of **Current Market Insights and Conditions in Hawai'i and Key Major Hawai'i Tourism Markets**

10. *Hō'ike No Ke Kōmike Alowelo*

Report by the **Branding Standing Committee** of their Meeting held on February 22, 2022

- a. *Ke Kūkākūkā A Me Ka Hana Mai Ke Kōmike Alowelo Kūmau E Pili Pū Ana I Nā Lula Alowelo A Hokona GMT No Ka Hapahā 'Elua O Ka Makahiki 2022, E Like Me Ka Mea I Hō'ike 'Ia Ma Ka Hālāwai o Pepeluali 22, 2022*

Discussion and Action on Recommendation by the **Branding Standing Committee** on the GMT's Brand Marketing & Management Guidelines for Q2 2022 as Presented at the February 22, 2022 Meeting

- b. *Ke Kūkākūkā A Me Ka Hana E Pili Pū Ana I Ko Ke Kōmike Alowelo Kūmau No Ka Ho'ōla Hou 'Ana I Ka 'Oihana Kipa Malihini, Ma Ka 'Ao'ao Hokona Alowelo, E Like Me Ka Mea I Hō'ike 'Ia Ma Ka Hālāwai O Pepeluali 22, 2022*

Discussion and Action on the Recommendation by the **Branding Standing Committee** on the Tourism Recovery Marketing Plan's Brand Marketing Section as Presented at the February 22, 2022 Meeting

- c. *Ke Kūkākūkā A Me Ka Hana E Pili Pū Ana I Ko Ke Kōmike Alowelo Kūmau Mana'o No Ka Hai 'Ana I Kekahi Kanaka Mana'o A'oa'o No Ka Pāhana 'o Hawai'i Smart Destination, E Like Me Ka Mea I Hō'ike 'Ia Ma Ka Hālāwai O Pepeluali 22, 2022*

Discussion and Action on the Recommendation by the **Branding Standing Committee** to Solicit a Consultant Related to the Hawai'i Smart Destination Initiative at the February 22, 2022 Meeting

11. *Ke Kūkākūkā A Me Ka Hana E Pili Pū Ana I Ka Papa Hana Hokona No Ka Ho'ōla Hou 'Ana I Ka 'Oihana Kipa Malihini*

Discussion and Action on the Tourism Recovery Marketing Plan



12. *Ka Nū Hou No Ka 'Aha'ōlelo E Pili Pū Ana I Ke Kau 'Aha'ōlelo 2022 A Me Nā Pila E Pili Pū Ana I Ke Ke'ena Kuleana Ho'okipa o Hawaii'i*

Legislative Update on the 2022 Legislative Session and Related Bills Relevant to the Hawaii'i Tourism Authority

- a. *Ka Hō'ike'ike, Ke Kūkākūkā, A Me Ka Hana E Pili Pū Ana I Ka Memo O Ka Maopopo 'Ana (MOU) Ma Waena O HTA A Me Nā Kalana No Nā Hana Ma Nā Ka'akālai Hana Mālama 'Āina A Ho'okele Kumuwaiwai (DMAP)*

Presentation, Discussion, and Action on Memorandum of Understandings (MOU) Between HTA and Counties Related to the Destination Management Action Plans (DMAP) Actions and Sub-Actions

13. *Panina*

Closing Cultural Protocol

14. *Ho'oku'u*

Adjournment

*** *'Aha Ho'okō: Ua hiki i ka Papa Alaka'i ke mālama i kekahi hālāwai kūhelu i kū i ka Hawaii'i Revised Statutes (HRS) § 92-4. E mālama 'ia kēia hālāwai kūhelu nei ma lalo o ka § 92-5 (a)(4), § 92-5 (a)(8) and §201B-4(a)(2) no ka pono o ko ka Papa Alaka'i kūkā a ho'oholo 'ana i nā nīnūnē a nīnau i pili i ko ka Papa Alaka'i kuleana me ko ka Papa Alaka'i loio. He hālāwai kūhelu kēia i 'ole paulele 'ia ka 'ikepili a i mea ho'i e mālama kūpono ai ko Hawaii'i 'ano, he wahi i kipa mau 'ia e nā malihini.*

*** **Executive Session:** The Board may conduct an executive session closed to the public pursuant to Hawaii'i Revised Statutes (HRS) § 92-4. The executive session will be conducted pursuant to HRS § 92-5 (a) (2), § 92-5 (a)(4), § 92-5 (a)(8) and §201B-4(a)(2) for the purpose of consulting with the board's attorney on questions and issues pertaining to the board's powers, duties, privileges, immunities, and liabilities; to consider hiring and evaluation of officers or employees, where consideration of matters affecting privacy will be involved; and to discuss information that must be kept confidential to protect Hawaii'i's competitive advantage as a visitor destination.

Ma lalo o ka māhele 531.5 o ka Budgetary Control Accounting Manual, Moku'āina o Hawaii'i, he māhele ka 'aina awakea o ka hālāwai. E mau ana ka hālāwai ma loko nō o ka 'ai 'ana, 'a'ole ho'i ia he wā ho'omalolo.

Pursuant to Section 531.5, of the Budgetary Control Accounting Manual, State of Hawaii, lunch is served as an integral part of the meeting, while the meeting continues in session, and not during a break.



HAWAII TOURISM AUTHORITY

Hawaii Convention Center
1801 Kalakaua Avenue, Honolulu, Hawaii 96815
kelepona tel 808 973 2255
kelepa'i fax 808 973 2253
kahua pa'a web hawaiiitourismauthority.org

David Y. Ige
Governor

John De Fries
President and Chief Executive Officer

Kono 'ia ka lehulehu e nānā mai i ka hālāwai a ho'ouana mai i ka 'ōlelo hō'ike kākau 'ia no kēia kumuhana i helu 'ia ma ka papa kumumana'o. Hiki ke ho'ouana mai i nā 'ōlelo hō'ike kākau 'ia ma mua o ka hālāwai iā carole@gohta.net a i 'ole ho'ouana i ka leka i Ke'ena Kuleana Ho'okipa O Hawai'i, 1801 Kalakaua Avenue, Honolulu, HI 96815 - Attn: Carole Hagihara-Loo. Inā pono ke kōkua ma muli o kekahi kīnānā, e ho'omaopopo aku iā Carole Hagihara-Loo (808-973-2289 a i 'ole carole@gohta.net), he 'ekolu lā ma mua o ka hālāwai ka lohi loa.

Members of the public are invited to view the public meeting and provide written and oral testimony on any agenda item. Written testimony may be submitted prior to the meeting to the HTA by email to carole@gohta.net or [by postal mail to the Hawaii Tourism Authority, 1801 Kalakaua Avenue, Honolulu, HI 96815 - Attn: Carole Hagihara-Loo](#). Any person requiring an auxiliary aid/service or other accommodation due to a disability, please contact Carole Hagihara-Loo (808-973-2289 or carole@gohta.net) no later than 3 days prior to the meeting so arrangements can be made.

E like nō me ka 'ōlelo a ke Kānāwai 220, e mālama ana ke Ke'ena Kuleana Ho'okipa o Hawai'i i kekahi wahi e hiki ai ka po'e o ka lehulehu ke noho a komo pū ma nā hālāwai ma o ka ho'ohana 'ana i ka 'enehana pāpaho (ICT). Aia ana kēia 'enehana pāpaho ma ka papahelu mua o ka lumi ho'okipa i mua o ke Ke'ena Kuleana Ho'okipa o Hawai'i ma ka Hale 'Aha. 'O 1801 Kalakaua Avenue, Honolulu, Hawaii, 96815 ka helu wahi.

In accordance with Act 220, the Hawaii Tourism Authority will not establish a remote viewing area for members of the public and board members to view and participate in meetings held using interactive conference technology (ICT) because there will be an in-person option for members of the public and board member to view and participate in the meeting. As a reminder, the in-person option will be available on the 4th Floor in Ballroom C at the Hawaii Convention Center at 1801 Kalakaua Avenue, Honolulu, Hawaii, 96815.

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Approval of Minutes of the January 27, 2022
Board Meeting



**REGULAR BOARD MEETING
HAWAII TOURISM AUTHORITY
Thursday, January 27, 2022, 9:30 a.m.**

Virtual Meeting

MINUTES OF THE REGULAR BOARD MEETING

MEMBERS PRESENT:

George Kam (Chair), David Arakawa (vice chair), Kimi Yuen (second vice chair), Micah Alameda, Fred Atkins, Dylan Ching, Daniel Chun, Keoni Downing, Kyoko Kimura, Sherry Menor-McNamara, Ben Rafter, Sig Zane

MEMBER NOT PRESENT:

HTA STAFF PRESENT:

John De Fries, Keith Regan, Kalani Ka'anā'anā, Marc Togashi, Caroline Anderson, Maka Casson-Fisher, Carole Hagihara

GUESTS:

Chipper Wichman, Presley Wann, Jennifer Chun, Chris Kam, Jay Talwar

LEGAL COUNSEL:

Gregg Kinkley

1. Call to Order

Chair Kam called the meeting to order at 9:30 a.m.

2. Roll Call

Mr. Regan did a roll call, and all members confirmed they were by themselves except for Ms. Kimura with general public Glenn Yamasaki Kimura in the premise.

3. Opening Cultural Protocol

Mr. Casson-Fisher did the opening cultural protocol. Since it is still the new year, he shared the 'Ōlelo No'eau number 100 where it encouraged everyone to be prepared and make preparation for the future now.

4. Approval of Minutes of the November 25, 2021, and December 23, 2021, Board Meeting

Mr. Arakawa said he had revisions to the November 18th minutes on page 8, regarding the draft code of conduct, in the middle it refers to Mr. Rafter that said HTA code of conduct retaining the existing one, and they have to comply with chapter 84. It was Mr. Arakawa's comment, and he asked to have it changed to his name.

He said the sentence right after that was him as well, "We feel very protected by Chapter 84 and our current code of conduct." Mr. Arakawa asked to have that changed as well. He said further down where they were discussing the procedure under the current code of conduct, "When there's an issue, Mr. De Fries will notify them and himself." but he said the current process is that Chair Kam and Mr. Arakawa will know about it, so he said that section needs to be corrected as well.

He also said the last line on page 8 should be corrected to read, "Chair Kam and CEO Mr. De Fries confirmed that this is correct." The process where they get notified and refer to the attorney general and the ethics commission. He mentioned typo's - section 14, page 9 refers to ex-officiate, non-voting members, but it should be "ex-officio," and at the bottom of page 9, when he was talking about Ms. Kimura's experience with HTA, "She has an understanding of the Japanese market," not Japanese "more." He said also to clarify, "When she came back onto the HTA." He mentioned page 10, there are a lot of references to "has" and they should all be changed to "proposed," so instead of reading "Chair has," it should read "Chair proposed."

Ms. Kyoko said in the December minutes, item 7, page 27, "Mr. Rafter made a motion to support the brand management plans," but the motion was not to approve the plans, but to approve the expense to keep the lights on. Mr. Atkins agreed with it.

Chair Kam made a motion to approve the changes recommended by Mr. Arakawa and Ms. Kimura. Mr. Arakawa made a motion and Mr. Chun seconded it. Mr. Regan did a roll call for the motion to accept the minutes for November and December as revised and the motion passed unanimously.

5. Report of Permitted Interactions at an Informational Meeting or Presentation Not Organized by the Board Under HRS section 92-2.5 (C)

There were no reports from any board members.

6. Reports of the Chief Executive Officer/Chief Administrative Officer/Chief Brand Officer

a. Relating to Update on HTA's Programs During December 2021

Mr. De Fries said he was wearing a lei from the previous night, and he wanted to highlight and congratulate Danny Kaleikini. He said the Kahala hotel had seen fit to rededicate their entry driveway and rename it the Danny Kaleikini Square. He said it's the kind of event that he wished every visitor and resident could attend.

Both the Lieutenant Governor Green and Mayor Blangiardi attended the event. He said he had a special appreciation for Senator Ms. Donna Mercado Kim and her interest in the Center for Hawaiian Music and Dance as she worked as a front desk clerk at the Kahala Hotel at one time, and a former hula dancer at the Royal Hawaiian Hotel. He said all in all it was a very special event.

He wanted to highlight that they were asked by DBEDT and Director McCartney to help organize meetings the coming week with HLTA, HHA, the restaurant association and retailers in a unified effort via the visitor industry to get the workforce booster shots. He said they did something like that before when the initial vaccination shots came out and they've been asked to do it, and they anticipate that it will probably be an announcement by the governor that will define fully vaccinated as including a booster. He said the board will be informed as soon as it is certain.

He mentioned that they all have the full CEO report in front of them for December 2021 and is happy to respond to any questions. He wanted to highlight some of the current activities going on in January 2022, highlighted by the third year of their PGA contract with the Century Golf tournaments, Sony Open and Mitsubishi at Waialae. He said when Kapalua has the kind of weather it had during that week, it is an elite golf destination; the scenery and the beauty ranks within any other golf vista seen in the world.

He spoke about a few of the players and how the game went. He said the Mitsubishi had some fresh faces in it that helped leverage viewership with Ernie Els and Vijay Singh. He said during The Sony Open, him, Mr. Ka'anā'anā and Mr. Monahan from HVCB had an opportunity to meet with a PGA commissioner, Jay Monahan, to explain that they were at the end of a three-year

contract, and also to explain to the commissioner how HTA and its funding abilities have been changed. He said they await the final evaluations on all of those tournaments and then will begin to examine how best to move forward in that area of golf.

He thanked Mr. Monahan and said it's clear that he is highly respected by the office of the commissioner of the PGA. He said they're grateful that he helped to facilitate the meeting, and meetings with the golf channel. He said the event gave him an opportunity to reconnect with Mr. Mark Rolwing, who became a mentor of his when he was assigned on the golf negotiations for the senior skins at Mauna Lani.

He said it will be good for Mr. Atkins on the standing committee to hear from Mr. Rolwing on how sports media is changing and the different digital platforms. He said he gave Mr. Ka'anā'anā, Mr. Monahan and himself a brief overview that deserves further review by their standing committee.

He mentioned the previous weekend when the Polynesian Football Hall of Fame was on which was co-sponsored by HTA and said it was a wonderful event. He said the previous time when it was in person, there were 1,200 people at the gala, but this year for COVID protocols, they limited it to 700. He said it was a well-supported and professionally-run event.

He said the following day at Mauna Lani the Hawai'i executive conference would convene, chaired by HVCB board member and businessman, Duane Kurisu. He said Mr. Kurisu asked the HTA and himself to appear on a board with the Head of Tourism from Spain, and the Director of the Tourism Council from Bhutan. He said the panel will take place on Sunday.

Mr. De Fries said there are a number of people who understand bits and pieces about what happened at the last legislative session, and they can get various perspectives about what they believe happened. He said he was trying to explain what happened: the loss of special fund, the loss of dedicated funding, the loss of the procurement exemption, and people came heavy hearted when they heard that.

He pointed out a speech at the Polynesian Football Hall of Fame by Ms. Lucy Wedemeyer, a wife of one of the inductees. He said Lucy's late husband, Mr. Charlie Wedemeyer, would resonate with Mr. David Arakawa and Mr. Presley Wuan because Mr. Wedemeyer was an all-star athlete at Punahou School, albeit years ahead of them. He spoke about Mr. Wedemeyer's football career after which he came down with ALS and lost his ability to speak and move, but never stopped coaching, and his wife became his voice because she could read his lips. He said his point is that the HTA model was deconstructed, and certain things were taken away, just like Mr. Wedemeyer's abilities. Ms. Wedemeyer's point in the acceptance speech was that Mr. Wedemeyer wasn't focused on what he lost but made the most out of what he had.

He said the fact that the HTA model has been deconstructed means that there is no status quo and that proves to be a silver lining. He said if there is no status quo they cannot plan for it, cannot budget for it, and there is no reason to invest any energy into it. He said they are taking the best of what they have and redesigning and recreating it. He said if status quo were there, they would not be talking about Hawai'i as a smart destination, and they wouldn't be accelerating their inner agency collaboration. He mentioned they lost a few things but have so much to work with. He said he is extremely proud at the way the staff and the leadership had come together and appreciates the guidance they have received from each of the board members between the meetings.

Mr. Atkins asked Mr. De Fries about the booster and what they're doing at hotels and asked if the CDC only recognizes someone as being vaccinated if they have the booster. Mr. De Fries did not have the current information but said, as of a week ago, it wasn't part of the definition of fully vaccinated. He asked Mr. Ka'anā'anā for his input, and he said he believed it was part of a two-course recommendation.

Mr. Chun said he believed that fully vaccinated means a person that received primary series and up to date means they received the booster.

Mr. De Fries added that they have tried to communicate to the governor that they felt adding the requirement of a booster is not necessary and it will thwart the number of arrivals. He said he was scheduled to make the announcement on Wednesday, and it's held off for another week.

Ms. Kimura said she thinks Maui County's requirement has changed to require the booster shot and Mr. De Fries agreed.

There were no further questions.

b. Relating to Update on HTA's Implementation of Change Management Plan

Mr. Regan said they continue to work diligently to support the change management plan that was approved by the board and said Mr. De Fries would be speaking about the work that was done over the past month.

He said the finance team continues to work hard to actively support the needs of the organization by processing many requests coming through, and to support their team, which includes their relationship in communication with budget and finance due to the use of the American Rescue Plan Act funds to support HTA's fiscal year 2022 budget. He said the funds have been approved, but there are more documents to submit in order to move the funds into a place where they can utilize them.

He said they've been working closely with DBEDT to respond to various questions coming up related to the legislative session which is in full swing, and the funds requested as part of HTA's operational needs for fiscal year 2023. He said this includes a request to provide additional information related to the rooftop replacement project approved by the board to include a request as part of the upcoming fiscal year 2023 budget discussion for the Convention Center. He said they continue to support their teams' procurement needs in various ways and they're in the process of recruiting for a vacancy on their procurement team, a procurement manager, but until it's filled Mr. Regan will be serving in that role.

He said for context, there are only two positions in the HTA that have procurement as their primary responsibilities and mentioned that they're actively recruiting for the positions. He said their planning team continues to work to support the implementation of the Destination Management Action plan, actions and sub-actions, Ms. Anderson, and a lot of the liaisons on the islands are working hard to ensure the actions and sub actions get implemented as part of phase one.

He said in addition to that they're working through the economic development and administration grant that Governor Ige assigned to them, which includes regular meetings with the EDA (Economic Development Administration) making sure they're following their requirements and forms asked to submit.

On the legislative side, he said they've spent time reviewing bills that have been submitted, which is be discussed more on agenda item 8.

He said they continue to support the team on human resource needs. He reiterated they are recruiting for a number of positions at the HTA, including senior brand manager, contracts administrative manager and procurement manager. He said they have challenges finding applicants, but they've been fortunate to find great team members to join.

Mr. De Fries said Mr. Regan's report mirrors his change management report. In June 2020, the HTA board adopted unanimously the 'Āina Aloha Economic Futures Declaration and became a signatory to that declaration. He said there are 14 co-authors who meet every week and continue to move their operating principles, but also engage with the community. He read an excerpt by the House majority leader Belatti on the opening day at the legislation, it was an acknowledgement to the great work that 'Āina Aloha Economic Futures have done, an acknowledgement to the HTA board for recognizing the value of the organization, and one of the co-authors is Mr. Ka'anā'anā, their Chief Brand Officer. He congratulated him on his AAEF achievement.

Mr. Ka'anā'anā was the next presenter. He said the team has been very busy - a number of things happening across the four pillars. His report started with the natural resource pillar. He said the Aloha 'Āina program went out and first payments went out in record time. He reported that the partnership with the Hawai'i Community Foundation had been huge in implementing this program.

He said they continue to work with DLNR on the partnership to do brushing and clearing on the trails, so they're hoping to have that wrapped up in June 2022. He said they're close to selecting a program manager for the formerly known as the Universal Reservation System, the Channel Manager now. He said there is more detail in the CEO report.

He said UH TIM school continues their work in the study they commissioned from them, to understand what the landscape is as it relates to tour guide certifications and possible licensure, and they're hoping to have that work and study published before June 2022. He said they continue to work with Sustainable Tourism Association of Hawai'i on their certification and re-certification of tour guides.

He said there is cohesion among all the certifications; and the goal is to see them all come together.

Mr. Mr. Ka'anā'anā moved on to report the Hawaiian culture pillar, Kūkulu Ola, whose first payments already been distributed. He said the Native Hawaiian Hospitality Association (NaHHA) is busy and said Ms. Ilihia Gionson has been doing a great job mirroring some of the content on their social calendar to ensure they can drive attendance to the various training at NaHHA is doing.

He thanked Alaskan airlines and Mr. Chun and their partnership with travel2change, as well as Hawaiian Airlines, NaHHA and HTA to build the capacity of their community-based nonprofits to create tourism products, to create the capacity to be listed on travel2change so they have a hub, and said they've been doing it in partnership with HVCB.

He said they're close to wrapping up Pop-Up Mākeke season 3, coming into the final plan and said it has been successful. They were able to support locally-based micro and small businesses that had no expertise with e-commerce, and unlocked markets they would never have access to. He said they were successful as an investment for HTA in partnership with DBEDT, supporting Pop-Up Mākeke.

For the festivals and event that are funded through the community enrichment program, he said the final Island Maui was wrapped up and made their final award letters, so now they're moving forward with HVCB to get contracted with the programs. They've also moved forward

with Kahea greetings program which is important to the visitors to create a Hawaiian sense of place, and they have started performances at their airports statewide. He said they're also doing that for cruise as cruising has resumed without major incident, which is another important part of the work going on with Ms. McKee.

He asked Mr. Talwar to give updates on PGA.

Mr. Talwar reiterated the partnership to the HTA contract with the PGA Tour for over 18 years. He said they've worked with them in ways to allow them to forward the appropriate brand messaging using their talent, stars and players. He said they've had great luck with them finding the talent. He said it's the best deal they've ever had to have superstars promote the sport that's appropriate to their branding. He said the branding message has evolved over time as their needs have evolved. He said they're also participating in Mālama Hawai'i experiences, so they have two shows full of content running on the PGA Tour, broadcast on the Golf Channel as well as NBC. He showed a video clip to give a visual reference to his report.

Mr. Ka'anā'anā said he wanted to close with a friendly reminder that they do have their Winter tourism update, a virtual event, which is scheduled for February 9 and there will be a registration link coming soon. He said they will be presenting their activities for the winter update that pertain to marketing branding in particular.

Mr. Atkins said a few weeks ago he asked Chair Kam if they could bring Mahina Duarte to their meeting the following month to give more of an update. Mr. Ka'anā'anā confirmed that they can attend so the board can ask questions as well. He thanked Chair Kam for letting it happen.

Mr. De Fries recommended Chair Kam to extend an invitation to Senator Wakai and representative Onishi for the legislative update, and provide a view of their legislative priorities, when the Chair deemed appropriate during this meeting. Chair Kam agreed.

Mr. Regan reported there were no questions from the public.

7. Ho'okahua Hawai'i Standing Committee Update

a. Presentation by Presley Wann, President of Hui Maka'āinana O Makana and Chipper Wichman of Limahuli Gardens on Their Experiences Related to the Destination Management Action Plans (DMAPs)

Ms. Yuen said the committee didn't meet that month, but she attended the American Planning Association Hawai'i chapters annual directors panel, and they had invited all the county as well as Mike McCartney from DBEDT to speak.

She said they asked questions specifically about HTA's DMAPs and how the counties have all been working with HTA and the staff, and the new DMAP managers, and everyone was excited. She said the work with HTA to manage tourism impact has been warmly received by all the county directors. She said she is thankful to Ms. Anderson and the leadership staff to help continue with that.

She said some of that wraps into their guest speakers, in that it's important as HTA makes the shift towards destination management/tourism management. She said it's a great Segway into what they've asked Mr. Wichman and Mr. Wann to talk about and thanked Mr. Atkins for reaching out to the guest speakers. She said Hā'ena State Park is an example of that and is being held upright as the shining example, but it is not as easy and doesn't happen overnight. she said she was the planner working on that project and was invited into the community to help develop a master plan that had been in the works for decades.

She introduced Mr. Wichman, the president of The National Tropical Botanical Garden and Mr. Wann, an Ohana member from Lahaina Community, a Punahou Alumni, the president of Hui Maka'āinana o Makana, who has the curatorship agreement with State Parks that has evolved from restoring the Lo'i to improving other historic sites, taking over the shuttle system that has been successful in managing traffic that was impacting the north shore of Kaua'i and beyond. She said they continue to grow, but since they started the masterplan process over 12 years ago, it had come a far way. She gave the floor to the guests.

Mr. Wichman started his presentation with a slide. He said he has worked with the National Tropical Botanical Garden for 47 years and said it has been a great life journey and an honor and privilege. He said Mr. Wann's ancestors facilitated the community purchase of that land in 1875 which allowed them to restore the Ahupua'a system and it had been there for countless centuries.

He said He 'Āina Momona is a place with abundant fresh water, crystal clear waters, abundant sea life and spectacular sunsets. He said the Limahuli Valley is the second most biodiverse spot in the Hawaiian Islands and they currently manage over 165 threatened and endangered federally listed species.

He said when their ancestors arrived, they circumnavigated the island and found Hā'ena to be one of the ideal places to begin to establish their civilization. He said it's a very important spot and showed an artistic rendition he commissioned 20 years ago based on traditional cultural knowledge and practices, as well as archaeological reports.

He said Hā'ena had a thriving community for over 800 years. He spoke about He Panepo's Keia Wahi Pana which is the pinnacle of Wahi Pana - the landscape all has names and significance. He said it's a place where their ancestors lived as companions with the land for centuries.

He said in the 1960's as part of the Statehood they condemned the Hā'ena land to get away from their ancestors, evicted the taro farmers and created the Hā'ena State Park as a gateway to the Nā Pali Coast. The Nā Pali trail and coast were recognized as the world class resources, and they needed a gateway, so Hā'ena State Park was created.

He said this beautiful natural resource attracted more visitors and the State Park was ill-equipped to deal with that. The state brought bulldozers in to make a parking area and built a comfort station on the most culturally sensitive dune right by the lagoon where the iwi kupunas were underneath. He said people came in ever increasing numbers. He said the parking lot was a mess, exceeding the carrying capacity of the place and visitors doing lots of culturally inappropriate things. He said DOT put a rubber strip over the road and counted over 3,500 cars a day.

The community groups have gotten together to come up with solutions. He spoke about the Limahuli Garden and that he built an Ahupua'a program there, and had successfully created the first CBSFA (Community Based Subsistence Fishery). They took it beyond concept to implementation, and recognized their property from the mountain ending at the highway. They created the Hui Maka'āinana o Makana through community leaders who recognized that they wanted to work with the state. The mission of Hui Maka'āinana o Makana is "dedicated to perpetuating and teaching the skills, knowledge and practices of our kupuna through the interpretation, restoration, care and protection of the natural and cultural resources that are located with the Hā'ena State Park." He said they created the non-profit to take care of their 'Āina, the place their ancestors lived, where they are raising their children.

He said Auntie Pualani Kanahale said this about Hā'ena, "Only the most worthy experience Hā'ena from childhood until wrapped in kapa." He showed a slide of their visionary leaders that expressed and guided the formation of the Hui and its years. The vision is to empower their Maka'āinana because they're the people of the community, and they wanted to empower the people of the community to be stewards of the place.

He showed a few slides of volunteers working in the fields - true community-based work for decades. He showed Mr. Wann's quote - "Hā'ena to me is the definition of 'Āina Momona and it is my kuleana to protect and perpetuate it." He reiterated what Ms. Yuen said about the Master Plan Process - it was long and frustrating, and he began working on it in the early '90's. He said

the state began the formal process in 1997 after they realized they had created a mess. He said the process ended in 2001 after the community put in hundreds of hours of work.

He said they had a community preferred master plan and the consultant walked away and it wasn't until Ms. Yuen and PBR Hawai'i came along in 2008, which took another decade to complete the master plan. He said in the meantime the cars caused a lot of congestion where even emergency vehicles couldn't get through.

He said when government couldn't step in, nature did – on August 14, 2018, there was a flood that isolated Āina for 14 months, after which the community said they would never let it go back to the way it was. He said the next step was critical with State Parks and the trust they built over decades of work. He said the state stepped in, and in record time took the masterplan and they put it on the DLNR agenda, and it was adopted on May 25, 2018, all in one month. The plan called for a maximum number of people - 900 people per day in advanced reservations.

He said they reallocated their CIP money and began construction of the paradigm shift. He showed a picture of what it looked like on June 19, 2019, which they called the new day celebration, where the governor came down and visitors came in by shuttle, through the boardwalk, and it created the beginning of a regenerative system that would allow their community to become partners and co-managers of the resource. He mentioned it took place in July 2021 when DLNR changed their status from being curatorship status they had for 20 years, into a revocable permit that allowed them, along with their partner, nonprofit, the Hanalei Initiative, to enter into a co-management agreement. He said they are managing the shuttle, entry and parking and they're sharing in the revenue - the revenue is going back into the project.

He said they have now created over 20 community-based positions, employing their community in culturally appropriate ways and the Āina is being regenerated and restored, and a number of people on the beach and trail is at a sustainable level. He said the experience for the visitors and community alike is different. He showed a slide with the DMAP code for Kaua'i, about being a global model, and said they are implementing the 'Āina Aloha Economic Futures in the process, creating circular economy where the money is churning in their community and restoring their Āina, and community.

Mr. Wann was the next presenter. He shared that he is a lineal descendant of Hā'ena and Nā Pali coast, and could trace some of the family stories back to Nihoa. He said the approach to some of their success and solutions for their visitor management and place-based management has been from working with the state, especially DLNR, State Parks, State Forestry and the State

of Hawai'i. He said it took a long time for them to build relationships - over 20 years, all built on trust.

He said taking care of their place and being a role model came naturally to them and said they were recognized by the United Nations for some of their work, especially with the management of their fisheries, so taking care of Āina Momona was taking care of what feeds them.

He shared some of the challenges they're facing, and said the DLNR has been a great partner, and he said they need the help, including the fisheries. He said they're fortunate to be in a good place with regard to the non-profit and they're starting to depend on the visitor industry with their programs which are community capacity building programs: fishing camps, school groups, and a constant flow of educational opportunity programs. Every day they're working, they're on the frontline dealing with visitors and their own community.

He said everyone is happy about the developments and he attributed that to Mr. Wichman's ability to get everyone in the community involved. He reiterated that is where the success and solutions are for visitors. He said in Āina, they're inviting people into their house and with that a certain amount of respect is expected for the place.

He asked if there is any way HTA could help support some of the pre-travel education to let people know how to be a good visitor, teach them about the culture, and expose the visitors to the culture and history of Hawai'i. He reiterated that the HTA is doing a great job, but it's important to educate the visitors. He also spoke about the evacuation plan for when they have visitors - shuttle to and from there is important, for the safety of the visitors and families that live there. He thanked everyone for letting them share solutions and experiences.

Mr. Wichman thanked Mr. Atkins for reaching out and said it's an honor to speak to the board and commended the team. He said it's the moment to recalibrate the visitor industry and try make it more sustainable and circular and said they're happy to help with anything on the journey.

Chair Kam thanked Mr. Wichman and Mr. Wann.

Mr. Ka'anā'anā showed a picture of his first trip to Kaua'i when he joined HTA 6 years ago. He was honored to have visited their organization and is pleased to see how much has accomplished since then. He thanked them for their input.

Mr. Atkins spoke about Mr. Wann mentioning a lot of media going out to his area and Mr. Wann gave a good message to the media, such as an article by Hawaiian Airlines. He said it is great as Hā'ena is different now. He commended him on his powerful message to tell, as it is a success story for Hawai'i and said they will work together to get the message out.

Mr. Wichman said it's a better experience now for the visitors compared to what they had before all the changes happened, even though the organizing is more difficult now for visitors, but the vast majority are not pushing back at all and are happy to cooperate.

He touched on the community; he said most of their community had been squeezed out of Hā'ena for decades and said many residents came back in tears, thanking them for allowing the community back in. He said with DMAPs, the destinations are not the problem, but the number and volume of visitors. As they think of managing their visitors in the culturally, biologically and socially sensitive areas, Hā'ena is only a small two-lane road, and the social impact of the visitors coming in was immense.

He said they need to keep in mind how they benefit the community with the tourism and said it goes back to creating the ability for the money to churn the economy and in the community, so that they are regenerating not only the Āina and the natural and cultural resources, but regenerating their communities, because if the communities are regenerating, they will open their arms and welcome visitors. He said they don't want confrontational experiences that could get to social media it.

He said it's hard to calibrate and go from \$10 million to \$7 million, but they have to figure out a number and manage the hotspots so that their communities and Āina can heal. He said they were fortunate that nature intervened with the flood; otherwise, the implementation of the plan would have taken years, so it will be hard to replicate what happened as all the things came together, but they can take basic foundational building blocks and build from there, and other communities can learn from that. He wanted to emphasize that it took decades to work on before the opportunity came to reset.

Mr. Wann thanked the team again for everything they have done for them. He mentioned the organization couldn't hold the two largest fundraising events, the Taro Festival and Mango Festival. Mr. Atkins and Mr. George Costa contacted him and gave them an opportunity for funding. He will never forget HTA and thanked them again for always supporting them. He said the whole idea is to educate, support the community, and have a healthy and happy community. He said they have great staff and ambassadors in the park.

Ms. Yuen mentioned that Mr. Wann and Mr. Wichman wanted it to be a generational thing - for families to be able to take care of their homeland and make a living out of it, and to see it happen is amazing. She thanked everyone for what they've done and said there's opportunity for them to support other communities in similar ways.

Mr. Arakawa thanked everyone who brought the presentation to the board and public. He said they should consider making action items from it and the first one could be to make sure they

continue to fund this type of program and similar programs. He mentioned, secondly, in the future they can look at special board meetings on these types of programs to give them their due and attention and have a program with these types of presentations and updates on Mr. Wann and Mr. Wichman's programs on Kaua'i on a regular basis.

Mr. Chun added his thanks and said it's inspirational to hear that it's all happening. He said they must think about how they can accelerate the work across the state. He wanted to note, in terms of what Mr. Wann was saying about supporting pre-travel education underscores the importance of brand management and the marketing communications HTA is putting out there, and why HTA does what it does. He wanted to thank them for acknowledging that as a way they can support them better.

Chair Kam thanked Mr. Wann and Mr. Wichman, and said his dream was always to make sure the board members can go to all the islands. Mr. Wann and Mr. Wichman said they will welcome them with open arms when the time comes.

Chair Kam skipped to item 11.

8. Legislative Update on the 2022 Legislative Session and Related Bills Relevant to the Hawai'i Tourism Authority

Mr. Regan said the legislative session opened on January 19th, and Governor Ige State of the State address was on January 24th, and it was the last day for bill introductions. He said they have been actively monitoring and reviewing measures that have been introduced and proposed as part of the process, that either directly or indirectly impacts HTA, the board and/or the visitor industry.

He said there were currently 40 measures in the Senate and 39 in the House on their tracking list. He said the measures include green fees, requiring production of educational videos by the HTA, tourism governance study, performance-based contracts, changes to 201B to update the language, and much more. He mentioned for context, the green fees alone - there are four measures in the house, and three in the Senate that are specifically focused on that particular concern of green fees.

He said there is a lot of activity going on and wanted to make everyone aware that the Senate's committee on Energy Economic Development and Tourism is having a committee meeting the following day, Friday, 3 p.m. There are a number of measures on the agenda, some of which relate to their responsibilities and some they're tracking that they want to consider submitting

testimony on. He said one in particular was SB20-75, to address performance-based incentives for professional services contracts related to their marketing branding work they do at the HTA.

He said they've worked closely with Chair Wakai and Chair Onishi and introduced measures on performance-based incentives for their marketing contract, and also introduced 201B cleanup measures, which is essentially better aligned with their strategic plan and Destination Management Action Plans, and to clean up some of the language that was there from inception of 201B which needs to be modernized and updated.

He said there was also a measure to place the HTA CEO, Mr. De Fries, on the Board of Land and Natural Resources, and the Land Use Commission, as a non-voting ex officio member. He said, additionally, both chairs introduced measures to have the legislative reference bureau, LRB, to conduct a tourism governance study. He said they look forward to meeting and engaging with the legislative PIG (Permitted Investigate Group), led by Mr. Arakawa as the chair, and vice-chair, Mr. Alameda, as they go forward to set the policy direction for the HTA.

Chair Kam asked if Mr. Regan would provide all the board members with links and information so they can keep track of all the different bills. Mr. Regan asked Chair Kam to provide guidance in terms of what he needs him to do, and if he needs to forward all 79 bills to the board members? He said he is happy to do what is needed and can do a list/tracking spreadsheet. Chair Kam confirmed the tracking spreadsheet can be sent out. He deferred to Mr. Arakawa and Mr. Alameda.

Mr. Arakawa said it was a good suggestion and they'll continue with the process they had in prior years where Mr. Regan prepared a list of bills with the links and he will help with that, so the board members can follow. He said they'll work with the staff to present to the administration committee position statements on general legislative issues that they understand will be coming up. He said, in the meanwhile, the Legislative Permitted Interaction Group would work on the day-to-day, week-to-week matters that have been prioritized by the board.

Mr. De Fries said there were no bills of concern to him at that time, and reiterated the intent was to put it into a format as they've done in the past. He also wanted to extend an invitation to Chair Wakai and Chair Onishi to make any comments they would like to make. Mr. Regan didn't see Chair Wakai on the call.

Chair Onishi gave an update from the House. There were a lot of bills introduced by members regarding tourism or HTA, and they hadn't received the full list yet, but they will review it as per their process, have discussions with members, then decide which bills they will schedule for hearing. He said their hearing dates are the same - Tuesdays and Thursdays. He said the House

had a similar schedule it had in the past where, if it's referred to three committees, they've got to make sure to hear the bills that are related to their committee within the next couple of weeks, if not, the bills will die.

He said they have three issues they're working on, and the first one is the tourism governance study bill by LRB, the second one - another bill to try get a development planning committee established within DLNR for Banyan Drive. They've been unsuccessful for the last five years, mainly because the Hawaii island senators have been killing the bills, but he said they're hopeful for this year. He said they've narrowed the scope to just Banyan Drive, versus it being a development committee that could apply to other areas within the state that are designated by statute. He said the final one, the Convention Center roof repair, they met on January 12th with Mr. Regan, Ms. Orton, Chair Luke and Chair Yamashita to discuss the request for the funding for the Convention Center.

He said they had questions on the status of the plan to put out an RFI for the development of the Convention Center. He said they were under the impression previously, 2020, that it was going to move forward, and HTA did two studies regarding the development of the Convention Center, and they had preliminary discussions with the House leadership, and said they supported the effort, but had not heard anything about that effort moving forward. He said the effort was also in conjunction with the repair of the rooftop, so it was a concern of theirs.

He said at the meeting and after the meeting they asked for additional information about the plan for the rooftop repair and they're awaiting the information. He said he also introduced three Senate bills as a courtesy to Senator Wakai and one was adding non-voting members to the HTA board, one is the president of HTA having a seat of the board of Land and Natural Resources and the third, he couldn't remember.

9. Report by the Branding Standing Committee of their Meeting held on January 26, 2022

Mr. Atkins said it was a long meeting and they covered a lot of ground.

a. Discussion and/or Action on Sports Marketing Goals and Strategy and Branding Standing Committee Recommendation from its Meeting Held on January 26, 2022

Mr. Atkins spoke about the \$1.5 million they had for sports and it was on the agenda the month before, and after that, Mr. Ka'anā'anā told him, because of ARPA, they would need to move fast on trying to figure out what the guidelines are moving forward so he can go out with an RFP in

the middle of February, so he reached out to Chair Kam, Mr. De Fries and asked them if he can bring someone in who was well-versed in sports and destination marketing, Tom Kiely.

Mr. Atkins thanked Mr. Williams, Mr. Ka'anā'anā, and co-chair Mr. Ching for taking the time to go through a number of meetings. He said the goal at that meeting that they brought to the branding committee was what their goals and strategy are.

He said the goals were to extend the brand image and marketing of Hawai'i , generate community benefits, and generate economic benefits. He said they discussed those and agreed on those goals.

He spoke about strategies that they felt would help Mr. Ka'anā'anā and his staff craft an RFP that could go out to the general public and from there, they hoped to have a number of events that they used to have in 2019, apply any new events that would like to fit under this broad RFP, on a CEP RFP, where they take everything out, weigh it, score it and then make a decision.

He said there will be three staff members involved in the RFP process and four outside, either board members or community that would help with the finalization of who is awarded a contract. He said they had a good number of their board members on as far as committee and also non-committee board members. But if there were any board members that weren't on and had questions about that part of the branding committee meeting, he said they must ask the committee at that time, and if not he said their recommendation was to go to the board to ask for approval of the goals and strategy for moving forward with sports in general, but also to allow Mr. Ka'anā'anā to move forward with the RFP.

He would like to have addressed any questions at that time. Chair Kam made a motion and Ms. Kimura seconded. Chair Kam clarified the motion was for Mr. Ka'anā'anā to put out an RFP for the \$1.5 million for sports and to use the goals and strategies as the guidelines. Mr. Regan did a roll call and the motion passed unanimously.

b. Discussion and/or Action on the 2022 Los Angeles Clippers Proposal and Branding Standing Committee Recommendation from its Meeting Held on January 26, 2022

c. Discussion and/or Action on the 2022 Los Angeles Dodgers Proposal and Branding Standing Committee Recommendation from its Meeting Held on January 26, 2022

Mr. Atkins spoke item 9b and 9c in one item. He spoke about the Dodgers and Clippers and said they looked at their goals and strategies when they viewed both teams. He said the Clippers met all three goals and they've visited before and said Mr. Ka'anā'anā gave them a little bit on the ROI. He said the Dodgers really hit one of the three goals and said in their discussion they

felt it was best to have them if they want to continue, to look at the funding from the HTA to also present their presentation as an RFP.

Mr. Atkins said Mr. Ka'anā'anā went over the CEP, relating to sports, they were able to use under the encumbered funds for CEP programs and Mr. Ka'anā'anā reviewed what they were, which were included in the packet.

He said GoHawai'i HVCB had two of the components of a presentation. He said they didn't have for the previous days meeting is that they're going to be sending out information and a questionnaire to HVCB members asking what they like about GoHawai'i now, what they don't like, and how they can make it better. So instead of two presentations Mr. Atkins said he will defer to February, and said they will have everything done by then and take it to the committee and board for comment.

d. Discussion and/or Action on Request to Solicit a Consultant Related to the Hawai'i Smart Destination Initiative and Branding Standing Committee Recommendation from its Meeting Held on January 26, 2022

Mr. Atkins said Mr. Ka'anā'anā will come back with the cost for what it will be to do the initial consulting, and look at the whole \$10 million, and asked Mr. Ka'anā'anā for comment. Mr. Ka'anā'anā asked if they can defer to the following month on the branding committee agenda.

e. Discussion and/or Action on HTUSA's Brand Marketing and Management Plan for January to June 2022 and Branding Standing Committee Recommendation from its Meeting Held on January 26, 2022

Mr. Atkins asked Mr. Ka'anā'anā to comment why the RFP had to go out to the public again and how long the extension is for. Mr. Ka'anā'anā said the RFP 22-01 issued was recalled or cancelled, which resulted in them going to the state procurement office asking for a six-month extension of the prior encumbrance contract, and the approval was granted by SPO to extend the Hawai'i Visitors and Convention Bureau's contract through June 30, 2022. He said the amount for the contract, and supplemental extension approved by the SPO was for \$8.5 million which represented half of the amount of the 2021 contract which was \$17 million in total. \$8.5 was awarded in the supplemental contract for up to the first six months of 2022.

Mr. Atkins said there was a discussion the previous day because the original contract went out for \$22 million, and it was their understanding from Mr. Ka'anā'anā that in the second half, the

contract would go out for closer to \$14 million. Mr. Ka'anā'anā said the funding available to them was ARPA funding and the \$8.5 million represented half of the prior 12-month contract, so what was left of the \$22.5 million appropriation that the board approved, is the \$14 million - the amount for the back half of 2022. Mr. Atkins said Mr. Talwar of HVCB did a full presentation on where they feel the budget for the first six months of the year will be most effective, and he said after the presentation there was a vote, and it was recommended from the branding committee that the board approves it so they can do what's needed to get the program roll out.

Mr. Downing asked if the amount is for six months, or up to six months. Mr. Ka'anā'anā said the contract is executed through June 30th, 2022, but has provisions for them that if a contract is awarded via an RFP that they could make the move if they prefer, but the contract is for up to six months.

Mr. Atkins asked Mr. Ka'anā'anā to give a quick update on where the process of the RFP is now, and what the timeline is, but Mr. Ka'anā'anā said he couldn't speak to that at the time as he doesn't have an exact or target date to release the revised and updated RFP, but he said it has to be soon, as the vendor that has the current contract ends June 30th.

Ms. Kimura made a motion to approve the HVCB six-month contract extension for \$8.5 million.

Mr. Ka'anā'anā said there is no necessary action as the contract is in place, but the motion would be to approve the six-month BMMP that was presented. Ms. Kimura made a motion. Mr. Ching seconded. Mr. Regan did a roll call it passed unanimously.

f. Discussion and/or Action on the GMT's Marketing Guidelines and Branding Standing Committee Recommendation from its Meeting Held on January 26, 2022

Mr. Atkins said Mr. Ka'anā'anā presented to them everything that had been done in the GMTs at the present time. He said one of the questions was, is it just bare minimum, social media, keeping staff, everything done in the office space? Mr. Ka'anā'anā said there are certain areas of the GMT's that will go beyond that, so the committee asked Mr. Ka'anā'anā if it was possible for him to go into the different GMT's and see where they need to spend more money at that time, as the ones they are talking about are not North America, they are international ones and they're closed at the time. Mr. Ka'anā'anā said as of the Branding Standing Committee meeting the previous evening, they were asked to present a recommendation of a funding level for each market, and he had it distributed it in the morning, 9 a.m. via email.

He noted, that included in the sheet, were a couple of updates from the previous evening; one change from the previous days discussion is, he wanted to recommend that Canada move to “green,” and amounts in the restricted first quarter budget are the recommended funding levels that he is requesting, representing the first three months, and the number would be divided by three for a monthly amount in the first quarter of the year.

He mentioned moving Canada to “green” and said some important information is that they have direct flights, with good load factors, no quarantine upon return for the Canadian travelers, anticipating the Prime Minister announce the following week that Canadians won't need a PCR test to return to Canada. He also said vaccination rates are 82%, 42% for booster shots, and over 87% of Canadians have had at least one shot. And lastly, Canadians can travel via the U.S mainland to Hawai'i via connecting flights. He said for those reasons, his recommendation is to move Canada to “green” and approve the first quarter budget amounts.

Mr. Atkins said this part is not coming with a recommendation from the committee as it's the first time all of them are hearing about it.

Mr. Rafter asked how Mr. Ka'anā'anā came up with \$250,000 for China, given that it's a fairly small office and team, and currently no flights. Mr. Ka'anā'anā said a big part of that was when they heard from Dennis and Alex, the establishment of their social channels and the WeChat platform, the primary platform in China, is going to be a significant undertaking. He said they have the China office and the Honolulu office as well. Mr. Rafter said he is pleased to see the recommendation for Canada to go “green,” as it will start to reestablish their awareness with them, which is important.

Mr. Ching thanked Mr. Ka'anā'anā for putting the presentation together. He mentioned the comment the previous day about Australia being open. He asked if it factored into this part or not enough to get them closer to “green?” Mr. Ka'anā'anā said Oceania is unique in the sense the it is made of two distinct, sovereign countries, so Australia is open and he would argue and advocate that Australia is, but New Zealand is not. So if the board is comfortable with it, he would move Oceania to open again as they still have flights directly coming from Australia to Hawai'i. Qantas did reduce some flights, but the other carriers including Hawaiian Airlines and Jet Stars are still going, so half the market is open - what they term Oceania.

Mr. Atkins spoke about Hawaiian Airlines - they stopped flights indefinitely to Brisbane.

Ms. Kimura asked if they still have entry restriction, quarantine, and Mr. Ka'anā'anā said he will provide the specific requirements for each country. Ms. Kimura said she thinks if they still quarantine and mandatory requirements, they can't say the destination is open even if there are flights.

Mr. Ka'anā'anā reiterated the \$250,000 for Oceania, two countries, for the first quarter, roughly \$83,000 per month for the first quarter, as they're requesting for the recommendation. He said their attention would be focused on Australia for the moment, as that's where the opportunity exists.

Mr. Atkins asked if they've approached Mr. Ka'anā'anā with any programs other than keeping the lights on and asked if they have any idea when the governments will open up for non-restricted travel. Mr. Ka'anā'anā said there have been requests made by the GMTs for specific campaign activities that they would like to undertake, and they're all within the BMMP that was presented, but because their NTP restricted them to the "bare bones" they did not approve it. He said they may have lost the opportunity for an Ocean Film festival which was roughly \$12,000 but had great reach. He said he will check if it's still an opportunity available to them, but he said they've made specific requests they haven't responded to.

Ms. Kimura asked if the 22% administration cap still reflected to the budget and Mr. Ka'anā'anā confirmed the administrative cap would remain in place and said it's important to note the administrative costs include things beyond salary. All the expenses in the BMMP that are under administrative costs such as office expenses, supplies, insurance, etc.

Ms. Kimura asked about Japan's administrative cap being \$50,000 per month as per her calculations, but Mr. Ka'anā'anā said he did not calculate yet, but the cap would remain in place as per the contract of 22%.

Mr. Ching said he recommended more attention to Australia as he thinks there is value there.

Mr. Atkins is looking for recommendations from the board on how to go forward as they can approve what there is so far and take into consideration what Mr. Ching mentioned. He asked if there is a way to give the staff some flexibility, especially Mr. Ka'anā'anā and his team, that if a really good program comes up, how they move forward. He said they need to be respectful of budgets in place, but also how to be strategic in trying to get the markets as they open up, as Hawai'i needs them to return. He asked for ideas to give Mr. Ka'anā'anā direction.

Mr. Downing said to trust the staff they have to do the best they can do with the resources they have. He said Mr. Ka'anā'anā came up with "bare bones" to show what they need to keep the lights on, and adjusting in time they need to give staff flexibility and trust that they are looking out for Hawai'i. He suggested the Board not to micromanage, He commended on the HTA staff coming up with the numbers in such a short time frame.

Mr. Arakawa agreed with Mr. Downing; however, he said there should be some general guidelines/triggers/benchmarks. He suggested perhaps Mr. Ka'anā'anā could work on it with

Mr. Atkins and Mr. Ching, determining what criteria can be used, so they don't have to keep coming back to the board for approval. He said it was impressive listening at the Budget Finance Convention Center Committee meeting to the committee Chair Atkins, Mr. Rafter, Mr. Ching and Mr. Downing who operate businesses on how they determine when they ramp up, and how it affects them when there's no customers.

Mr. Atkins agreed they don't want to micromanage. There is a fine line between them being prudent about expenses, and letting their team not be micromanaged. He said there may be something in the middle where they can set an amount and discuss it between Mr. Ching and himself without having a full meeting.

Mr. Ka'anā'anā said he appreciates the comments from the members and understands the sensitivity around the investment HTA is doing in those markets. He mentioned that they'll see in the presentation later from the Japan year to date, through December 2021, that Hawai'i welcomed 24,232 Japanese visitors who spent \$82.9 million dollars in total expenditures that made its way through the Hawai'i economy and generated \$9.67 million in direct tax revenue through GET and TAT to the state. HTA spent \$3.6 million in branding in Japan in 2021; it's making double their money in Japan, even in a time when there are meaningful barriers to travel; therefore, the ROI on the investments they're making in the markets is still in the positive range even at their worst condition because of COVID. He further explained even at it's very worst, Japan is still providing positive economic benefit to Hawai'i .

Mr. Ching suggested, without overcomplicated things, to color code each country, as they're all different and dynamic in different ways. It'll give flexibility to move on some of those markets.

Mr. Ka'anā'anā said there are a lot of dynamics in the market and understands it's fluid and things can change rapidly, good and bad. He said what they're trying to do with the recommendations HTA has made is to set them up for some success. He thinks 90 days is an appropriate time frame for them to manage their business in a reasonable way to allow them to make those adjustments.

To Mr. Downing's point, he is aware of the kuleana that he bears in making sure HTA makes good investments in the markets and activities that are being supported through the funding. He said if they go shorter than 90 days it will make it hard to get something done and said what's important to remember is that their contractors also work with other vendors and partners, and HTA can't continue to make commitments then retract them. He said it's important to honor relationships and stay aligned with the market and what's going on with the partners.

He mentioned the example he used in the Branding Standing Committee meeting of travel trade media and the PR opportunity that is coming. He said they need to be a part of the press to gain the awareness, inspiration and education with travelers before they arrive. He said the funds he is recommending for approval helps them accomplish that. He said they are looking for the quarterly approach as the time between meetings leaves not much time to work with his team. He said the 90 days helps them get into a rhythm to implement something if appropriate.

Mr. Rafter suggest they vote now to give Mr. Ka'anā'anā the quarterly timeframe. Mr. Ka'anā'anā said in the February Board meeting he is happy to make recommendations for quarter two, and he asked for their support to adopt the recommendations that he distributed at 9 a.m. for the first quarter, unless Mr. Ching or the Board had a different number for Oceania. Mr. Ching made a motion. Mr. Chun asked if the numbers for the restrictive first quarter budget was formulated in concert with their contractors and Mr. Ka'anā'anā confirmed it. Mr. Chun asked if they feel that is the correct number based on the markets, and Mr. Ka'anā'anā said the numbers were recommendations from their GMT executives based on the latest available information.

Chair Kam made a motion to approve, and Mr. Ching seconded.

Mr. Arakawa said, based on the information getting to the staff a bit late, he asked as per Mr. Rafter's suggestion to revisit. He said it does not have to be in the motion, but must be in the minutes, as things change, to revisit and maybe they can then address Mr. Ching's issues about Oceania as they revisit.

Mr. Downing commented that Mr. Ka'anā'anā made it clear that it is for the first quarter so things can change for second quarter, and when things get ready to change for second quarter, it will still go to the Board. Mr. Atkins said the motion is to approve the first quarter as presented by Mr. Ka'anā'anā. Mr. Downing asked if Mr. Ka'anā'anā will come back to them every quarter and Mr. Atkins said yes, but it might be opened up by the second quarter; they can make that determination through the Branding Standing Committee at that time. Mr. Atkins said that it's his understanding that Mr. Ka'anā'anā is going to put together a second quarter budget based on the conditions in the market at that time. The motion that the Board is voting on is to approve the presentation Mr. Ka'anā'anā gave each market area that through his staff and GMT need to market for the first quarter. Mr. Regan did a roll call, and the motion passed unanimously.

g. Report on the Status HTA's Future Global Branding Allocations Strategy and Guidance for Staff for CY23 as Discussed at its Meeting Held on January 26, 2022

Mr. Atkins mentioned that Mr. Ka'anā'anā said this item was not critical and would be the first item of discussion in February.

Chair Kam asked Senator Wakai to make some comments.

Senator Wakai said he had been working with the leadership team at HTA for months, and they crafted and introduced three bills and he briefly explained them. He said the first two are to do with governance structures. He said the DMAPS are well done, but the HTA can't do it themselves. All of the agencies need to be on board; DLNR, DBEDT, agriculture, etc., so the first two bills go into how to make the DMAPs real. He said one of the bills will allow for new board members onto the HTA Board; they are non-voting members, and they are from the sister agencies, such as DBEDT, the Department of Agriculture, and DLNR.

He said the second bill is similar, but it goes the other way; it puts Mr. De Fries' or one of his designees onto the Land Use Board, as well as the Land Use Commission (LUC). He said those two bills will help HTA do the job it is tasked to do.

He spoke about the third bill is with regard to procurement and allowing HTA to do performance-based contracting, as the law right now is not clear. He said in this system contractors are held to certain benchmarks and goals, and the contractor is paid in relation to how well they hit the benchmarks or goals. He said it's an opportunity for government to get into what the private sector has always been doing in getting good value for money.

Senator Wakai said the next day they're having their first hearing in EET and they're going to hear the procurement performance-based bill. He wanted to alert everyone on the bill that Senator Agaran has introduced on the next day's agenda to put TAT on campers and vans, as sometimes those entities are out there taking away tourists from hotel rooms and letting them sleep on the beach or in vans, and if there is commerce to be had there, and to make sure they put TAT on those mobile accommodations.

Mr. Atkins commented about the camper vans and said Senator Wakai is correct as they are not paying any tax. The camper vans in Kaua'i is unregulated; they are parking outside of farms and on the side of the road. Some of them get permits for campsites, but most of them just find a place to park. He said it's a growing problem as it's a cheap way for visitors to visit Hawai'i .

He mentioned New Zealand has setup for camper vans with beautiful amenities. Hawai'i, on the contrary, is trying to get rid of the illegal vacation rental, but has created an industry that's not regulated at all. He reiterated that if it's going to be taxed it has to be regulated.

Senator Wakai agreed and said if he had a choice he would get rid of camping and vans as a means for accommodation, but the State's interest in short term vacation rentals whether it's on ground or on wheels, is to tax it. Permitting and land use issues are on the counties, maybe the HTA should engage them to make sure these are no longer acceptable to be advertised online. He reiterated that the state's interest is purely on the tax interest of it.

10. Presentation and Discussion of Current Market Insights and Conditions in Hawai'i and Key Major Hawai'i Tourism Markets

a. Presentation by the Omnitrak Group of the Fall 2021 Resident Sentiment Survey Results

Ms. Chun spoke about two presentations under the agenda item. She said for December they had a good year regarding expenditures. She noted that they are spending more than they had for the U.S. West and U.S. East in particular in December 2019, and their PPPD spending was higher in December 2021 than in December 2019.

She also noted that Canada was higher in December 2021 versus December 2019. She mentioned visitor arrivals are still lagging overall, but U.S. West and U.S. East are higher than December 2019. They had more visitors every day within the State on the average daily census.

She said on an island basis they have a bit more PPPD for some of the markets: Kaua'i, Hawai'i islands, and 'Oahu. She said visitor arrivals were nowhere near 2019 levels, but they see the average daily census going up across the State.

For TAT, the Department of Taxation had collected \$48.3 million preliminarily for December, which brought them to \$330.4 million for fiscal 2022, an increase of 783%. In comparison with last year, they only collected \$37.4 million through that time.

For purpose for trips, most visits for vacation. For accommodation, most people stayed at hotels. She said for hotel and vacation rentals, December was a good month for hotels in the state of Hawai'i, and vacation rentals didn't do as well. She said they have a lot more hotel inventory than they do vacation rental.

She shared slides from Smith Travel Research, looking at the four weeks ending January 15 (the holiday period), and said 'Oahu is doing really well in the top 25 U.S. Markets Maui County is doing well outside top 25 U.S. markets, as well the combined Island of Hawai'i and Kaua'i. So Hawai'i is doing a lot better than a lot of destinations across the U.S.

For the 2021 visitor arrival mix was mostly U.S. West and East, but they do have some visitors from Japan and Canada. When compared it to 2019, the mix was lopsided. She said the

spending mix was similar, and there was spending coming in from Japan and Canada. For the PPPD and average length of stay 2021 preliminary versus 2019; for a few of the markets they are ahead for overall for the year compared to 2021. Note the average length of stay: all markets are staying longer than they did in 2019 in general. For spending by category: they did have higher overall spending for the year than in 2019. Lodging is comprising a lot of the expenditure with the increasing average daily rates. People are spending a little more food and beverage, a little less shopping and a bit more transportation costs in 2021 versus 2019. She said the overall unemployment rate for Hawai'i is coming down with 4.9% overall unemployment. The highest unemployment is in Kaua'i at 6.7%, but 'Oahu is down to 4.6%.

For the unemployment rates for different industries: there is recovery since last year for accommodation and food service and drinking places. She spoke about the scheduled nonstop seats to Hawai'i by Port Entry for the month of December: they had fewer total overall seats than 2019, but domestic seats were higher for the state than in 2019. January will have fewer seats but more domestic seats. She said schedules will still be loaded into the systems so they think the international seats will start to come down especially in February and March.

Looking at the World Tourism Organization (UNWTO) figures, Global tourism arrivals are up 4% compared to 2020, but still 72% down compared to 2019. She said America was up versus 2020, and Asia Pacific was down versus 2020 and worse in 2019. She said Ms. Hagihara will send information out to everyone.

Looking at the UNWTO overall long-term look 2000 to 2021, they are seeing a shock to the system with the different epidemics and economic crisis, and also gain there for 2021. She said looking at industry experts for UNWTO, there is some optimism for 2022, there is a lot of optimism in Europe with Asia Pacific less optimistic. Most people are saying they will recover to 2019 levels in 2024 or later, especially in Asia Pacific, but there is more optimism in Africa than other regions.

She spoke about the Monthly Skift Recovery Index. Similar to November and for the markets they're tracking, she added China this time. She said the U.S. is prepared to travel as an origin market, with slacking from Canada, and a little increase from Australia. By looking at the YouGov impact from COVID on overseas travel plans graph, it shows a lot of people are not planning to travel overseas, and most people are saying they're going to go on a domestic holiday. She said the numbers for international holiday are really low for Australia, Canada, China, Japan and the U.S.

She spoke about travel obstacles: health risks are really important as well as travel restrictions, and part of the travel restrictions are visa issues impacting international arrivals. She said

according to the U.S. Travel Association (USTA) in 2019, 5.6 million non-immigrant visas were issued to the top 20 inbound markets to the U.S. and accounted for 64% of all the non-immigrant visas issues worldwide. She said for the people who are non-visa waived programs, it is impactful for them, and she highlighted the average wait times for non-visa waiver countries exceeds 343 days, so people have to apply for a visa a year before needing it. She said for the visa waiver countries they still had some visa waivers that were issued for those countries.

She said Canada is number one, and Mexico is number two for inbound to the U.S. She noted the current vaccination rates for Canada is 77%, China, excluding Hong Kong is also 77%. Looking at visa waiver countries, they're seeing 77% vaccination rate for Japan, 79% for South Korea and 74% for Australia. Those are really high vaccination rates among the countries that they care about as origin markets.

She spoke about the YouGov survey refreshed every week. When asked the reason for not considering Hawai'i for next vacation, 14.3% said COVID is still an issue for them, as well as travel restrictions at 9.2%. She said most people are having issues with personal, family, finances and a few other reasons.

For the travel agency booking trend, the full report is in the board packets. She spoke about the U.S market, there are some softening for bookings in the last week. There are no bookings for Japan, and Canada has an increase in bookings in last week, and they are also following a similar trend to 2019. Korea is having some negative bookings which includes cancellations, but there are not a lot of bookings. She said Australia has a slight uptick in the next week, and the pattern doesn't completely mimic 2019 but it's similar. Looking at the U.S. for what they saw, some good bookings in February, March; but they are lagging prior year levels.

Mr. Atkins asked about the softening in the last couple of weeks - he asked where she finds the data so quickly. Ms. Chun said it's travel agency data, so they have always had the data, and they get daily data updated every week.

Ms. Chun introduced Chris Kam, president and COO of Omnitrak, who has been doing the resident sentiment survey for some time and they won the contract with DBEDT, and she said this is the first report under DBEDT in fall 2021. She reminded everyone that the resident sentiment is one of the KPI for the HTA's strategic plan.

Mr. Kam took the floor and provided the update of the Fall 2021 Resident Sentiment Survey from November 8, 2021, to January 3, 2022. The three things the survey has shown are: 1) there has been a great reset in the marketplace; a reset in the way people view the Hawai'i

Tourism Authority, first and foremost it's viewed as a tourism marketing agency but they're increasingly becoming known as a tourism management agency.

He said while awareness has gone up, people want to see action and results. 2) The current setting as of fall 2021, resident sentiment continued to weaken slightly, and residents still say tourism is worth the issues associated with it. He said looking forward, 3) managed tourism efforts are gaining in support and influence in how people think about tourism.

He then took a deep dive to discuss the great reset; 7 out of 10 were aware of the HTA, but for most of those people, the strongest awareness of HTA's roll are marketers, marketing tourism leadership, sustainable tourism, cultural preservation, communication with residents and balancing the needs of residents and visitors tends to be more in awareness; however, with fall 2021 survey they saw an increase in awareness levels in the areas of sustainable tourism, cultural preservation and communicating with residents, a great shift in the way people are seeing and viewing HTA.

He mentioned fall 2021 versus spring of 2021 and the readings on ratings on the HTA on each of the individual areas remains steady, and he said awareness is growing but so far they haven't seen enough action being taken and they're waiting to see improvement in the area.

For the current setting - there are about 20 different attributes to measure resident sentiment, and there are three key ones. The first one being that tourism has brought more benefits than problems. He mentioned visitors' arrivals to Hawai'i going through drastic changes through the pandemic, and resident agreement with the question continues to track down, hitting 49%. There are two reasons why this happens: tourism recovery concerns, such as the speed of the recovery and the quality of the visitors; and the longer-term issues like affordable housing: visitors buy properties which drives property values high so residents can't afford to buy a house.

He said they also perceive the industry to have low paying jobs and an industry that generates revenue, but the revenue instantly leaves the state. These are perceptions that contribute to the long-term issues, the downturn in the resident sentiment and that's why there is a gyration of visitor arrivals, but resident sentiment continues to decline.

He said the second major statement they tracked is a percent saying tourism has been mostly positive for them and their families, 36% showed agreement in the graph.

He said the third major statement they tracked is if the island is being run for tourists at the expense of local people? While 68% felt agreeable in fall 2021, 67% felt the same way in spring 2021.

Another important question is “Does tourism create more benefits than problems?” He said most people said the top problems created by tourism was overcrowding, traffic problems, no respect for culture, tradition/‘āina, but what was surprising about the latest survey is “damage to the environment” went to the top. He said it is an indication that there is a lot more attention being paid to climate change.

He said there was 74% said tourism is worth the issues associated with the industry. He quoted three comments from the Resident Sentiment Focus Groups across the islands; one Kaua‘i resident said, “I think tourism is a necessary evil, but I wish that it was controlled more.” While one ‘Oahu resident said, “I’d prefer if we could have less of it, but without any kind of replacement for our economy, it kind of is what it is.” One Kaua‘i resident said, “tourism is the primary thing that is required for people to financially stay viable, to stay alive.”

Going forward to the next chapter, Mr. Kam said that support for managed tourism are rising and the managed tourism efforts are gaining an influence in improving resident sentiment. In Spring 2021, they started testing support for three particular types of tourism management strategies: regenerative, accommodations, and access. As of fall 2021, they saw that encouraging visitors to volunteer and give back during the visits, and stopping approval of illegal vacation rentals on their island has a slight gained in support. Support for other strategies, such as educating visitors and residents to mālama the islands and each other, not allowing building of additional hotels/condos/timeshare units on my islands, remain strong.

Regarding resident support for visitor access fees: charging visitors to enter state parks went up. Mr. Kam then spoke about, “What is going to improve agreement that tourism has brought more benefits than problems?” He said that economic benefits and quality of life continue to be the number one top drive, but they see a shift in managed tourism and sustainability efforts. He said accommodations went from 2% to 10%.

Ms. Kimura asked who the focus group is, and Mr. Kam said they had six focus groups; two on Hawai‘i island, one on each of the neighbor island. Ms. Chun added that Moloka‘i and Lana‘i has its focus group.

Ms. Yuen said she appreciates the findings coming out of the surveys and the shift and the recognition of it. She wondered if the environmental issue rising to the top of concern had a lot to do with the tourists acting poorly with endangered species post summer. She said the front-end education is very important to support, and their branding messaging should include a lot of education to visitors. She thanked Mr. Ka‘anā‘anā and team for taking that focus.

Chair Kam concurred and said that it can be discussed in the Ho‘okahua Hawaii Standing Committee meeting more in detail.

Ms. Kimura said it was interesting that the question of tourism bringing more benefits than problems is only 49%, versus tourism being worth the issues associated with it being 74%; it's a big difference but is almost the same question. Ms. Kimura asked why is there a gap?

Mr. Kam said he thinks people realize it's not a perfect industry and they see that it does have its problems, but what they heard in the focus groups is that it's a catch 22, and a necessary evil, but there is no other alternative.

Ms. Chun added that it's how people value the benefits and problems. She said that if it's what's making the economy grow, they do understand that and maybe that's why there's that gap, but the benefits outweigh the problems in the value it holds.

Mr. Chun said he remembers the last time Mr. Kam presented and he found the gap interesting as well, and the way he explained it makes sense. He said the industry has its problems and the way they balance and live together with it is important, so the residents need to get closer to that place, and that's HTA's role.

Ms. Chun followed up on Mr. Chun's comment. There are issues and problems cited for tourism that HTA cannot control or help with, so the questions they added regarding regenerative tourism and etc. is following within HTA's kuleana. Things like solving traffic issues, sometimes there might be help, but they don't have control over the roads and things like that, and HTA staff can only do so much regarding the problems that are identified.

Ms. Kimura asked if it's too much work to divide the data by islands, and Ms. Chun replied there are 60 pages of appendix and the information is all in the appendix, and she was asked to cut the presentation short. Mr. Ka'anā'anā said the information is also on the research tab of www.Hawaiitourismauthority.org

Ms. Chun said for everyone else in the general public who doesn't get a board book, the presentation that Mr. Kam presented will be posted in the next hour on the HTA website. Mr. Ka'anā'anā said the packet that the board members received also gets posted there as well, so everyone has access to it.

Mr. Regan said there were no questions.

11. Report by the Budget, Finance, and Convention Center Standing Committee of their Meeting held on January 20, 2022

a. Discussion and Action on the Recommendation by the Budget, Finance, and Convention Center Standing Committee on the HTA's Financial Report for December 2021 as Presented at the January 20, 2022, Meeting

Mr. Rafter said the budget committee met and they recommended to accept the December financials as presented as there were no issues, concerns or anomalies of note raised by the members. He made a motion to accept the HTA's December financials as presented during the standing committee meeting.

Mr. Arakawa made a motion and Chair Kam seconded. Mr. Arakawa mentioned what was also discussed under the agenda item was the Hawai'i Convention Center's budget request, so they requested the governor's budget to fund repairs at the Hawai'i Convention Center and mentioned how dire the situation is and how critical the funding is. He said it was not an agenda item to vote on. But he wanted to raise it as part of the major discussion during the budget committee meeting, and that he would recommend, with their approval, that the legislative issue be forwarded to the legislative permitted interaction group, and they can work on it. He said it's not part of the motion but asked that after the vote they can talk about it.

Mr. Rafter agreed that there are serious issues at the Convention Center that need to be funded or resolved, so he supports that.

Ms. Kimura added that they have six out of order rooms.

Mr. Rafter agreed and said it's a problem and that it's an excellent idea and they must work on that through the legislative PIG to make sure everybody is aware of it and that it must be resolved soon.

Mr. Rafter reiterated the motion to approve the budget report. Mr. Regan did the roll call and the motion passed unanimously.

b. Discussion and Action on the Recommendation by the Budget, Finance, and Convention Center Standing Committee on the Budget Line Item for the Native Hawaiian Hospitality Association in the Amount of \$475,000 as Presented at the January 20, 2022, Meeting

Mr. Rafter said it's important to note they have done this for many years, so it's not a request out of the ordinary, and it was recommended by the committee to support the request to create a budget line item of \$475,000 to support the funding of the upcoming contract for the Native Hawaiian Hospitality Association.

He said they did request a presentation be made to the branding committee at a future meeting to review the work that will be formed by the Native Hawaiian Hospitality Association for the upcoming contract, so they have a better understanding of what the funds are going to support. But beyond that, the budget line item approval is to make the funds available as part of the fiscal year 2022 budget.

Chair Kam made a motion and Mr. Ching seconded.

Ms. Yuen said she is not on the branding committee, but it would be helpful to hear back from them how many are attending the training sessions. She said it would be great to hear the its effectiveness and feedback on how the programs are going.

Mr. Ka'anā'anā said he will provide an update via email, and Chair Kam said they can present it at Ho'okahua Hawai'i Standing Committee Meeting, too.

Mr. Atkins said it was his understanding that the \$700,000 be approved when they were going to come back to give them more of a presentation, or what they're going to do with the \$700,000, as it was not relayed to them.

Chair Kam reiterated it was the \$475,000 they were talking about, and it was not in the original information when they had the changeover from the 862 bill, and it was to make up what was originally proposed, and Mr. Ka'anā'anā confirmed it. Mr. Ka'anā'anā said they were also targeting the April Ho'okahua Hawai'i Standing Committee Meeting, as the workplan is due to them March 31st.

Mr. Regan did roll call and the motion passed unanimously.

c. Discussion and Action on the Recommendation by the Budget, Finance, and Convention Center Standing Committee on the Approval of the Hawai'i Convention Center Financial Report and Repair and Maintenance Project Report for December 2021 as Presented in the January 20, 2022, Meeting

Mr. Rafter noted this was a separate issue and it would just be the December financials as Vice Chair Arakawa already mentioned the longer-term issues, they're trying to work with at the Convention Center. He said they're recommending to the board to accept them as presented as there were no issues or concerns raised by anyone, nor notable anomalies of concern.

Mr. Arakawa made a motion and Chair Kam seconded. Mr. Regan did a roll call and the motion passed unanimously.

Chair Kam requested a short recess at 11:08 am. Chair Kam reconvened the meeting at 11:20 am from agenda item 8.

12. Closing Cultural Protocol

Mr. Casson-Fisher did the closing protocol to echo the opening pule he did: do not procrastinate, make preparations for the future.

13. Adjournment

Ms. Yuen made a motion to adjourn, and Mr. Chun seconded. Mr. Regan did a roll call, and the motion was approved unanimously.

Chair Kam adjourned the meeting at 12:59 p.m.

Respectfully submitted,



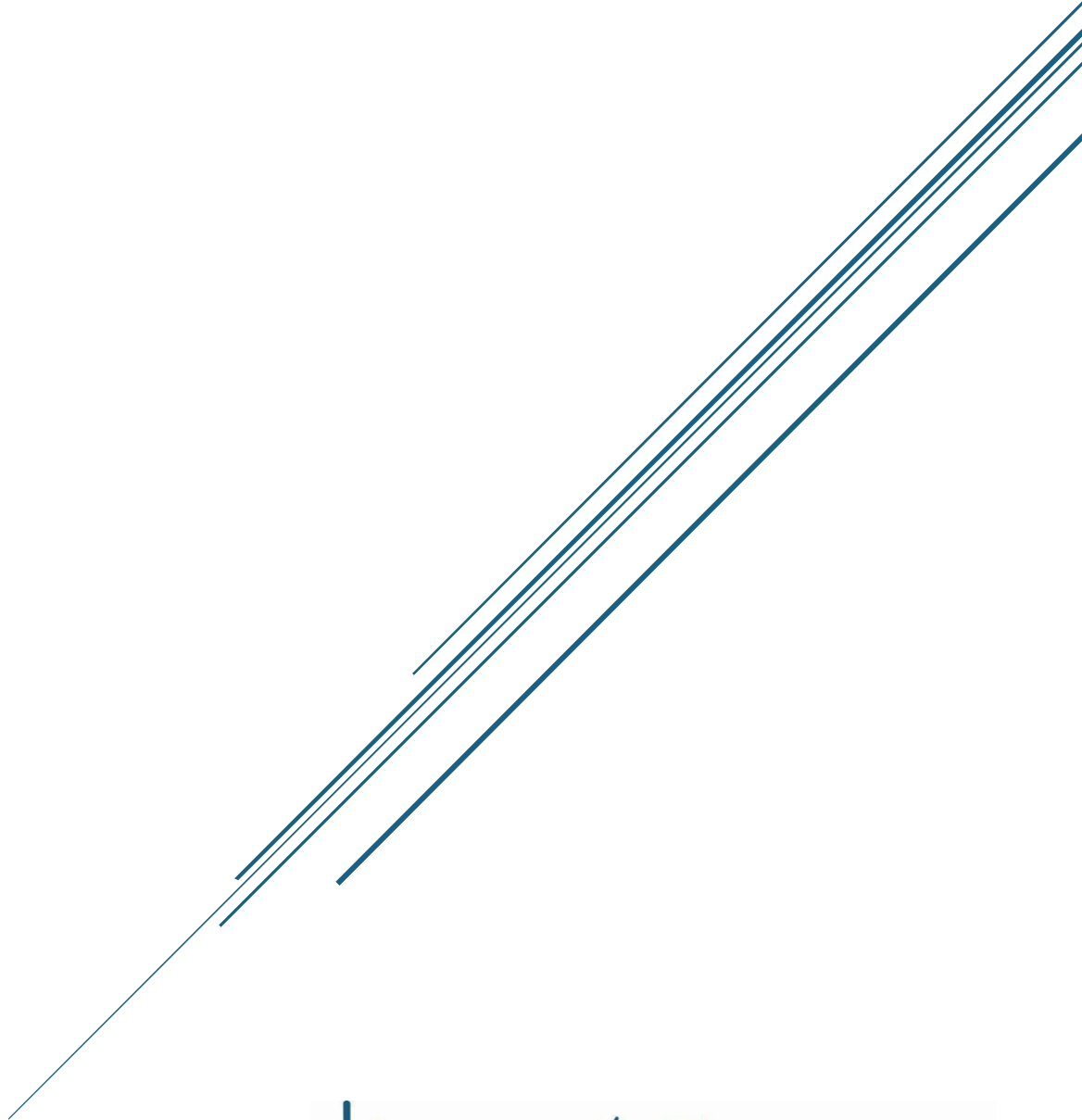
Sheillane Reyes
Recorder

6

Reports of the Chief Executive Officer/
Chief Administrative Officer/Chief Brand Officer

HTA CEO REPORT

FEBRUARY 2022



EXECUTIVE SUMMARY

Each month, the Hawai'i Tourism Authority (HTA) provides this report as a resource to the Board and the public to better understand the activities and actions taken by the team in support of the organization's overall mission. HTA's 2025 Tourism Strategic Plan and its four interacting pillars (Natural Resources, Hawaiian Culture, Community, and Brand Marketing) guides the team in the various matters worked on during January 2022. Overall, this report provides insight into the actions conducted by the staff to implement the HTA budget previously approved by the Board.

In the Natural Resources pillar, the Aloha 'Āina program that works to preserve, manage, and enhance Hawai'i's natural resources, continues to move forward in partnership with the Hawai'i Community Foundation (HCF). Aloha 'Āina program awardees for CY22 have submitted their project narratives to HCF and are well underway with work and goals for Q1.

In the Hawaiian Culture pillar, HTA's partnership with the Hawai'i Community Foundation (HCF) continues to move forward with the Kūkulu Ola Program. Kūkulu Ola program awardees for CY22 have also submitted their project narratives to HCF and are on track for Q1 goals. The Kāhea Greeting Program continued at the HNL, OGG, ITO, KOA, and LIH airports throughout January and the Kāhea Greeting Program resumed at Kailua-Kona pier and a modified program at Hilo harbor. HTA staff also continue to manage projects that include He Aupuni Palapala and the Festival of Pacific Arts and Culture (FestPAC).

In the Community pillar, HTA's partnership with the Hawai'i Visitors and Convention Bureau (HVCB) continues to move forward with the Community Enrichment Program (CEP). In January, the Community Enrichment Program's awardees for CY22 were notified and a press release was issued on February 2, 2022 announcing the 86 total awardees. The planning team continues to work with the island chapters and various government agencies in moving on the DMAPs. The Fall DMAP Progress Reports were finalized. The planning team finalized the 2021 Annual Report to the Legislature, which was provided to the Legislature and various state agencies on time.

All Global Marketing Team (GMT) partners have presented their 2022 Brand Marketing and Management Plans (BMMPs) at the HTA Winter Tourism Update on February 9. The 2022 BMMP Outline has a clear pivot towards regenerative tourism with emphasis on market education, collaboration with industry partners, and assisting HTA with DMAP initiatives.

HTA's Winter Tourism Update was held on Wednesday, February 9, 2022. Updates related to our brand marketing pillar were shared, which is aimed at protecting and enhancing Hawai'i's globally competitive brand in a way that is coordinated, authentic, and market-appropriate. Additionally, DMAP progress and a tourism economic outlook were also shared. The recording, presentations, and partnership opportunities are available on HTA's website.

During the month of January, the planning team met with the island chapters to finalize their 2022 workplan for the DMAPs actions that they are moving forward on. Planning staff also met with various state and county government agencies to move on the DMAPs.

Pursuant to Act 088, HTA's Tourism Research Division (TRD) was transferred to the Department of Business, Economic Development and Tourism's (DBEDT) Research & Economic Analysis Division (READ) effective July 1, 2021, and was renamed the Tourism Research Branch (TRB). TRB published the November 2021 Visitor Statistics press release and monthly reports, an updated air seat outlook for December 2021 to February 2022, the November 2021 Hawai'i Hotel Report, the November 2021 Vacation Rental Performance Report, the 2021 Visitor Plant Inventory, and 3rd Quarter 2021 Visitor Satisfaction and Activity Report. In addition, TRB published weekly Destination Brand Index reports, the weekly Destination Brand Index – Responsible Traveler Segment, weekly Travel Agency Booking Trend reports, and the November 2021 Coronavirus Impact Report. TRB also updated the Symphony Dashboards.

I. CHANGE MANAGEMENT PLAN

We continued to focus on addressing the organization's vacancies and successfully completed interviews. We are actively recruiting for our Contracts and Administrative Manager, Procurement Manager, and Senior Brand Manager positions. We continue to work through the draft of the official reorganization submittal that will be provided to DBEDT-HR and, eventually, reviewed and approved by DHRD and B&F.

Internally, we regularly brief our team on the progress we are making related to the Change Management Plan (CMP) and have kept the board chair and vice chair informed.

Our procurement and finance team continue to work through the updating of the HTA's policies and procedures that were impacted by the Change Management Plan (CMP) and the changes to the Hawaii Revised Statutes (HRS). Modifications to policies, once completed, will be presented to the board, as required, for consideration at a future board meeting.

At the December board meeting, the HTA's Fiscal Year 2022 budget was approved with the exception of a few budget line items that were eliminated and some that were deferred pending additional discussion and approval by the board.

We continue to work closely with the State Procurement Office (SPO) and HTA's deputy attorney general on procurement-related needs and concerns. As we've reported previously, the SPO continues to be available and insightful by providing guidance on issues and questions.

Our team was engaged in numerous discussions with our contacts at Budget and Finance (B&F). These meetings and discussions were primarily focused on finalizing the release of the funds that were approved by Governor Ige. We also discussed and submitted requests to release funds to support the organization's financial needs for FY22

With the 2022 legislative session kicking off in January, we have been in continuous discussions with our tourism chairs in the House and Senate. We have met with them to address questions and concerns they may have as well as discussed legislation that may be introduced during the session. Meeting with state legislators and providing updates on HTA's priorities and our programs has helped improve understanding and awareness of the work performed by the HTA. We continue to maintain an open-door policy and make ourselves available to answer questions, participate in townhalls and other meetings. Responses continue to be positive. We continue to support and facilitate hospitality industry updated with the mayors of all four counties to further connect government with the industry.

II. NATURAL RESOURCES PILLAR

Aloha 'Āina (Natural Resources) Program

Hawai'i Community Foundation (HCF) has been contracted by HTA to administer the 2022 Aloha 'Āina program through CON 21033: HTAxHCF – Implementation of Kūkulu Ola & Aloha 'Āina Programs. On September 15th HCF issued an RFP seeking proposals from the community and qualified nonprofit organizations to provide funding support for projects that preserve, manage and enhance Hawai'i's natural resources. The application deadline was October 29th. The evaluation and decision making process as lead by HCF included a review committee of community members and staff from both HTA & HCF. Aloha 'Āina Program awardees have been notified and a news release went out on January 6th announcing that \$1,575,000 in funding will support 31 community-based programs in CY 2022. One of the organizations HTA is supporting through the Aloha 'Āina Program is the Hawai'i Land Trust and its Waihe'e Coastal Dunes and Wetland Cultural and Ecological Restoration at Kapoho project. Located on Maui, the Waihe'e Refuge spans almost the entire makai section of an ahupua'a spanning from Kalaekaho'omano in the west and Waihe'e Stream to the east. Formerly used as a dairy and military training site, both of which affected native vegetation and rich archeological and cultural resources within the ahupua'a, the trust has since gained ownership allowing it to steward and protect this 'āina kupuna.

DLNR Partnership

A change order has recently gone into effect to extend the time of performance of CON 20210: Universal Trail Assessment and Sign Initiative, and Trail Safety and Enhancement - Brushing/Maintenance/Rehabilitation, to enhance the resident and visitor experience statewide. DLNR Interim Nā Ala Hele Program Manager Bill Stormont and staff continue to inform HTA staff of the ongoing challenges of insufficient sub-contractor performance, internal fiscal systems, and backordered equipment beyond DLNR's control. The mutually agreed upon change order provides the contractor extended time of performance to complete the Brushing/Clearing of thirty-eight O'ahu trails by the June 30, 2022 along with additional time to finalize tool/equipment purchases and installation of UTAP signs on statewide Nā Ala Hele trails on O'ahu, Hawai'i Island, Maui and Kaua'i. HTA staff is looking forward to receiving an updated timeline/workplan and are committed to working with the DLNR leadership to manage this statewide project and its prevailing challenges.

Channel Manager (Formerly the Universal Reservation System)

HTA has contracted with HVCB to support a manager-level position to oversee the market research, procurement, and development of a robust Channel Manager (Universal Reservations System) for statewide leisure activities via CON 20138. HVCB has identified an appropriate individual to fill the position as a subcontractor to HVCB. HTA leadership met in December with HVCB and the identified contractor to discuss approach, scope of work and other details. HTA leadership continues to deliberate on the direction of the project approach, scope of work and other details and has yet to approve the presented workplan.

Tour Guide Certification and Licensure

In partnership with the Native Hawaiian Hospitality Association (NaHHA) via CON 18200 S3 and the University of Hawai'i at Mānoa School of Travel Industry Management (TIM), HTA has contracted these two organizations to complete a comprehensive study to better understand current tour guide certification and licensure programs that exist in Hawai'i, while exploring industry best practices globally for possible implementation throughout the state. Phase 1 of this study is near completion and HTA staff are in receipt of a draft report from its contractors.

Sustainable Tourism Management in Hawai'i Through Certifications, Trainings & Partnerships

HTA has contracted with the Hawai'i Ecotourism Association, d.b.a. Sustainable Tourism Association of Hawai'i (STAH), to protect Hawai'i's unique natural environment and host culture through the promotion of responsible travel and educational programs relating to sustainable tourism for residents, businesses and visitors. STAH will focus on three areas: 1) Sustainable Tour Operator Certification Program, 2) Tour Operator/Tour Guide Training Program, and 3) Educational Outreach/Partnership Development. PON 20134 received a Notice to Proceed from HTA on August 9, 2021 and has since hired a new Certification Program Manager, engaged 43 prospective Certified Tour Operators (CTO) in the 2021-2022 certification year and developed and distributed marketing materials to educate and build partnerships with businesses.

III. HAWAIIAN CULTURE PILLAR

Kūkulu Ola Program

Hawai'i Community Foundation (HCF) has been contracted by HTA to administer the 2022 Kūkulu Ola Program through CON 21033: HTAxHCF – Implementation of Kūkulu Ola & Aloha 'Āina Programs. On September 15th, HCF issued an RFP seeking proposals from the community and qualified nonprofit organizations to provide funding support for projects that perpetuate the Hawaiian culture and community. The application deadline was October 29th. The evaluation and decision-making process, as lead by HCF, included a review committee of community members and staff from both HTA & HCF. Kūkulu Ola Program awardees were notified and a news release went out on January 11th announcing that \$1,475,000 in funding will support 32 community-based programs in CY 2022.

This month, we are spotlighting Kūkulu Ola awardee Kua'āina Ulu 'Auamo (KUA) and its Year of the Limu 2022 project, which aims to create awareness of limu as a crucial part of Hawai'i's healthy and productive reef ecosystems as well as Hawai'i's culture and identity.

Native Hawaiian Hospitality Association

HTA and the Native Hawaiian Hospitality Association (NaHHA) continue to strengthen ties between the Hawaiian community and the visitor industry. NaHHA recently supported HTA staff with the 2022 Winter Tourism Update. Along with helping in the planning and coordination of the event, they also provided Hawaiian Culture Training to HTA's staff, the Global Marketing Team, the Hawai'i Visitors & Convention Bureau and its Island Chapters. Lessons provided to 80+ participants included a Ma'ema'e Toolkit refresher, what Makahiki meant in ancient times, and how the lessons of Makahiki can be applied to our lives in the modern world as well as some training in Hawaiian language and how to put the basics into practice using the pī'apā (the Hawaiian alphabet) and tools such as the hakalama pronunciation drills.

In celebration of Mahina 'Ōlelo Hawai'i NaHHA will be sharing daily vocabulary words to their social media channels. Checkout their ongoing work towards normalizing the use of the Hawaiian language. It is a key component to creating authentic engagement experiences with our visitors and guests.

Pop-Up Mākeke Season 3

In collaboration with DBEDT, HTA continues to support the Pop-up Mākeke, produced by the Council for Native Hawaiian Advancement (CNHA). The Pop-Up Mākeke has redefined the way Hawai'i does business in the 21st century. The Pop-Up Mākeke's approach to bringing together Hawai'i-based artisans, vendors, and sponsors to create a centralized online marketplace has woven together two fundamental Hawaiian cultural values of kākou and kāko'o, gathering as a community to support and uplift each other. Equally as important, the mākeke has created a new income stream for Hawai'i small businesses, with over 40% of its customer base outside of Hawai'i. HTA staff is currently reviewing the final deliverables for CON 21026.

Native Hawaiian Festivals and Events

13TH FESTIVAL OF PACIFIC ARTS AND CULTURE (FESTPAC)

The commission for the 13th FestPAC continues its planning and HTA staff are supporting efforts around marketing, public relations and communications for the festival. The FestPAC Commission has recruited Aaron Salā as Festival Director for a three-year term (with the option for a six-month extension) to lead the 13th FestPAC event scheduled for June 2024. For Fiscal year 2021-2022, the Festival Director will be a contracted position with NaHHA.

MERRIE MONARCH FESTIVAL DIGITIZATION PROJECT

The digitization work of previous Merrie Monarch Festivals is ongoing and was expected to be completed by June 2022. However, the work of digitizing the archived collection has been slowed due to the COVID-19 restrictions and new technical complications due to the condition of the video tapes. The contractor has requested a time extension into 2023 to complete the work. HTA staff is working with the contracts team to determine the contract options available to move this project forward.

Center for Hawaiian Music and Dance

During the 2021 legislative session, HTA tracked several bills which would affect the Center for Hawaiian Music and Dance (CHMD). HB321 HD1 and SB926 repealed the allocation of Transient Accommodations Tax (TAT) funds to the CHMD. HB1165 and SB916 SD1 amend the language that allowed for the development and operations of the CHMD and leaves its location undetermined. HTA staff has paused exploration of a digital/virtual exhibit component of the project, as clarity is obtained on what will allow the state to meet the challenges faced with the economic recovery from COVID-19.

‘Ōlelo Hawai‘i – He Aupuni Palapala: Preserving and Digitizing the Hawaiian Language Newspapers

The staff at Bishop Museum continue to holomua with digitizing nūpepa kahiko through CON 20195 “He Aupuni Palapala: Preserving and Digitizing the Hawaiian Language Newspapers”. Year 2022 marks a century of printing in Hawai‘i. To recognize the occasion and to further share the work of He Aupuni Palapala, project staff are teaming up with the Library & Archives and Exhibits colleagues to create a temporary exhibit in Hawaiian Hall that celebrates this remarkable occasion. While the exhibit will include printing in Hawai‘i prior to the origins of nūpepa Hawai‘i, overall content will focus on nūpepa and will also promote He Aupuni Palapala.

Kamehameha III decreed “*He aupuni palapala ko‘u; ‘o ke kanaka pono, ‘o ia ko‘u kanaka,*” that his Hawai‘i was a kingdom of education and that the righteous man was his man and ensured that it was. In the 1800s Hawai‘i was among the most literate people in the world. The *nūpepa Hawai‘i* (Hawaiian language newspapers) became a valuable source of knowledge about our own people and places in Hawai‘i as well as the world around us.

At the end of 2021, He Aupuni Palapala digitized and cataloged nearly 3,000 pages using updated technology that allows a clearer and more accurate representation of the original copies – all the way down to the color of the aged page. In 2022 we look forward to entering into phase II of this partnership.

Kāhea Greetings

AIRPORTS

The Kāhea Greetings program continues to provide a combination of Hawaiian music and hula ‘auana, lei greetings, refreshments, and other services at our Honolulu (HNL), Kahului (OGG), Hilo (ITO), Kona (KOA), and Līhu‘e (LIH) airports. The purpose of this program is to create an authentic Hawaiian experience to visitors and kama‘āina upon their arrival. HNL is at full force with six performances per week and will be adding four more weekly performances starting February 1. OGG celebrates with three performances a week, LIH and KOA with two and ITO has one performance a week for its inbound guests. Due to the COVID-19 pandemic inaugural events have not yet been requested.

HARBORS

Similar to Airport greetings, our community partners are implementing the Kāhea Greetings program at Hilo Pier (CON 21035), Kailua-Kona Pier (CON 21036) and Nāwiliwili Harbor (CON 21038). Greetings include entertainment, lei, informational brochures and maps with authentic ho‘okipa each day a cruise ship arrives. Lahaina greetings are currently on hold because the pier is undergoing repairs. Restrictions at each location differ according to COVID-19 rules and regulations, which has caused Hilo to limit their participation to providing information and Nāwiliwili not having any interaction at all. Kailua-Kona Pier is currently the only full-running greeting program with entertainment and information.

IV. COMMUNITY PILLAR

Community Enrichment Program (CEP)

The Hale'iwa Interpretative Signage Project and Walking Tour Map is the final CEP program for 2021. HTA staff are currently reviewing submitted final deliverables from the contractor.

HTA has contracted with the Hawai'i Visitors and Convention Bureau (HVCB) to administer the Community Enrichment Program for 2022. HTA CON 21038 received the Notice to Proceed from HTA on July 30, 2021 and the CEP RFP was released on September 27, 2021. Informational RFP briefings were held virtually for each island in the following weeks. The deadline for submissions was November 5, 2021. Island-specific evaluation committees reviewed proposals throughout the month of November and met in December to finalize selections and awards. All CEP awardees for CY22 were notified by the end of January 2022 and a press release was issued on February 2, 2022 announcing the 86 total awardees.

DESTINATION MANAGEMENT ACTION PLANS (DMAP)

HTA has contracted with the Hawai'i Visitors and Convention Bureau (HVCB) to implement the DMAPs for each county in CY22. CON 21038 received the Notice to Proceed from HTA on July 30, 2021. The following DMAP managers have been hired by HVCB:

- Kaua'i - Patti Ornellas
- Hawai'i Island – Rachal Kaiama
- Maui Nui – Meagan DeGaia
- O'ahu - Catherine Orlans

A detailed updated of the DMAPs is provided in the IV Planning Division of this report.

HOSPITALITY INDUSTRY UPDATES (COUNTY)

HTA recognized the need to connect with stakeholders from both the public and private sectors to improve awareness and build an understanding of the current state of the visitor industry related to COVID-19. As such, HTA staff coordinates with each county to identify a day and time that is most convenient for the respective mayor to participate in a hosted meeting with government officials, association leaders, contract partners and the visitor industry.

In January, hospitality industry updates were conducted on January 11th and January 12th for both the County of Maui and the County of Hawaii. We were grateful to Mayor Victorino and Mayor Roth for making the time to participate and share updates on actions and activities related to the visitor industry.

Communication and Outreach

DMAP Media Campaign

- HTA has contracted with HVCB to implement a DMAP Media Campaign to inform the public about the DMAP's actions and progress. HTA is awaiting a workplan and timeline for this campaign that has been extended through June 2022. The campaign is expected to begin in late January 2022.

NEWS RELEASES/REPORTS/ANNOUNCEMENTS

- News Release: HTA and HCF Awards Funding for 'Āloha 'Aina Program (January 6)
- News Release: HTA and HCF Awards Funding for Kukulū Ola Program (January 11)
- Report: HTA Hawai'i Hotel Performance Report for December 2021 (January 25)
- Report: HTA Hawai'i Vacation Rental Performance Report for December 2021 (January 26)
- DBEDT News Release: Total Visitor Spending and Arrivals in December 2021 (January 27)

NEWS BUREAU

- Coordinated and assisted with the following interviews and statements, including:
 - Associated Press, Jennifer Kelleher: Ilihia Gionson (IG) on HTA's executives who are Hawaiian and HTA's efforts to perpetuate 'ōlelo Hawai'i in response to Bloomberg article on Rethinking Tourism (January 3)
 - KITV, Victoria Cuba: John De Fries (JDF) statement regarding the return of cruise lines to Hawai'i (January 4)
 - Seattle Met, Malia Alexander: JDF interview on tourism and what it means for Native Hawaiians (January 13)
 - Honolulu Civil Beat, Stewart Yerton: JDF interview on HTA budget request; drafted and provided briefing document and additional information (January 15)
 - KTVU FOX 2 Oakland, April Newell: IG on Safe Travels and booster shots (January 18)
 - Honolulu Civil Beat, Lauren Teruya: Follow-up interview with IG and statement on Mālama Hawai'i campaign (January 25)
 - Drafted JDF statement on December 2021 Visitor Statistics (January 27)
 - Island Scene, HMSA, Michelle Regan: Interview with Mālama Hawai'i partner (Week of January 31)
 - Business View Oceania, Javier Robles: JDF interview on tourism and Hawai'i's post-pandemic economic recovery (First week of February)
- Assisted with the following media relations:
 - Hawai'i News Now, Kainoa Enos: Suggested contacting the Maui Hotel and Lodging Association regarding the veto on new transient accommodations
 - KHON, Kristy Tamashiro: Suggested contacting Sony Open on its economic impact to the state
 - KITV, Cherry-Lei Pascual: Provided link to replay of January Board of Directors meeting to look into discussion on Los Angeles Dodgers and Los Angeles Clippers

- Le Figaro (France), Astrid Taupin: Provided Maui recommendations, Kualoa Ranch contact and Barberstock image library

COMMUNITY INITIATIVES AND PUBLIC OUTREACH

- HTA E-Bulletin: Edited, created layout and distributed January 2022 HTA e-Bulletin in English and 'Ōlelo Hawai'i
- HTA Winter Tourism Update
 - Distributed updated Save-the-Date e-blast and social post (January 11)
 - Distributed registration e-blast and social post (January 28)
- Destination Management Action Plans (DMAP)
 - Drafted and distributed e-blasts and social posts for Fall 2021 DMAP Progress Reports
 - Hawai'i Island (January 13)
 - Maui (January 14)
 - Moloka'i (January 24)
 - Lāna'i (January 26)
 - O'ahu (January 28)
- Martin Luther King Jr. Day
 - Distributed e-blast and social post honoring Martin Luther King Jr. Day (January 17)
- City and County of Honolulu – City Council Bill 41
 - Tracked bill and monitored hearings
 - Drafted and distributed announcement on Bill 41 special hearing (January 18)
 - Drafted and distributed announcement on Bill 41 regular council hearing (January 24)
- Opening Day of Legislative Session
 - Drafted message from John De Fries and distributed via Constant Contact (January 19)
- Safe Travels Hawai'i
 - Participated in discussions surrounding booster shots and drafted potential messaging points and communications plan
- Miscellaneous
 - Connected with Robert Brown, GolfbyKids.org, who reached out about a junior golf development he is pursuing in Hawai'i

CRISIS COMMUNICATIONS

- Conducted updates to HTA's website – COVID-19 alerts page
- Safe Travels
 - Issued announcement on changes made to the Safe Travels program (January 3)
- Tsunami Advisory
 - Drafted and issued e-blast and social post advising visitors to heed caution due to the tsunami advisory, which was cancelled. (January 15)

HTA'S SOCIAL MEDIA

- Managed social media calendar, drafted, and scheduled posts on HTA’s Facebook, Instagram and Twitter accounts. Also monitored and responded to direct messages.
- Created a Linktree page for the public to access hyperlinks via HTA’s Instagram bio.
- Participated in Sprout Social onboarding and training.

Facebook

- Number of followers: 18,522 (+13.5%)
- Engagement rate: 2.4%
- Number of engagements: 1,653 (-57.3%)
- Posts: 33

Instagram

- Number of followers: 6,300 (+53.4%)
- Engagement rate: 4.0%
- Number of engagements: 1,433 (+267.4%)
- Posts: 33

Twitter

- Number of followers: 39,114 (+5.0%)
- Engagement rate: 2.1%
- Number of engagements: 727 (+23.6%)
- Posts: 35

Safety and Security

VISITOR ASSISTANCE PROGRAM (VAP)

HTA currently has four contracts, one in each county, to provide funding support for the Visitor Assistance Program. These contracts are:

- CON 17031 (S6) – Visitor Aloha Society of Hawai’i (O’ahu) was issued a contract on December 30, 2020, Supplemental #6, which encumbered funds for three-fourths of calendar year 2021 in the amount of \$277,500 (April 1, 2021 to December 31, 2021). HTA has processed a contract extension to fund this program from January 1, 2022 to December 31, 2022. The NTP was issued for them to proceed with work from January 1, 2022 to December 31, 2022.
- CON 17032 (S5) – VASHI – Island of Hawai’i VAP was issued a contract on December 30, 2020, Supplemental #5, which encumbered funds for three-fourths of calendar year 2021 in the amount of \$127,500 (April 1, 2021 to December 31, 2021). HTA has processed a contract extension to fund this program from January 1, 2022 to December 31, 2022. The NTP was issued for them to proceed with work from January 1, 2022 to December 31, 2022.

- CON 17033 (S4) – VASK – Kaua’i VAP was issued a contract on December 30, 2020, Supplemental #6, which encumbered funds for three-fourths of calendar year 2021 in the amount of \$41,250 (April 1, 2021 to December 31, 2021). HTA has processed a contract extension to fund this program from January 1, 2022 to December 31, 2022. The NTP was issued for them to proceed with work from January 1, 2022 to December 31, 2022.
- CON 17034 (S4) – MVCB – Maui VAP was issued a contract on December 30, 2020, Supplemental #6, which encumbered funds for three-fourths of calendar year 2021 in the amount of \$41,250 (April 1, 2021 to December 31, 2021). HTA has processed a contract extension to fund this program from January 1, 2022 to December 31, 2022. The NTP was issued for them to proceed with work from January 1, 2022 to December 31, 2022.

During the month of January:

- Maui County’s program handled 13 cases and helped 18 visitors (year-to-date: 13 cases/ 18 visitors). This included visitors primarily from the U.S. West markets and Canada. The program team also attended meetings at the Emergency Operations Center (EOC), Airport, Hotel and Resort Security Association, car rental and Maui Police Department committee meeting. The industry assisted with \$5,500 of in-kind contributions (year-to-date: \$5,500).
- Hawai’i County’s program handled 11 cases and provided assistance to 35 visitors (year-to-date: 11 cases/ 35 visitors). This included visitors primarily from the U.S. West & East markets, and Canada. The program also conducted 2 police briefings and 1 hospital presentation. The industry assisted with \$1,590 of in-kind contributions (year-to-date: \$1,590).
- City and County of Honolulu’s program handled 64 cases and helped 140 visitors (year-to-date: 64 cases/ 140 visitors). This included visitors primarily from the U.S. West market. The industry assisted with \$6,790 of in-kind contributions (year-to-date: \$6,790) and \$1,250 in donations.
- Kaua’i County’s program handled 10 cases and provided assistance to 22 visitors (year-to-date: 10 cases/ 22 visitors). This included visitors from U.S. West/East market, and Europe. The program team also participated in the VASK ED/Dispatch coordinator meeting, VASK Board of Directors Meeting, and continue to air the VASK Crime Prevention and Safety Tips video on KVIC channel 3. VASK received \$5,925 of in-kind contributions (year-to-date: \$5,925).

V. BRAND MARKETING PILLAR

1. *Major Market Area (MMA)*

International MMA Border/Entry Restrictions

- **Japan:** Prime Minister Fumio Kishida held a press conference on February 17 announcing that Japan will allow new entries of foreign students, workers, and business travelers beginning March 1. The daily number of people to be allowed to enter Japan will be raised from 3,500 to 5,000. Also, the quarantine period for those who have received booster shots will be shorten from seven days to three.
- **Korea:** The Korean government shortened the quarantine period for all overseas arrivals from 10 to 7 days effective February 4. Also, the travel advisory to avoid non-essential trips abroad has been extended to March 13, 2022. As of January 31, South Korea has recorded 85.7% vaccination rate with booster shot at 53%.
- **Canada:** The federal government is eliminating the pre-arrival PCR test requirement for fully vaccinated travelers starting Feb. 28. Travelers can instead opt for a cheaper rapid antigen test approved by the country they are coming from, taken 24 hours before their scheduled flight or arrival at the land border. Travelers may still be selected for random testing upon arrival but will no longer have to quarantine while awaiting their test results. The government is also easing its advisory recommending Canadians avoid non-essential travel due to the rise of the Omicron variant. Restrictions on unvaccinated children younger than 12 and traveling with vaccinated adults are also being lifted. Unvaccinated travelers will still be required to be tested on arrival into Canada and must quarantine for 14 days.
- **Oceania:** Both Australia and New Zealand are approaching a significant achievement with both countries being over 94% fully vaccinated. Booster doses have reached 44% in Australia and 43% in New Zealand (eligible population 12 and over). Australia has announced that inbound tourism will resume from February 21st for vaccinated travelers and there will be no quarantine required. This month New Zealand announced that its managed quarantine is due to end on March 13th for all vaccinated New Zealanders returning from international destinations. Vaccinated citizens in Australia can enter NZ without needing to undergo state mandatory hotel quarantine beginning February 27th and vaccinated citizens from visa waiver countries (such as the US) will be allowed entry beginning in July.
- **China:** As of February 7, approximately 86% of China population has been fully vaccinated against the coronavirus COVID-19. China is reporting on average 89 new infections per day. All travelers to China are screened upon arrival and subject to a minimum 14-day quarantine.

U.S. Domestic Market Conditions

- According to Destination Analysts, Americans' excitement to travel over the next 12 months is the highest it has ever been in the pandemic era. Over 80% of American travelers exhibit higher levels

of excitement for their prospective travel future and those in a ready-to-travel mindset hit an all-time high 84.6%. More Americans than ever, since the onset of the pandemic, plan to take at least one leisure trip in the next 12 months (93.3%). Americans' optimism about the pandemic's course in the next month leapt 10-points (to 51.2%), while the proportion highly concerned about contracting the virus dropped (57.4%).

2. *MMA/RFP Contract Status*

- USA MMA Leisure: HTA extended the contract for the USA MMA for up to six months ending on June 29, 2022 with no additional options to extend. The six-month BMMP was presented and approved by HTA board at the January board meeting. A new RFP for USA Leisure Brand Marketing and Management (with added scope for global support services) will be issued.
- Global MCI: HTA has issued the RFP award to the Hawai'i Visitors and Convention Bureau.
- Japan/Canada/Oceania/Korea/China MMA Leisure: Amendments to the initial Notice to Proceed to the five GMTs have been issued on January 27, 2022 based on HTA board's approval for the first quarter at the January board meeting. All international MMAs, except Canada, are currently under restricted activities and budgets for Q1.

3. *Other Branding Projects*

Cruise

- HTA staff worked with Access Cruise to prepare for the resumption of cruising in the Hawaiian Islands and had ongoing communications with government entities, Island Chapters, cruise representatives and industry partners. Staff attended a Cruise Line MOA Working Group meeting with other state departments and agencies.

Kuleana Message/Pono Travel Tips

- HTA staff has engaged in conversation about how to utilize our airport facilities to share kuleana messages and pono travel tips to our traveling public throughout the state.

4. *Collaborations and Communications*

- The brand team continues to communicate with its industry partners to exchange information on market and business development.
- The brand team continues to conduct teleconference meetings with the GMT members to get regular updates on market trends, marketing activities, Hawai'i messaging, airlift development,

and visitor and industry education efforts. During these meetings, HTA also conducts financial reviews with the GMT members.

- HTA staff attended the Cruise Line MOA Working Group meeting with other state departments and agencies on January 12.
- HTA staff met with representatives from Access Cruise, MC&A, and the Cruise Lines International Association.
- HTA staff met with Travel Weekly's Hawai'i Leadership Forum organizers.
- CBO had a zoom meeting with Aaron and Greg about FestPac
- CBO had a zoom meeting about URS Project
- CBO attended a meeting for Maui Nui CEP review board
- CBO participated in the House Finance Committee Informational Briefing (DBEDT)
- CBO had a zoom meeting with Matador to discuss sustainable/responsible travel
- CBO participated in the WAM/EET Informational Briefing (DBEDT)
- CBO had a zoom meeting with Office of Economic Revitalization about Oahu DMAP hotspots
- CBO had a zoom meeting for Sports Marketing for PGA Tour
- CBO had a zoom meeting with Tripadvisor Todd Skelton Head of Destination Marketing Sales, Western US/Canada
- CBO had a zoom meeting about Sports Marketing Assessment and Strategy
- CBO had a zoom meeting with aio to discuss potential partnership opportunities
- CBO participated in a FestPac Commission meeting
- CBO had a zoom meeting with Carolyn Kualii curating an All Hawaiian Artist installation
- CBO had a zoom meeting with GMTs
- CBO had a zoom meeting with HVCB about PGA Tour/First Tee/Ala Wai Driving Range
- CBO did an in person meeting with PGA executives
- CBO had a zoom meeting about 2022 Hawaii Forum
- CBO had a zoom meeting about Diamond Head and Wayfinding Projects with Mike B.
- CBO had a zoom Introductory Meeting with Robert Harris, Executive Director, Hawaii State Ethics Commission
- CBO had a follow-up meeting with Dan Wacksman about Project URS
- CBO had an in person meeting with Shannon from Access Cruise
- CBO had a Follow up to Solidify HTA Sports Marketing Goals & Strategy with Tom Kiely
- CBO did a zoom with Kukulu Ola Evaluation Committee Follow-Up to re-award to the eligible list
- CBO did a zoom meeting with Expedia about their sustainable tourism initiatives
- CBO had a zoom meeting with Jeremy Lemarie about on (1) regenerative tourism, and (2) the value of ancient Hawaiian traditions to Hawaii's tourism industry -- traditions like surfing and hula dancing
- CBO did a zoom with Sen Wakai and EET Committee
- CBO had an interview with KHON about An update on the visitor experience and what changes they can expect when coming back to Hawaii (now that we're in this lull between busy seasons), and how HTA is getting its messaging out to people.
- CBO had a zoom with Mea Spady from Hawaii Business

VI. PLANNING DIVISION

1. *Destination Management Action Plans (DMAPs)*

Below is an update on activities undertaken to support the implementation of the various DMAPs.

- The Planning team met with each island chapter – the Executive Director and Destination Manager – to review and finalize their workplan for 2022.
- The Director of Planning (DOP) presented the DMAPs to the Native Hawaiian Hospitality Association’s Nā Lamakū Ho’okipa (Hawaiian Cultural practitioners in the visitor industry) meeting on January 26. The Destination Managers were also introduced at this meeting in hopes for more connection and to build upon DMAP efforts that relate to Hawaiian culture.
- Maui Nui DMAP:
 - The DOP joined a meeting with Maui Visitors & Convention Bureau, Department of Hawaiian Homelands and G70 for a briefing of the Mālama Cultural Park. This is an initiative that members from the Moloka’i community identified is important for them to move forward on.
 - A second Moloka’i Advisory Group meeting was held on December 16th. The purpose of this meeting was to solidify the DMAP action items would focus on.
- O’ahu DMAP:
 - The DOP met with City’s Dept of Parks and Recreation and O’ahu Visitors Bureau to discuss City-identified DMAP hotspots.
 - The DOP is working with Department of Parks and Recreation to develop a scope of work to review City & County’s ordinances and rules to develop a process and set civil penalties against illegal commercial activity.
- Kaua’i DMAP:
 - The DOP, Kaua’i Visitors Bureau (KVB) and DLNR’s State Parks met to discuss a number of the DMAP actions related to DLNR. The purpose of the meeting was to share and get their input on the activities KVB is partnering with DLNR on.

2. *EDA Travel, Tourism and Outdoor Recreation Non-Competitive Grant*

- HTA’s DOP is working on drafting the Grant Administration Plan for the EDA Travel, Tourism and Outdoor Recreation Non-Competitive Grant. Meetings were held with DLNR and internal HTA staff to review the workplan template.

3. *Planning Tools & Assessment*

- The DOP and Director of Tourism Research met with NextFactor Inc. to discuss the destination assessment survey project. The last time HTA conducted this survey was in 2019 in preparation for updating the HTA’s tourism strategic plan. The results of the survey will be a report card for the health and benchmarking of each of the Hawaiian islands as a visitor destination and will also compare Hawai’i to its competitors.

VII. TOURISM RESEARCH

Pursuant to Act 88, the Tourism Research Division (TRD) was transferred to DBEDT's Research & Economic Analysis Division (READ) effective July 1, 2021, and was renamed the Tourism Research Branch (TRB).

TRB issued the December 2021 monthly visitor statistics on January 27, 2022, including monthly arrivals by country, category expenditures for major markets, and monthly visitor characteristics for each major market area. The press release was issued by DBEDT, distributed by HTA, and the files were posted on HTA's and DBEDT's websites.

TRB posted updates to Seat Outlook data tables for January through March 2022 to the Infrastructure Research Section of the HTA website and the Air Seats Capacity Outlook page of the DBEDT website. This report also includes flight information and comparisons to 2019.

State, market, and island fact sheets were updated with the December 2021 data and were published on the Monthly Visitor Statistics page of the HTA website and the Market Highlights page on the DBEDT website.

TRB issued the December 2021 Hawai'i Hotel Performance Report on January 25, 2022. The report and related December 2021 data tables were posted to the Infrastructure Research section of the HTA website. The Hawai'i Hotel Performance Report is produced using hotel survey data compiled by STR, Inc., the largest survey of its kind in Hawai'i.

TRB issued the December 2021 Hawai'i Vacation Rental Performance Report on January 26, 2022. The report and related December 2021 data tables were posted to the Infrastructure Research section of the HTA website. This report utilizes data compiled by Transparent Intelligence, Inc.

The summarized results of the Fall 2021 Resident Sentiment Survey were presented to the HTA Board by Chris Kam of OmniTrak Group. The report is posted on the Evaluation & Performance Measures section of the HTA website. The survey was fielded from November 8, 2021 – January 3, 2022 for residents across the State.

TRB published the December 2021 YouGov Coronavirus Travel Sentiment report prepared by HVCB. This report focuses on the impact of COVID-19 on U.S. Avid Travelers and provides travel planning trends, attitudes, and demographics.

TRB continued publishing both the weekly Hawai'i YouGov Destination Brand Index for U.S., Japan, and Canada and the weekly Responsible Traveler Segment for the U.S. The report currently features the U.S. market and presents trends on a by-island basis. Other markets will be added as data becomes available. These reports utilize data from YouGov's Brand Index and are posted on the Other Research Section of the HTA website.

TRB continued publishing weekly Travel Agency Booking Trend reports which features forward-looking data for US, Japan, Canada, and Australia from Global Agency Pro. These reports are posted on the Other Research Section of the HTA website.

TRB is assisting with the State's Safe Travels Program including: posting of daily transpacific passenger arrival data derived from data provided through the Office of Enterprise Technology Service's Safe Travels Program, providing air service schedules for the Safe Travels Program, and supporting State and county law enforcement and prosecutors upon request.

TRB continued to work with the State Attorney General's office to analyze visitor data related to the impacts of the national travel ban on inbound travel from seven affected countries.

TRB continues to reply to requests for information from HTA's Global Marketing Team, industry, media, and the general public. Data requests completed include:

- Additional detailed visitor statistic data for UHERO and DBEDT/READ for their databases, and the monthly data requests.
- Research inquiries routed through DBEDT.

VIII. ARPA UPDATE

Following is an update on activity related to the American Rescue Plan Act (ARPA) funds that were provided to HTA during the 2021 Legislative Session.

Our team was engaged in numerous discussions with our contacts at Budget and Finance (B&F). These meetings and discussions were primarily focused on finalizing the release of the funds that were approved by Governor Ige. We also discussed and submitted requests to release funds to support the organization's financial needs for FY22.

We have submitted requests to B&F for the release of funds of approximately \$44.3 million, of which \$36.3 million has been approved through January 2022. Relating to the Convention Center's ARPA funding, \$11 million has been approved by B&F for release.

IX. ADMINISTRATIVE

Contracts List: Pursuant to Hawai'i Revised Statutes §201B-7 (9), please note that there were no contracts executed during the month of January 2022.

APPENDICES

Hawai'i Tourism United States

2022 MONTHLY MARKET ACTIVITY REPORT – January

Market Intelligence

Economy

- “Job growth was better than expected in January, but the unemployment rate still rose as Omicron weighed on the recovery. The U.S. added 467,000 payroll jobs in January after a gain of 510,000 jobs in December,” according to Robert Dye of Comerica Economics. Following the Fed rate hike expected in March, Comerica Economics forecasts for several more 0.25 percentage point federal funds rate hikes in 2022. The economy slowed in early 2022, held back by Omicron, but growth will pick up again as the wave fades.
- Conference Board *Consumer Confidence Index* declined in January after an increase in December.
 - The Index now stands at 113.8 (1985=100) down from 115.2 in December.
 - The Present Situation Index based on consumers’ assessment of current business and labor market conditions rose to 148.2 from 144.8 last month.
 - The Expectations Index based on consumers’ short-term outlook for income, business and labor market conditions declined to 90.8 from 95.4 last month.
 - “Consumer confidence moderated in January, following gains in the final three months of 2021,” said Lynn Franco, Senior Director of Economic Indicators at The Conference Board. “The Present Situation Index improved, suggesting the economy entered the new year on solid footing. However, expectations about short-term growth prospects weakened, pointing to a likely moderation in growth during the first quarter of 2022. Nevertheless, the proportion of consumers planning to purchase homes, automobiles, and major appliances over the next six months all increased... Meanwhile, concerns about inflation declined for the second straight month, but remain elevated after hitting a 13-year high in November 2021. Concerns about the pandemic increased slightly, amid the ongoing Omicron surge. Looking ahead, both confidence and consumer spending may continue to be challenged by rising prices and the ongoing pandemic.”

Outbound Travel Market

- *Wholesale Partner* – They continue to take new bookings daily including a couple of “huge” days. Cancellations continued and the partner is not sure if it’s COVID, destination guidelines, the Winter Storm on the East, etc. Cancellations in January were high, but a big part of that is believed to be due to the spike in Omicron over the holiday period. They hope there is not a spike in Southern California as a result of last week’s NFL game and the upcoming Super Bowl. Many Hawai'i hotels reported to the partner that they are bucking the trend and are booking heavy into June/July compared to other competitive destinations that are booking more April/March. Mexico bookings continue to be off the charts. They are continuing to hear more comments about the higher rates in Hawai'i despite lower or lack of added-value. Travelers are definitely more savvy, spending big, but also looking for more in return. ADRs are way up which drives their vacation package prices up as well.
- *Wholesale Partner* – They had a strong Hawai'i booking month in January with a healthy double digit increase over 2019. Once they hit the second quarter, they will start comparing to 2021. The whole booster rumor sent everyone into a “tizzy” but it didn’t seem to affect bookings. They also saw strong growth in Mexico and Caribbean as well as some of their exotic locations like Maldives and Seychelles. They are starting to see Europe come back slowly but surely.

- *Airline Wholesale Partner* – Hawai'i is up in the double digits versus 2019. Maui is flat. Maui has such a high ADR; it gets the highest revenue, but the volume is suffering. Maui still has the longest length of stay with 6.1 nights. This partner's average length of stay to Hawai'i is 5.4 nights (compared to 5.6 in 2021 and 5.2 in 2019). They are still seeing cancellations for Q1. Q2 but have had some pick up after 4 weeks of slowdown. The second half of the year is very strong with all islands pacing up (Maui is up 20% year-over-year despite being the "weakest link"). The advance booking window of six and half months is now the average.

Competitive Environment

- *Puerto Rico*. As of February 2nd, vaccinated travelers are no longer required to present a negative test. Unvaccinated travelers entering on domestic flights are still required to show negative test results from the last two days or take one within 48 hours of arrival and must quarantine while awaiting results. Once they have a negative test, they can stop quarantining immediately. If a traveler is unvaccinated and does not get tested within the 48-hour window, they are required to quarantine for 7 days and be subject to applicable sanctions.
- *Greece and Portugal* are set to join *France* as European nations start to relax their COVID-19 restrictions as the number of positive cases continues to drop around the world and the spring break season nears. Half-term is the United Kingdom version of American spring break. It is more family oriented as schools shut down for almost two weeks, including consecutive weekends, and tens of thousands of Brits take advantage for a mid-winter vacation. France will lift current coronavirus testing protocols for fully vaccinated international travelers arriving in the country.
- *Australia*. The Australian government announced it would reopen its borders to vaccinated travelers later this month. Tourists from any country in the world who have received a full dose of an approved coronavirus vaccine will be allowed to enter Australia for the first time since March 2020, starting on February 21. To enter, travelers must present a negative rapid antigen test or Polymerase chain reaction test taken within 24 hours of departure.

Consumer Trends

- Key insights about U.S. consumers from Qualtrics-January 2022:
 - Consumers have had enough and they're willing to walk. Before 2021, customers might have been more tolerant of bad experiences - but in 2022, there won't be any leeway for businesses that don't meet expectations. With the cost of switching rapidly reaching zero, consumers are aware that if they can't get what they want from one business - even one they've been loyal to - they can easily find another.
 - Consumers will stop engaging unless you take action. An astonishing two-thirds of consumers think that companies need to be better at listening to feedback. Customers feel disillusioned and ignored - and brands that don't make the effort to act on feedback will lose their business.
 - Treat customers as people, not commodities. Customers are more than data, but recent experiences have left consumers feeling like just another number. They're re-evaluating the relationships they have with businesses and spending their money where they feel most valued. Companies that show they genuinely care about their customers will come out on top in 2022, and businesses that don't tailor their approach to every customer will struggle to build loyalty moving forward.

Travel Trends

- Longwoods International reports that sentiment shows that American travelers are starting to look past the pandemic with their travel planning. News of the significant decline in new Omicron variant cases are clearly impacting sentiment as only 24 percent of American travelers indicate that COVID-19 would greatly impact their decision to travel in the next six months, a decrease of 8 points in just one month. This marks a shift in mindset among travelers from pandemic to endemic. About half (52%) of American travelers have plans to travel internationally for leisure over the next two years with Europe (36%) and the Caribbean (33%) leading the way as top destinations of choice.

Airlift

- HTA Airline Seat Capacity Outlook for January 2022-March 2022 was updated on Jan. 24th. The forecast for domestic scheduled nonstop air seats to Hawai'i during this period will increase by +23.9 percent compared to the same period in 2019. This projection is based on flights appearing in Diio Mi. The constant fluidity of seats and flights will continue as the COVID-19 pandemic evolves. An overall increase in flights is expected from all major market areas: U.S. West (+26%) and U.S. East (+10%). The situation is being monitored daily and the forecast adjusted accordingly. Note: Beginning in June 2021, HTA began benchmarking airline seat capacity against 2019.

Market Activity Update

Consumer Direct

- On-line (December actuals are updated from the estimates provided in the December report)

Paid Digital Campaign December – Actual Impressions

PARTNERS	Impressions
Facebook	35,735,206
Instagram	22,011,302
YouTube	47,898,083
Pinterest	4,748,048
Total	110,392,639

- *Aloha Season* - Golf Channel
 - The 2022 *Aloha Season* program with Golf Channel peaked in January with promotional elements throughout the month during the following Hawai'i tournaments: Sentry Tournament of Champions, Sony Open in Hawai'i, Mitsubishi Electric Championship at Hualālai.
 - Paid Media: 30-second golf commercials highlighting three PGA TOUR professional players engaging in destination activities that convey the Mālama Hawai'i message:
 - Collin Morikawa – Outrigger Canoe Paddle/Fishpond (Maui)
 - Lanto Griffin – Zipline/Tree Planting (Maui)
 - Corey Connors & Max Homa – Whale Watch/Conservation (Maui)

- Programming: 37.5 hours live tournament coverage; 137.5 hours re-air tournament coverage, 120 additional hours that include some Hawai'i tournament exposure; 2 hours final round coverage on NBC; 303.5 total programming hours on Golf Channel.
 - Golf Today “*Hawai'i Destination Spotlight*” presented a Hawai'i-themed show during the Thursday-Friday of the Sentry Tournament of Champions event on Maui.
 - Hawai'i Event Tune-In promos with Hawai'i imagery
 - Features: Three custom features aired (one each week during the January tournaments played on Maui, O'ahu, island of Hawai'i)
 - Billboards: 60 billboards including logo, tagline and call-to-action
 - Beauties/Bumps: In and out of tournament programming coverage
 - PGA TOUR Digital Media: TOUR-owned digital media flight launched in January (Jan. 6 – Mar. 31) featuring videos with professional golf talent engaged in mālama activities:
 - Video: Live Streaming Simulcast, VOD, YouTube
 - Rich Media: Video-enabled rich media units
- Consumer Direct Email Program
 - HTUSA
 - The consumer newsletter focused on buying locally grown and made products, including a small list of festivals and farmer's markets in each county where consumers can support local vendors. Additionally, the Waimea Town Celebration on Kaua'i was featured in a smaller article.
 - OVB
 - Distributed a Romance themed newsletter to a database of 113,215 consumers on Jan.18.
 - IHVB
 - No news to report, next quarterly consumer email scheduled for March 23

Travel Trade

- Paid Trade Media
 - The Travel Trade campaign ran some limited paid media in January as make-good exposure for deliverables that were not able to run during the Aug-Oct period when the Governor requested that no tactical marketing flight in the U.S. MMA. This shared the Mālama Hawai'i brand messaging with travel advisors, directed them to get the latest updates and learn more about the current destination entry requirements, and invited them to become certified Hawai'i Destination Specialists. Paid social media partners included LinkedIn and Facebook. Total estimated digital gross impressions – January: 4,865,931
- Trade Direct Email Program
 - Expressly for Travel Professionals (EXTP) monthly newsletter distributed via MailPound and Northstar travel agent database on Jan. 20th to a reach of approximately 70,000 travel advisors throughout the U.S.
 - OVB distributed a Buy Local themed newsletter to Northstar's database of 40,291 travel advisors on Jan 6.
 - OVB distributed a *News, Updates & Aloha from O'ahu* quarterly industry update newsletter to Northstar's database of 40,291 travel advisors on Jan 14.
- Summary of HTUSA Travel Trade Activity
 - For the month of January, there were five travel trade sales activities including educational webinars, trade shows and training sessions for 200 participants. Travel trade participated in nine industry partner meetings with 29 partners. HTUSA and the Island Chapters continue to

communicate with industry partners and travel advisors regarding updates and changes to the Safe Travels Program, lifted restrictions for those who have been vaccinated, and sharing all the important links via the travel agent website, linking to *gohawaii.com* and the DOH accordingly.

- Central fielded all inquiries received from travel advisors across the U.S. via *agents.gohawaii.com* who required assistance to navigate the Safe Travels program.
- Travel agent website *agents.gohawaii.com* update: There were 599 online graduates who completed the Hawai'i Destination Specialist and/or Island Specialist educational courses online, with 761 new registrants signed up for access to online resources. The overall travel agent database numbers are at 126,672 profile records, which includes 52,057 active U.S. travel advisor email contacts.

- Travel Trade Calls

	Airline	Wholesaler/TA/TO/OTA	Other	Total
HTUSA	16	5	-	21
KVB	-	1	-	1
OVB	-	0	-	0
MVCB	-	0	-	0
IHVB	-	2	-	2

Summary of travel trade calls by category

- Airline
 - Regularly scheduled as well as ad hoc calls were held with 5 of the 6 U.S. network carriers in January for market specific capacity and marketing updates as well as to review changes to Safe Travels Hawai'i and anticipated changes in schedules and routes. Numerous email updates were provided to all major U.S. carriers regarding changes or media reports about Safe Travels Hawai'i.
- Wholesaler/TA/TO/OTA
 - Hawai'i Tourism USA (HTUSA)
 - HTUSA recorded a Hawai'i webinar with Darby's Destinations on Jan. 12 to be aired at a future date on YouTube to consumers and other travel advisors.
 - PTANA North Capital Region held a virtual meeting on Jan. 13 for 29 advisors. Hawai'i was the featured destination and conducted a presentation. Other Hawai'i presenters included Amstar, Apple Leisure Group and Royal Caribbean.
 - HTUSA conducted a webinar for 15 advisors at Riverdale Travel on Jan. 13.
 - Travel by Monica hosted a virtual consumer event on Jan. 21 highlighting Hawai'i as one of the featured destinations. There were five travel advisors in attendance.
 - TravelQuest hosted a live broadcast for travel advisors on Jan. 26 sponsored by Delta Vacations. This session featured Hawai'i and Outrigger Hotels and Resorts in an interview format. There were 152 travel advisors who attended the live session.
 - Kaua'i Visitors Bureau (KVB)
 - Webinar with Star Stuff Travel on Jan. 10. Recorded 45-minute presentation with 6 live attendees.
 - O'ahu Visitors Bureau (OVB)
 - No news to report
 - Maui Visitors and Convention Bureau (MVCB)
 - No news to report

- Island of Hawai'i Visitors Bureau (IHVB)
 - Travel and Cruise Desk Webinar / Portland, OR Jan 14. Destination updates (8 advisors).
 - Travel Pro Webinar / Seattle, WA. Jan 19. Destination updates (12 advisors).

Public Relations

- Month-end impressions and publicity values for articles that included Hawai'i – December 2021 results

Impressions and Publicity Values for December 2021

DECEMBER	Impressions	Publicity Values
Print	80,827,567	\$16,297,917
Online	57,867,972,378	\$21,694,583
Broadcast	799,845,738	\$36,304,282
Total	58,748,645,683	\$74,296,782

- HTUSA
 - In support of HTUSA's "Destination Spotlight" sponsorship with the Golf Channel, the PR team provided talking points and b-roll for their use in covering Sentry Tournament of Champions, Sony Open and Mitsubishi Electric Championship at Hualālai. National coverage featuring the tournaments and Hawaiian Islands as a destination reached over 109 million viewers with a total publicity value of \$25.4 million.
 - In response to a request from DBEDT and HTA, HTUSA researched and compiled a Sony Open in Hawai'i information fact sheet and drafted talking points for Governor David Ige's address at the Sony Open in Hawai'i Gala event held on Jan. 13.
 - With the announcement of several changes to The State of Hawai'i Safe Travels Hawai'i program coinciding with CDC and DOH recommendations, HTUSA PR team disseminated a press release titled, "Safe Travels Changes Occurring on January 3 and 4." The release highlighted specific updates to the state's quarantine and isolation periods for incoming non-vaccinated travelers and was distributed to PR industry professionals, local and national broadcast stations, leisure publications, editors and freelance journalists. In conjunction with the announcement, another release titled, "Safe Travels Hawaii Program Changes Now In Effect" was distributed through PR Newswire for further national reach. The release was picked up by over 200 publications and had a total potential audience of 163,827,851.
 - Through continued PR efforts, several notable generated stories were published in the month of January. As a result of Nick Czap's HTUSA-supported visit in June 2021, he produced a *Hemispheres* story titled, "A Tour of the Island of Hawaii's Powerful Volcanoes and Spiritual Sites." Nick takes readers along a tour of some of Hawai'i Island's most popular sites with explanation of each place's connection and importance to Hawaiian culture. As a result of the team's relationship with freelancer Sunny Fitzgerald (*Travel + Leisure*), she produced a story titled, "7 Destinations in Hawaii Where the Locals Love to Go" which features all major island destinations including Moloka'i and Lāna'i's rich culture, history, natural resources and local food spots for visitors to experience.

- Following her visit this past December to O‘ahu and Maui, Amber Gibson produced an additional story beyond her expected *TripSavvy* guides titled, “Breadfruit Is Loved by Chefs and Sustainability Activists in Hawai‘i – But Rarely Seen in the Rest of the U.S.” for *Vegetarian Times*. Bringing awareness of ‘ulu’s identity to Native Hawaiians and ways it’s used to sustainably increase food security, she encourages visitors to try ‘ulu dishes at local restaurants. She mentions partners such as Ka‘ana Kitchen, Mānoa Chocolate, Huihui, Mahina & Suns, Pono Pies, among others.
- Media coverage highlights:
 - “A Tour of the Island of Hawaii’s Powerful Volcanoes and Spiritual Sites” – *Hemispheres Magazine* – Nick Czap – Jan. 1
 - “7 Destinations in Hawaii Where the Locals Love to Go” – *Travel + Leisure* – Sunny Fitzgerald – Jan. 3
 - “Breadfruit Is Loved by Chefs and Sustainability Activists in Hawai‘i – But Rarely Seen in the Rest of the U.S.” – *Vegetarian Times* – Amber Gibson – Jan. 4
 - “Eat your way around Oahu at some of the best places for shrimp” – *USA Today 10Best* – Wendy O’Dea – Jan. 5
 - “Give back to Hawaii and have the most memorable vacation ever” – *Matador Network* – Noelle Alejandra Salmi – Jan. 10
 - “The Instagram Guide to Maui” – *Marie Claire* – Kai Oliver-Kurtin – Jan. 19
 - “Hawaii volunteer program lets you give back on vacation (and offers free hotel nights)” – *USA Today 10Best* – Wendy O’Dea – Jan. 21
- KVB
 - Kaua‘i was featured in:
 - “I Tried the Internet-Famous Swimsuit That Promises to Snatch Your Waist, and Here's My Honest Review” – Jennifer Chan – *InStyle* – Jan. 6
 - “15 Romantic Travel Ideas for a Valentine’s Day Escape in 2022” – K.C. Dermody – *Trips To Discover* – Jan. 21
 - “Nature meets adventure on the Kipu Ranch Adventures tour” – Mike Nicco – *ABC News San Francisco* – Jan. 28
 - “Romantic trips to take in America” – Perri Blumberg – *Fox News* – Jan. 31
 - “Romantic trips to take in America” – Perri Blumberg – *New York Post* – Jan. 31
 - Liaised with 22 media:
 - Lindsay Cohn, *Brides.com*
 - Perri Blumberg, *Fox News*
 - Scott Laird, *Travel Pulse*
 - Paula Franklin, *The Seattle Times*
 - Chole Caldwell, *UPROXX*
 - Kim Westerman, *Forbes*
 - Ambrose Martos, *AAA Explorer*
 - Sarah Tidwell, *Trips To Discover*
 - Benedict Cummins, *Hotel Executive*
 - Cheryl Tsutsumi, *TravelAge West*
 - Thomas Dorsey, *Soul of America*
 - JR Pratts, *Instinct Magazine*
 - Kelley Lewis, *Freelance Writer*
 - Astrid Taupin, *Freelance Writer*
 - Carrie Bell, *Freelance Writer*
 - Chris Wallace, *Freelance Writer*

- Jami Savage, Freelance Writer
- Karilyn Owen, Social Influencer
- Jillian O'Neil, Social Influencer
- Alessandra Texas, Social Influencer
- Heather Cassell, Social Influencer
- Dominique, Social Influencer
- Press Releases/Communications
 - Drafted “What’s Blooming on the Garden Island” news release for Q1.
 - When appropriate, continue to support/promote: DMAP action items (14), Kaua’i Events (2), and Voluntourism Programs (9)
- OVB
 - O’ahu was featured in:
 - “7 Destinations in Hawaii Where the Locals Love to Go” – Sunny Fitzgerald – *Travel + Leisure* – Jan. 3.
 - “Eat your way around Oahu at some of the best places for shrimp” – Wendy O’Dea – *USA Today 10Best* —Jan. 5.
 - Hawaii volunteer program lets you give back on vacation (and offers free hotel nights)” – Wendy O’Dea – *USA Today 10Best* – Jan. 21.
 - “2022 Travel Guide to Hawaii” – Scott Laird – *Travel Pulse* – Jan. 23.
 - Individual media visits:
 - Sarah Sekula; Insider, Insider.com; O’ahu Jan 22–26.
 - Liaised with seven media:
 - Sunny Fitzgerald, *Travel + Leisure*
 - Michele Herrmann, *AAA Extra Mile*
 - Rachel Ng, AAA Explorer; National Geographic
 - Marla Cimini, Fodor’s Travels
 - Ambrose Martos, *AAA Explorer*
 - David Howard, *Red Bulletin*
 - Cheryl, Tsutsumi, *TravelAge West*
 - Press Releases/Communications
 - When appropriate, continue to support/promote: DMAP action items (7), Hawai’i Made Products (3), O’ahu Events (1), and Voluntourism Programs (4).
- MVCB
 - Maui, Moloka’i, Lāna’i was featured in:
 - “The Instagram Guide to Maui” – Kai Oliver-North – *Marie Claire* – Jan. 19.
 - Individual media visits:
 - No individual media visits in January.
 - Liaised with 18 media:
 - Tracey Minkin, *Coastal Living*
 - Nicole Palacios, *Inside Weddings*
 - Chadner Navarro, Conde Nast Traveler
 - Rachel Ng, AAA Explorer, Hawaii, Magazine
 - Mimi Towle, Local Getaways
 - Laurie Lyons-Makaimoku, *Local Getaways*
 - Jason Scott Deegan, *GolfPass*
 - Christie Porter, Salt Lake Magazine
 - Carrie Bell, Travel Curator

- Ambrose Martos, *AAA magazine*
- Laurie Lyons-Makaimoku, *Fodor's Travel Guide*
- Sunny Fitzgerald, *Travel + Leisure*
- Christine Hitt, *San Diego Magazine*
- Leslie Forsberg, *Country Magazine*
- Ashley Burns, *Islands Magazine*
- Michael Schoeck, *Run The Atlas*
- Cheryl Tsutsumi, *TravelAge West*
- Chris Wallace, *FT in London*
- IHVB
 - Individual media visits:
 - Cheryl Tsutsumi, *TravelAge West*, *AAA Explorer*, Jan. 26-Feb. 01
 - Liaised with four media:
 - Ambrose Martos, *AAA Explorer*
 - Jarone Ashkenazi, *JustLuxe*
 - Ronnie Kassiff, *NBC*
 - Sunny Fitzgerald, *Travel + Leisure*

Regenerative Tourism/DMAP Initiatives Update

DMAP Action Items Supported

- HTUSA
 - The public relations team is creating a content calendar that includes DMAP success stories as well as Community Enrichment, Kūkulu Ola and Aloha ‘Āina Program partners to consider pitching to local and national media. To gain updates and context, the team started attending monthly DMAP meetings for each island.
 - A comprehensive list of island and community media is being built in preparation for proactive local media outreach.
- KVB
 - Composed a comprehensive list of community media on Kaua‘i in preparation for proactive local media outreach.
 - Highlighted Hā‘ena State Park requirements in presentation.
- OVB
 - Provided resources and information to support DMAP action items to travel advisors and consumers via newsletters and social media. DMAP action support included:
 - Action A. Advising visitors avoid illegal short-term rentals and providing resources to check if their rental is a legal STR.
 - Action B. Promoting use of the *gohawaii* app.
 - Action G. Providing information on protecting and supporting island values, culture and environment.
 - Promoted the Ma‘ema‘e kit and learning ‘Ōlelo Hawai‘i.
 - Ways to respect and protect the land, ocean, native flora and wildlife.
 - Highlighting Mālama Hawai‘i opportunities to enrich their stay
 - Encouraging shoulder season travel
 - Action H. Supporting local businesses and products
 - Action I. Promoting alternative modes of transportation including the bus and bikeshare programs

- MVCB
 - Promoted Reef Safe Sunscreen awareness through Maui Nui social media platforms with weekly postings.
- IHVB
 - Shared information on unsafe and sensitive areas on the island with media.
 - Highlighted Kahuā Ranch events to support/promote agricultural initiatives with media.
 - Incorporated Pono Pledge and Pololū stewards pilot program via IHVB social channels.
 - Travel partner webinar updates include Pololū stewards pilot program, Pono Pledge program, hotel reef education walks, ocean partner sea life education activities, HOST Park educational tours, reforestation tours.

Initiatives to Promote Hawai'i Made Products

- HTUSA
 - The consumer and travel trade newsletters focused on buying locally grown and made products, including a small list of festivals in each county where consumers can support local vendors and farmers markets for local produce.
- KVB
 - Promoted Warehouse 3540's local shops and food trucks via social media platforms on Jan. 21.
- OVB
 - The Buy Local themed travel advisor newsletter distributed Jan. 6 featured over 25 Hawai'i made products.
 - The *News, Updates & Aloha from O'ahu* travel advisor quarterly industry update newsletter distributed Jan. 14 featured three Hawai'i made products.
 - The Romance themed consumer newsletter distributed Jan. 22 featured one Hawai'i made product.
- MVCB
 - No news to report
- IHVB
 - Promoted malasadas (locally-made) via IHVB social media platforms.
 - Suggested local restaurants for Red Bull's Red Bulletin magazine.
 - Travel partner webinars include itinerary recommendations to support local town visits for shops and eateries, farmer market locations, popular local dining, art towns, Volcano Art Center.

Festivals & Events Promoted

- HTUSA
 - The consumer and travel trade newsletters focused on buying locally grown and made products, including a select list of festivals in each county where consumers can support local vendors. Additionally, the Waimea Town Celebration on Kaua'i was featured in a smaller article.
- KVB
 - Promoted the Waimea Town Celebration with media interested in upcoming events happening on Kaua'i, including freelance writer Kim Westerman. Kim is pitching *Forbes* coverage focused on mindful travel, Mālama Hawai'i and culture on Kaua'i. Also included Waimea Town Celebration in presentations.
 - Included farmers markets/on-going events in presentations and also shared information with walk-in visitors.
- OVB
 - The Buy Local themed travel advisor newsletter distributed Jan. 6 featured one festival, the Made in Hawai'i festival.

- The *News, Updates & Aloha from O'ahu* travel advisor quarterly industry update newsletter distributed Jan. 14 featured seven festivals/events.
- The Romance themed consumer newsletter distributed Jan. 22 featured 10 festivals and events.
- MVCB
 - No news to report
- IHVB
 - Shared recommendations on 2022 must-see events and activities for Scott Laird's *Travel Pulse* slideshow story.
 - Travel partner presentations include Hawai'i Island farmers markets, weekly artisan events, on-going island events to include Kokua Kailua Monthly Village Stroll and annual events to include the Kona Coffee Cultural Festival.

Voluntourism Programs Promoted

- HTUSA
 - Continued to share the Mālama Hawai'i initiative with media interested in Hawai'i, including freelance writer Sarah Sekula. HTUSA is supporting Sarah's January visit for her *INSIDER* story, which will include a Mālama Hawai'i experience.
- KVB
 - Continued to share the Mālama Hawai'i initiative with media interested in Kaua'i, including freelance writer Paula Franklin with *The Seattle Times*. Pending confirmed coverage, Paula is looking to visit Kaua'i this April to gather content on mindful travel, Mālama Hawai'i, sustainability, culture and family travel
 - Mālama Hawai'i and voluntourism information was provided in presentation.
- OVB
 - O'ahu social media posts promoted Mālama Hawai'i program on Jan.11.
 - The *News, Updates & Aloha from O'ahu* travel advisor quarterly industry update newsletter distributed Jan. 14 featured six voluntourism programs.
 - The Romance themed consumer newsletter distributed Jan. 22 it featured five voluntourism programs.
- MVCB
 - Mālama partners, Sierra Club Maui and Hawai'i Wildlife Fund, were featured on KHNL/KGMB Sunrise show as HI Now segments on Jan. 18 and 19. The two features were set up as digital ads on the HNN website on Jan. 25. The segments are also displayed on HINow.com.
- IHVB
 - Mālama Hawai'i initiative, partners and voluntourism opportunities provided in travel partner training presentations.

Coming Attractions

	What	When	Where
HTUSA	Hawai'i Loves Travel Advisors Virtual Expo	Feb. 16	Virtual
	Marriott Resorts and Classic Vacations Webinar	Feb. 17	Virtual
	LaMacchia Travel Presentation	Mar. 3	Kenosha, WI
	Abundant Excursions Webinar	Mar. 30	Virtual
	Cruise 360	Mar. 30-Apr. 1	Ft. Lauderdale, FL
	Avoya Land Forum	Apr. 12-14	Virtual
	Travel Weekly Leadership Forum	Apr. 26	Honolulu, HI
	MAST Conference	Apr. 27- May 1	Bonita Springs, FL
KVB	Webinar with The Travel Lady	Feb. 23	Virtual
OVB	Mailpound Webinar: What's New On O'ahu Destination Updates	Feb. 15	Virtual
	Mailpound Webinar	Mar. 16	Virtual
	Mailpound Webinar: What's New On O'ahu Destination Updates	Apr. 12	Virtual
	Marriott - Delta Vacations HI Educational Experience: Destination Training	Apr. 14	Virtual
	Marriott - Delta Vacations HI Educational Experience: Destination Excursion	Apr. 21	Virtual
MVCB	No news to report		
IHVB	Outrigger Hotels FAM / Sites	Feb. 8	Hawai'i Island
	Consumer Opt-in Email	Mar. 23	
	Delta Vacations / Marriott FAM	Apr. 22-25	Hawai'i Island

Hawai'i Tourism Japan

2022 Monthly Market Activity Report – January

MARKET INTELLIGENCE

Economy

- **Wholesale Inflation:** Japan's wholesale inflation slowed in January but hit a record pace in November. The corporate goods price index rose 8.6% in January from the previous year, marking the 11th straight month of gains, exceeding a median market forecast for a 8.2% gain. The index, at 109.5, was the highest since September 1985 with the recovery of automobile production. Regarding economic recovery, service consumption is expected to rebound in 2022, with projections of a positive 4.3% increase from the previous year. Based on credit card payments, consumption has changed with the spread of COVID-19, with an increase in consumption of home appliances and goods.
- **Consumption Trend:** According to a January consumption trend survey, the consumer attitude index (households with two or more people, seasonally adjusted), which indicates consumer sentiment, decreased by 2.4 points from December 2021 to 36.7 this January for the second consecutive month. Service consumption continued to decline, down 2.4% in the first half of January. Yet, the keynote judgment of consumer sentiment has been revised from "the movement of recovery is continuing" to "there is a steppingstone". However, this effect is expected to be limited, as vaccinations for people over the age of 5 will begin in March.

Outbound Travel Market

- **Japan Outbound Travelers:** According to the Tourism Board of Japan (JNTO), the number of outbound Japanese travelers in 2021 was 512,200. This is a 97.4% decrease when compared to 2019 and a 83.9% decrease when compared to 2020.
- **Japan Boarder Measures:** The Government of Japan has indicated that it intends to continue strengthening border measures, until the end of February. It will continue to limit daily numbers of Japanese returnees and visitors to 3,500 individuals. There are many voices from the industry requesting mitigation in line with the movements of the world. Since March is the end of the term, the big movement is expected within the month.

Competitive Environment

- **Australia** produced an 8D audio video with the theme of Australia, musicians, and orchestras. Since their borders were reopened in November last year, Australia has growing appeal as a destination.
- **Indonesia** is shifting from quantity to quality tourism and has set a target of 1.8 million to 3.6 million visitors annually. Their visitor arrival was 4.05 million in 2020 and 1.5 million in 2021. As various events are planned, including the G20 Summit and MotoGP, the number of business travelers is expected to increase.
- **The Tahiti Tourism Bureau** launched the Japan branch in January. They currently have 9 branches throughout 20 countries in the world. In addition to raising awareness of Tahiti in the Japan market, they will develop comprehensive marketing activities including promotion of a travel industry that simulates tourism demand as overseas travel resumes.

Consumer Trends

- **SNS Usage Rate:** According to the "Results of the Reiwa 2 Year Communication Usage Trend Survey" released by the Ministry of Internal Affairs and Communications in June 2021, the domestic SNS usage rate in 2020 was 73.8%, a 4.8% increase from the previous year. The generation with a high SNS usage rate is in their twenties, and by 2020 roughly 90% of this age group are user of SNS. The usage rate of SNS for those in their 60s is over 60%, and the usage rate after the age of 70 is approaching 50%. It can be said that SNS is no longer a tool for young people but has become popular among a wide range of generations.

Travel Trends

- **Travel Industry Outlook:** Expedia Group announced 2022 travel industry outlooks and forecasts. Two years have passed since spread of COVID-19 began, and people around the world are eager to resume their trips, with 52% of the Japanese travelers seeking satisfaction and spiritual well-being on future trips. These travelers are putting "flex travel" as a top priority, and plan to give more tips at the destination, and choose destinations with relatively few travelers to consider the impact of over tourism.
- **Campaigns by Travel Agencies:** While tours continue to be canceled, major travel agencies are publishing wedding series, special edition pamphlets featuring each hotel, and selling online products. Many companies are focusing on setting early discount prices and enticing consumers through campaigns in order to book them early with the resumption of tourism.
- **Major Wholesalers Package Stop-Sell**

Wholesalers	Stop-Sell until
JTB	2/28
HIS	3/15
ANA X, JALPAK, KNT-CT	3/31

Airlift

- Five airlines (ANA, Hawaiian, JAL, United and ZIPAIR) operated direct flights to Honolulu (79 flights with 19,826 air seats) in January. However, due to the Omicron variant, returning entry to Japan has been restricted. United Airlines suspended their flights from the end of January until March 26, 2022. As of January 24, it is expected for there to be a total of 76 flights with 17,979 air seats available in February and a total of 74 flights operating with 17,646 available air seats in March.

Operation	Details
All Nippon Airways (ANA)	3 flights/week from Haneda until 3/26, 2022
Hawaiian Airlines (HA)	3 flights/week from Narita & 1 flight from Kansai (total 4 flights per week) until 3/26, 2022
Japan Airlines (JAL)	From 2/1, daily flights from Narita begins. Total of 9 flights per week (with weekly 2 flights from Haneda) in February. In March, total of 6 flights per week from Narita. From Haneda, a total of 8 flights per week is anticipated.
United Airlines (UA)	Suspension of flights from 1/25 to 3/26
ZIPAIR	3 flights per week until 3/26, 2022
Suspension (no change from December)	
<ul style="list-style-type: none"> • Delta Air Lines: Haneda until 3/23, 2022 & Kansai & Nagoya: until further notice • Korean Air: until 3/23, 2022 • AirAsia: Until further notice 	

MARKET ACTIVITY UPDATE

Consumer Direct

- **Mālama Hawai'i Video Advertisement:** HTJ delivered advertisements of the Mālama Hawai'i concept video in January on YouTube, Facebook, Instagram, TVer, and AbemaTV generating 3,937,150 views and 5,719,049 impressions. The average view through rate was 28.97%, higher than those from December. On YouTube, one in three people completed viewing the video. As optimization progressed, viewing unit price dropped, displaying the growing effectiveness of advertising exposure from this platform and the great opportunity it serves to diffuse Mālama Hawai'i messaging. In addition, distributing advertisement through popular online TV platforms such as Tver and AbemaTV, HTJ achieved a view through rate of 95% since advertisements can't be skipped on these platforms. HTJ will continue to promote Mālama Hawai'i with a focus on utilizing online advertising.
- **Tokyo FM Radio Advertisement:** From January 17, a 20-second commercial was broadcasted on Tokyo FM to diffuse Mālama Hawai'i. This message reached 1,182,500 people. Tokyo FM's listeners are in Tokyo and 3 other prefectures in metropolitan areas. It is a popular radio station among women working in offices and younger home makers. Since listening to the radio has become more popular with COVID-19 restrictions, HTJ is aiming to increase awareness of Mālama Hawai'i to the Japanese market by making the words "Mālama Hawai'i" recognizable through radio commercials.
- **Collaborate with Private Brand:** In collaboration with HTJ, a major Japanese cosmetic manufacturer Kanebo, who has developed an environmentally-friendly sunscreen "ALLIE" plans to conduct a Mālama Hawai'i campaign which part of their sales will be donated to NPOs in Hawai'i. A joint release will be distributed on March 1 to announce the campaign and provide information about organizations that will receive the donation from Kanebo.
- **Kuleana Video Diffusion:** In January, HTJ distributed Kuleana videos on SNS platforms to share the importance of Hawaiian culture, protection of the marine environment, and what we can do to coexist with marine life. A total of 44,478 impressions were generated.
- **Preparation of Mahina 'Ōlelo Hawai'i Promotion Campaign:** For the 10th anniversary of Mahina 'Ōlelo Hawai'i in February, HTJ prepared a special webinar, SNS campaign, and daily introduction of 'Ōlelo Noeau to strengthen Hawaiian language awareness throughout the month. HTJ distributed a press release to explain the history of Hawaiian language, how February became Mahina 'Ōlelo Hawai'i, and inform about campaigns being held. At the end of January, there were more than 600 people registered to participate in the webinar, yet there was a total of 961 participants. Many participants were beginners and given lectures on the history and basics of Hawaiian language.
- **E-Newsletter Distribution:** In addition to a New Year's greetings in January's e-mail magazine, HTJ shared the Made in Hawai'i Festival promotional video, introduced New Year's events to be held in Hawai'i, and provided the history of Japanese immigrants to Hawai'i. It reached 348,601 people and achieve a high open rate of 31.7%.
- **LINE Questionnaire Survey:** To effectively utilize HTJ's official LINE account and to understand the characteristics of the followers, HTJ conducted a questionnaire survey in January. LINE has the highest usage rate in Japan and HTJ plans to conduct campaigns to share information through this platform. Results are: there were 2,049 participants; Hawai'i repeaters in their 30s to 60s; more than half of the followers are living in metropolitan areas. Many respondents answered that they

don't want to travel anywhere else than Hawai'i. Hawai'i fans following HTJ's LINE account utilize LINE the most to share their travel experience and they would like to receive updated information and images related to Hawai'i. HTJ would like to launch creative campaigns and utilize LINE as diffusion tool to the target audience.

- Aloha Program (Hawaiian Culture Education): HTJ continued to share Hawai'i's updated information to 170 Hawai'i specialists. By introducing the renovated hotels and newly opened shops, and restaurants during COVID-19, HTJ provided information that will be helpful for planning their next trip to Hawai'i. E-newsletter were distributed to Aloha Program members on January 14, reaching 44,949 people, with an opening rate of 42.45%. In the newsletter, HTJ announced a webinar and supplemental information on Mahina 'Ōlelo Hawai'i. Additionally, a course to learn about Charles Reed Bishop's achievements in connection with his birthday was introduced.
- SNS Promotion: HTJ continued to share the concept of Mālama Hawai'i by using hashtag #Malamahawaii and posted Kuleana videos to promote the importance of marine life and Hawaiian culture on SNS platforms. HTJ posted about events such as Sony Open and the New Year's 'Ohana Festival. There were many comments to celebrate the victory of Hideki Matsuyama on Sony Open.

SNS Result

SNS	# of Posts	Impressions	Followers
Facebook	17	320,627	120,143
Instagram	21	2,922,198	163,431
Twitter	30	1,061,052	57,780
LINE	3	39,306	21,730

- Consumer Inquiry: In January, HTJ received 128 inquires. 90% of the inquiries were questions about how to travel to Hawai'i. Questions were focused on documents required for travel, timing of issuing proof of PCR negative test results, procedures for traveling from the continental United States to Hawai'i, and quarantine upon return.

Travel Trade

- Mālama Hawai'i Diffusion: HTJ continued to collaborate with travel agencies and airlines to raise awareness of Mālama Hawai'i. The Mālama Hawai'i concept video has been broadcast at travel agency branches and Japan Airlines is broadcasting videos on domestic and international flights. Web banners are being posted on the WEB in addition to 20,000 additional pamphlets being published in January.
- Travel Trade Website Enhancement: HTJ continues to focus on sharing the latest information through a travel trade site and online education. Hawai'i visitor statistics and updates relating to COVID-19, Mālama Hawai'i, information catered to small groups, Hawai'i's educational tools, and partners' initiatives are posted daily. HTJ is collecting and preparing supplemental information for new entrants to the workforce with updates of basic information on Hawai'i, DMAP information on each island, and presentation materials about Mālama Hawai'i all in preparation for the resumption of travel.
- Satellite Office Activities: While the consolidation of company stores continues, preparations are being made to strengthen Hawai'i displays in stores for the resumption of the tourism. 42 columns were uploaded in January by satellite offices to HTJ's Aloha Program website. The latest information from Hawai'i has been the most popular articles generating PV: 7,284 UU: 4,756.

- Monthly Mail Magazine: Travel trade E-newsletter were distributed to 7,399 members on January 21 with an open rate of 47.6% and click rate of 8.9%. In addition to Hawai'i statistics and COVID-19 information, topics relating to Mālama Hawai'i and Hawaiian culture were included, with specialized content on Mālama Hawai'i's efforts and the culture of Japanese immigrants. Infini, a media and GDS system, reprints the industry e-mail newsletter for its members and contributed to new registration. (UU: 35,000, PV: 40,000/Monthly).

- **Partner Collaborations**

- Hawai'i Online Travel Showcase (HOTS): Due to current market conditions, HTJ shifted the HOTS (B2B travel trade event for travel agents and Hawai'i stakeholders) from the beginning of February to March 15-17 (3 days). HTJ communicated with participating partners to enhance the online meeting platform and recruit more partner attendees for tourism recovery discussion opportunities.
- Virtual Site Inspection Video Creations: Continuing from previous months, HTJ conducted video shooting projects for travel industry education tools with Kualoa Ranch Hawai'i, Westin Moana Surfriders and Kalaha Hotels & Resort. HTJ also continues to finalize video edits of the Battleship Missouri, Prince Waikiki, Waikiki Beach Marriott, and Alohilani. These videos will be released in the beginning of February.
- Japan Hawai'i Travel Association (JHTA) January Meeting: In the first meeting of 2022, HTJ greeted JHTA members and updated them on the current tourism situation in Hawai'i.

- **Travel Trade Calls**

Airline	Wholesaler/TA/TO/OTA	Other	Total
14	27	36	77

Public Relations

- In January, HTJ communicated with many medias through year-end and new year greetings. Due to COVID-19, the scheduled Hawai'i coverage and travel to Hawai'i from January to March were canceled or postponed. The exposure of Hawai'i will be adjusted in time once the spread of Omicron variant subsides. On the other hand, natural threats such as Tonga's volcanic eruption and tsunami, record heavy snowfall, bad weather in the United States, and earthquakes in the Kyushu region have sparked increased interest in responsible tourism and regenerative tourism. Even if it is challenging to travel to Hawai'i during the first quarter, in order to build the brand image of Hawai'i, HTJ will actively promote and showcase Hawai'i's initiatives as a model case of sustainable tourism with the slogan of Mālama Hawai'i. During the first quarter, HTJ will focus on adding content related to Mālama Hawai'i on media site.
- Media Support: HTJ communicated and supported 33 medias during January, providing updates about Hawai'i and communicated with NPOs and partners to collect resources relating to Mālama Hawai'i initiatives.
- NHK New Year Hawai'i Special: NHK broadcasted a 75 minute Hawai'i special program, "The World is Full of Things You Want" on January 1. In the first section, it featured a Japanese chef who incorporates local ingredients at the restaurant and follows her as she visits farms to learn about the roots of these ingredients. In the second section, the Hōkūle'a was featured and PVS's mission was shared. The program also featured zero waste stores and Made in Hawai'i products.
- Hōkūle'a and Hawai'i's NPOs featured in 'Eheu: Hokule'a and Hawai'i's NPOs were featured in a Winter / Spring issue of 'Eheu, JAL's in-flight magazine for business class. In preparation for the

Hokule'a screening Blitz in early spring, HTJ will increase media exposure and support Hokule'a's activities to diffuse message of Mālama Honua.

- News Release

Date	Details	Distribution	# of Feature	Impression	AVE
1/25	Mālama Hawai'i video viewership exceeds 1 million views	966	28	49,798,202	\$104,160
1/31	Promotion campaign on 'Ōlelo Hawai'i in February	807	14	86,809,209	\$52,080

REGENERATIVE TOURISM/DMAP INITIATIVES UPDATE

DMAP Action Items Supported

- HTJ had a meeting with the O'ahu Visitors Bureau on January 21 to report on the status of the Japanese market, HTJ activities, and discussed detailed action plans on DMAP. HTJ will continue to communicate with island chapters.

Initiatives to Promote Hawai'i Made Products

- 5 videos featuring 15 vendors at the Made in Hawai'i Festival was released on Youtube. These videos will be posted on HTJ's owned media and will be shared in a E-newsletter. Featured vendors are below:
 - Island Harvest (Island of Hawai'i)
 - Hawaiian Chip Company (O'ahu)
 - Waimeli (Island of Hawai'i)
 - Ahualoa Family farms (O'ahu)
 - Maui Fruits Jewels (Maui)
 - Oribe Tea Company (Island of Hawai'i)
 - Hiwa Creativons (O'ahu)
 - Kanilehua Enterprise (Maui)
 - Pūko'a Studio (O'ahu)
 - Kapa Nui Nails (Island of Hawai'i)
 - Kūlua (Maui)
 - Utara (K'auai)
 - Hawai'i Farm Trails (Island of Hawai'i)
 - Kris Goto (O'ahu)
 - Salty Wahine (Kaua'i)
- Kona Beer SNS Campaign: Joint SNS campaign with Kona Brewery was held on Twitter from December 27 to January 10. There were a total of 2,028 participants generating 120,000 impressions.
- Upcycle Hawai'i Story: Introduction of Hilo brand, Upcycle Hawai'i, a brand and manufacturer focused on creating quality products with reclaimed and repurposed materials was featured on allhawaii and SNS to share their story. This generated 233,661 impressions.

Festivals & Events Promoted:

- Sony Open in Hawai'i: HTJ featured a promotion of the event on owned media and distributed news about the Japanese golfer Matsuyama winning the Sony Open in Hawai'i through SNS. Additionally this linked to the golf course introduction page on HTJ's portal site allhawaii and introduced golf as a top activity in Hawai'i. In Japan, there were 1,850 online media exposures generating 15,997,817 PV.
- Mele Halia Music Series: HTJ conducted a Facebook live on "Mele Halia," a concert series conducted once a month at Waikiki Beach Walk on 1/17. It had a reach of 59,244 and the video was viewed 6,125 times. During the live show, many listeners commented that they are looking forward to coming back to Hawai'i to enjoy Hawaiian music.
- New Year's Ohana Festival: Introduced virtual New Year's Ohana Festival in January's E-newsletter letter. It reached 348,601 people.

Voluntourism Programs Promoted

- HTJ participated in the Hokkaido Educational Travel Online Seminar, presented Mālama Hawai'i initiatives and provided information relating to educational trips. Volunteer opportunities such as fish pond restoration work and beach cleanups were shared with the 112 participants.

ISLAND CHAPTERS ENGAGEMENT UPDATE

- HTJ communicated with IHVB to assist group support information related to COVID-19, international attendees' returning restrictions, and COVID19 test and quarantines rules.

"COMING ATTRACTIONS"

What	When	Where
Nara Gakuen Hawai'i Wake Online Seminar	2/2	Online
Fukuoka Overseas Education Travel Seminar	2/14	Online
Kyushu Travel Expo-Travelers Festival 2022	2/12	Online
HPCJ Meeting	2/16	Online
Hawai'i Online Travel Showcase	3/15-3/17	Online
Aloha Program Webinar - New way to travel to Hawai'i	2/4	Online
Special Hawaiian Language Webinar - Hawaiian History Basic: Importance of Hawaiian Language	2/5	Online
Special Hawaiian Language Webinar - Meanings of Aloha: Learn Hawaiian values from Hawaiian Language	2/12	Online
Aloha Program Webinar - Hawai'i's Update	2/18	Tokyo
Special Hawaiian Language Webinar - Greetings in Hawaiian Language: Phrases that visitors can use	2/19	Online
Special Hawaiian Language Webinar - Hawaiian seen in town in Hawai'i: Let's Find Familiar Hawaiian	2/26	Online

Hawai'i Tourism Canada

2022 Monthly Market Activity Report – January

Market Intelligence

Economy

The full effects of Omicron will weigh heavily on Canada's economy during the first months of 2022. So far, policymakers are relying on accelerated vaccination efforts and reduced capacity limits, and less so on lockdowns and full closures, to contain this latest threat. But that could change if conditions worsen.

At this stage, a COVID-weary public is far less tolerant to the force of regulation—especially over the holiday season. If there is anything to hope for in the latest wave, it is that its rapid onset will be followed by an equally rapid easing. The big question is how the health system will handle a surge in hospitalizations, which looks certain to occur even if the galloping new variant produces less severe outcomes than previous versions.

- COVID's most contagious wave yet is hindering Canada's economic recovery. The response by governments and the general public will dampen activity in consumer services early in 2022.
- Easing government stimulus measures and better-than-expected revenues are quickly paring government deficits. But accumulated government debt remains a long-term issue, particularly at the provincial level.
- Labor markets have largely recovered from the pandemic, although productivity is a concern. The unemployment rate has returned to its pre-pandemic level below 6.0 per cent, but skill mismatches and labour shortages are hurting potential output.
- Supply chain issues and resulting inflationary pressures are lasting longer than expected, prompting central banks to speed up their timetables for rate hikes in 2022.
- The loonie averaged US \$0.80 during the period; the highest value recorded for the period since 2014 (US \$0.90).

Outbound Travel Market

Canadians made more than 3.8 million trips throughout the first eleven months of 2021, compared to 8.8 million in 2020, and 30.5 million in 2019. More than 2 million Canadian residents returned from overnight trips in September, October, and November—over half of the trips recorded year-to-date. When compared to the same month in 2019, overseas activity in November amounted to 42 per cent of pre-pandemic volume while transborder activity was at 34 per cent of pre-pandemic volume.

Almost half a million Canadians returned from an overnight transborder trip in November—almost 7 times the volume of trips registered in November 2020. Monthly activity to the U.S. is now at 34 per cent of the volume seen pre-pandemic (2019). So far in 2021, 1.9 million Canadians have taken an overnight transborder trip, more than two-thirds of which occurred since August.

Almost 37 thousand Canadians visited Hawai'i in December—the highest monthly volume in nearly two years. Overall, there were 86 thousand arrivals in 2021, more than two-thirds of which occurred in November and December. Compared to 2019, direct arrivals declined 83% and indirect arrivals fell 88%.

Competitive Environment

Destinations in the Caribbean, Mexico, and Central America reported 618 thousand arrivals from Canada throughout the first eleven months of 2021. Almost 60 per cent of this activity occurred in October and November. Even though activity picked up in the fourth quarter, year-to-date arrivals have declined 88 per cent compared to 2019. With some of the least restrictive entry protocols, Mexico has accounted for 54 percent of the regional arrivals so far in 2021—a larger share than previous years.

The first eleven months of 2021 saw 107 thousand Canadian arrivals in the Asia-Pacific region, an 84 per cent decline compared to 2020, and a 97 per cent drop over 2019. Almost half of the arrivals year-to-date were recorded in October and November. Although activity is beginning to improve, many APAC countries still have significant visitor entry restrictions in place, which continue to affect Canadian travelers.

Consumer Trends

With the Omicron variant sweeping across Canada, several provinces deferred re-opening plans and reintroduced restrictions in January. Although not as stringent as those in previous waves, the situation intensified Canadians' concerns about the future, especially in Ontario, Quebec, and British Columbia.

After dropping 7 points in December, the Index of Consumer Confidence fell a further 0.6 points in January to start the year at 100.7, the lowest level since April 2021 (98.4). Concerns over future finances eroded consumers' confidence in big-ticket spending as just 16.1% of survey respondents believe now is a good time to make a major purchase, compared to 27.7% in January 2019.

Travel Trends

Compared to 2019, indirect arrivals declined 88% in 2021. More than 16 thousand indirect arrivals were counted throughout the year, compared to 31 thousand in 2020 and 135 thousand in 2019. Canadians arriving on indirect flights accounted for 19% of the market in 2021, compared to one-quarter in the years immediately preceding the pandemic.

- Nine-in-ten visitors in 2021 were independent travelers, a higher share than previous years.
- There were 77 thousand independent travelers counted in 2021, while package trip volumes fell to 9 thousand.
- Three-quarters of the package trips recorded in 2021 took place in November and December.

Airlift

There were almost 148 thousand direct seats available in 2021, with more than 80% of this service offered in the fourth quarter. With travel activity picking up at the end of 2021, visitation surpassed 86 thousand arrivals throughout the year; about half of the volume recorded in 2020 (-47%) but an 84% drop compared to 2019.

Following the suspension of almost all air service last winter, Air Canada and WestJet are currently reporting 365 thousand direct seats throughout the 2021-22 travel season. Although available capacity is up compared to the past two seasons, with demand still impacted by COVID-19, direct arrivals are currently projected to reach about half of the volume recorded in 2018-19.

Market Activity Update

Consumer Direct

- The WestJet campaign featuring the Mālama Hawai'i video 'Habitat Stewardship' continues.
- HTCAN continues its organic posting through its Canada dedicated channels on Instagram, Facebook and Twitter.

Travel Trade

Travel Trade Calls

Airline	Wholesaler/TA/TO/OTA	Other	Total
6	20	3	29

- **Spoiled Agent Webinars**
Spoiled Agent continued the successful series of webinars with HTCAN in January. The Islands of Hawai'i and Kaua'i were featured in two webinars and Facebook livestream events. Representatives from the islands chapters were invited to present updates on travel offerings and promote the Mālama Hawai'i campaign. On January 12, Deanna Isbister, Director of Sales for the Island of Hawai'i Visitors Bureau, presented the webinar titled "Discover Your Inspiration on the Island of Hawai'i." Sixty-one travel advisors attended the training session. On January 20, Maile Brown, Director of Marketing for the Kaua'i Visitors Bureau, presented the latest information for the island. Seventy-nine travel advisors attended the webinar. All the webinars are available on Spoiled Agent's Hawai'i Tourism Canada dedicated page.
- **Canadians react to the news that Hawai'i may require travelers to have a COVID-19 booster shot**
HTCAN has received many inquiries from travelers and industry partners and travel advisors requesting insights on whether Hawai'i travel restrictions will be tightened to change the definition of "fully vaccinated" to include booster shots. Their reaction has been positive and supportive of the new requirement. Canadians are eager to know when the measure will be in effect so they can adjust their travel plans accordingly. Travelers who already have trips booked in the upcoming months would like to see an announcement by the government with a few weeks of notice so they will not be subject to the updated requirement.
- **The federal government not looking to phase out PCR testing for inbound travellers**
In January, the Canadian Travel & Tourism Roundtable as well as the chief medical officers from Air Canada, WestJet and Pearson Airport have called on the government to redeploy much-needed PCR tests into communities across Canada, instead of using them at the airport for arriving travelers. The doctors noted that 'As every person travelling to Canada must take a PCR test prior to getting on a plane inbound to Canada and must be fully vaccinated, there is no good public health rationale for a second test upon arrival'. Health Minister Jean-Yves Duclos has stated that the government is not looking to phase out the PCR test reequipment and that as the situation evolves, they will keep adjusting measures in all sorts of ways including at the border.
- **PCR test remains an obstacle travel advisors face when booking travel**
Travel advisors have reported that most clients are very concerned about testing positive while abroad and being stranded in destination, and that the PCR test to return remains the number one obstacle agents are facing when it comes to clients booking travel. On top of that, Advisors have

been dealing with ongoing flight cancellations and travel insurance claims. A lot of the work that Advisors have been done in the past six months had to be redone again as they had to find alternates for their clients.

- Omicron has created a significant impact on travel advisors' business
The impact on business due to the rapid spread of Omicron and added testing measures on arrival have been overwhelming for most travel advisors. Canadians were ready to get out and travel again back in November and things were looking up for business. Most advisors were receiving enquiries and the rebound was starting, but once the government reinstated the non-essential travel advisory due to the increased number of positive cases, it paused new travel inquiries and bookings.
- The majority of Canadians want COVID-19 restrictions dropped
Non-profit Angus Reid Institute conducted a survey of Canadians about their attitudes towards their support of COVID government public health restrictions. The poll, conducted January 27-28, found that 54 percent of Canadians agreed with the statement: "It's time to end restrictions, and let people self-isolate if at risk." The public sentiment appears to be moving in the direction of opening up communities.
- ACITA working on a new e-petition calling for the elimination of pre-arrival PCR testing
The Association of Canadian Independent Travel Advisors ACITA is working on a new e-Petition asking the federal government to remove in-destination, pre-arrival PCR testing. ACITA co-founder Judith Coates has said that mandatory testing for the return to Canada is the single biggest deterrent to the recovery of Canada's international travel industry.

Public Relations

- Proactive and reactive pitching with prior approvals from the HTA. Pitching themes include a mix of virtual experiences and 2022 in-destination activities for future press trips.
- In regular conversation with media to ensure they are updated on all regulations and safety protocols pertaining to COVID-19 testing.
- In discussion with journalists for potential visits to Hawai'i in Spring 2022. Themes include outdoor adventure, culture, culinary and responsible travel.
- Assisting journalist Jim Byers (Jimbyerstravel.com) already travelling to Maui in February. With approval from HTA, HTCAN committed to assisting with 1-night accommodations and rental car. HTCAN will share resulting coverage with HTA team.
- Working with Vancouver based journalist, Chloe Berge (freelance) on Spring 2022 visit. Chloe was previously set to travel in 2020 prior to the start of the pandemic. She still has a Delta credit voucher which needs to be used before EOY.
- Shared what's new in 2022 information with Christine Hogg (Offshore Magazine) for inclusion in the next issue of the magazine. HTCAN will share all coverage with HTA.
- HTCAN to sign up as a TMAC member and register to attend conference in June 2022. This is a wonderful opportunity to network with top tier journalists from across Canada.
- Looking at tentative dates in Fall 2022 for a group media FAM. Exact timing will be dependent on other in-market activities and COVID-19 protocols.

Regenerative Tourism/DMAP Initiatives Update

DMAP Action Items Supported

Initiatives to Promote Hawai'i Made Products

During the Spoiled Agent webinars as part of the Mālama Advocate program, HTCAN emphasized the importance of consuming local and buying Hawai'i made products. The two webinars promoted local product consumption.

Festivals & Events Promoted

During the Spoiled Agent webinars as part of the Mālama Advocate program, HTCAN emphasized the importance of becoming a Hawai'i Destination Specialist. HTCAN stresses the importance of reviewing the island events calendar so they can recommend their clients the festivals and events happening when they are visiting the islands.

Voluntourism Programs Promoted

The Mālama Hawai'i program has been promoted in the webinars with Spoiled Agent sharing the website and talking about the benefits their customers can expect when participating in these programs.

Also, the Mālama Hawai'i video "Habitat Stewardship" is being shown in all the WestJet flights bound to Hawai'i encouraging passengers to participate in these programs.

Island Chapters Engagement Update

To finish the educational campaign with Spoiled Agent, both KVB and IHVB participated with a 1-hour webinar each where they presented updates on each one of the islands they represent.

In the following months, HTCAN will continue communications with the Island Chapters to define the most important activities in the Canadian market such as the Aloha Canada travel trade mission, educational campaigns, etc.

Coming Attractions

What	When	Where
Organic Social Posting	Jan-Dec	Canada-wide
Virtuoso Show	February	Toronto or Montreal (TBD)
Broadcast Campaign	March	BC, Alberta, Ontario
Cooperative Campaigns	March	Canada-wide

Hawai'i Tourism Oceania 2022 Monthly Leisure Marketing Report – January

Market Intelligence/Market Conditions

Australia & New Zealand

Both Australia and New Zealand are approaching a significant achievement with both countries being over 94% fully vaccinated. Booster doses have reached 44% in Australia and 43% in New Zealand (eligible population 12 and over).

Australia has announced that inbound tourism will resume from 21 February for vaccinated travelers and there will be no quarantine required. Travelers will just need to provide a negative rapid antigen test before arrival and test again once they land (day 6).

Australia has also removed the need for PCR testing for both outbound and inbound travelers, with a rapid antigen test now accepted.

This month New Zealand announced that its managed quarantine is due to end on 13 March for all vaccinated New Zealanders returning from international destinations. This will be replaced by home isolation (the duration will be linked to the close contact rules applicable at that time). Vaccinated citizens in Australia can enter NZ from 27 February without needing to undergo state mandatory hotel quarantine and vaccinated citizens from visa waiver countries (such as the US) will be allowed enter from July

Currently the rates are sitting at AUD.72cents & NZD.67cents against the USD.

Outbound Travel Market

Australia & New Zealand

- Australia remains committed to keeping its borders open and there are currently no restrictions, quarantines, or home isolation in place. Just the testing requirement as outlined above.
- The change to New Zealand's managed quarantine requirement removes their major barrier to travel and partners are reporting an increase in enquiries and bookings for outbound travel.
- Despite the brief dip in consumer confidence in January, interest in Hawai'i remains strong with partners reporting that the destination is consistently in the top 3 destinations in terms of search and bookings.

Competitive Environment

Australia & New Zealand

- As more destinations open up, particularly those in Asia like the Philippines and Malaysia, competition to win over Oceania travelers is becoming increasingly fierce.

- With the announcements this month around easing of restrictions in both countries, trade media and travel trade partners have been inundated with destinations' booking campaigns.
- With a reduced pool of travel agents, it will be important to create innovative campaigns, events and training workshops to ensure a high caliber of attendees.

Consumer Trends

Australia & New Zealand

- After a dip during the worst of the omicron outbreak, traveler confidence is returning as restrictions continue to ease
- There is a trend towards people reconnecting with friends and family they haven't seen during the pandemic, as well as booking those once-in-a-lifetime trips that people don't want to put off any longer.

Travel Trends

Australia & New Zealand

- HTO received enquiries from travel trade partners looking for new products & suppliers for unique markets as the industry started to resume planning and contracting processes. Some of the trade partners HTO have engaged with in January are:
 - *Luxe Only*: with a focus on high-end clientele for multi-islands and unique experiences
 - *Botanica Travel*: with a key selling point on garden tours for senior travelers
 - *Corporate & Leisure*: with Multi-islands focus for experienced female travelers
 - *Fusion Holidays*: looking to create Hawaii packages with boutique properties on Oahu to rebuild interest for Hawaii

Media Trends

Australia & New Zealand

- We are seeing more enquiries from publications keen to feature Hawai'i and have started working on partnerships and media opportunities, including TV for 2022.

Airlift

Australia & New Zealand

- Hawaiian Airlines is currently flying 4 days a week from Sydney, with their schedule likely to increase later in the year
- Jetstar are due to resume their schedule from Sydney and Melbourne to Hawai'i from 1 March
- Qantas began flying in December but paused their flights in Jan. They are due to resume flying from Sydney from 27 March
- Flights from New Zealand are due to resume with Hawaiian Airlines from May.
- Air NZ will return daily by July

Market Intelligence/Market Conditions Impact on Hawai'i Travel

Australia & NZ

- The outlook continues to be very positive. In our discussions with trade partners over the month, we have discovered that Hawai'i continues to rate as one of the most desired destinations to return to.
- Many partners have Hawai'i as a top priority for Q1 2022 and we have many partnerships underway for the peak booking period in February and beyond.

Leisure Activity Update

Consumer

- Hawai'i Tourism Oceania started the conversation with Hawaiian Airlines and the producer of Getaway, Channel Nine's popular travel show for a potential broadcast trip in June to Oahu and one other Hawaiian Island. We will proceed with this opportunity and include Maka and the ICs in the conversation around story ideas and permits.
- We secured an opportunity with Luxury Escapes for a Destination spotlight campaign and full TV episode later in 2022. We are currently working with them on dates. Likely to be May. We are also working with Luxury Escapes on a possible airport lounge activation at Sydney Airport.
- We are also talking to The Today Show as well as Sunrise, who might be interested in sending their weather team to Hawai'i which would lead to great coverage.
- We are continuing with our social media strategy and will start to plan our "Infinite Experiences" influencer campaign in the coming weeks
- We continue to produce new blog content which is promoted through our social media channels and eDM
- We resumed our consumer monthly newsletter, this was sent on 18 Jan to 56,668 recipients, with an open rate of 20.1% and a click through rate of 14% for those who opened the email.
- Meeting with Duarte Studios regarding potential filming opportunities

Top Three Posts Facebook

Post Title	Date	Total Engagements	Reactions	Comments	Shares	Post Link Clicks	Other Post Clicks
Jason Momoa Malama PSA	Mon 1/10/2022 7:32 pm PST	343	81	2	3	210	47
From the sea to the sky, we've rounded up our top 5 ways to experience Maui: bit.ly/3miRjS...	Fri 1/21/2022 3:00 pm PST	122	81	1	1	14	25
This one's for the adventurers 🏔️ Whether you dream of getting up-close to the Kilauea volcano,...	Tue 1/18/2022 10:30 pm PST	110	53	6	3	6	42

Top Three Posts Instagram

Post Title	Date	Total Engagements	Likes	Comments	Saves
Sydney, say aloha to Hawaii faster than ever before. Direct flights to Honolulu are now available! Board	Wed 1/19/2022 2:00 pm PST	788	744	25	19
Known in Hawaiian as hee nalu (wave sliding), surfing originated as a favorite pastime of the Hawaiians	Tue 1/11/2022 2:30 pm PST	230	223	1	6
From the sea to the sky, these are our top 5 ways to experience Maui 🏔️ #VisitMaui - Location • Maui 📍 • U	Fri 1/21/2022 3:00 pm PST	193	191	1	1

Upcoming Activity Q1 2022

- Flight Centre USA campaign
- International Traveller responsible travel supplement
- Mardi Gras Fair Day
- Consumer eDM Feb

Travel Trade

Traditionally, January is a quiet month in terms of activity for travel trade due to school holidays, however, HTO team were proactively focusing on many key areas such as:

- HTO has been connecting and reconnecting with our key trade partners such as Flight Centre, Helloworld, Personal Travel Manager, Virtuoso and ITravel after a holiday season and a brief pause due to the Omicron outbreak. There were some changes internally with several trade partners, hence it is vital for HTO to stay updated to maintain our relationships to collaborate with suitable trade partners in the future.
- HTO identified new opportunities through our research then reached out to niche trade partners/operators as many are looking to explore new tours/products across the Hawaiian Islands.
- HTO team continued to focus on our trade agents & travel advisors by providing support, education and assistance to ensure the Hawaiian Islands remain a desirable destination. This included an opportunity for one-one-one training session on a weekly basis. During the month of January, we had two one-on-one sessions with trade agents and setup two sessions for the month of February.

Trade e-newsletter: HTO sends a monthly e-newsletter to its trade database. January Results are:

- Total recipients: 9,066
- Total recipients who opened: 1,178 (13.4%)
- Total opens: 2,480
- Recipients who clicked: 142 (1.6%)
- Total clicks: 358

Sales Calls/Meetings

- Helloworld
- Hawaiian Airlines
- Only Luxe
- Norwegian Cruise Line
- Personal Travel Managers
- Flight Centre
- Botanica Travel
- Visit USA committee meeting

- KarryOn at industry event
- Signature Luxury/LATTE
- Virtuoso
- Travel Junction
- Outrigger Hospitality Group

Upcoming Activities in Q1 2022

- 'Ohana Update on 10 & 17 March 2022 (Melbourne & Sydney)
- Visit USA Hybrid Event on 2 March 2022 (Sydney)
- Trade's the Hawaiian Islands Training sessions – On request weekly trainings
- Trade newsletters – next one is due 16 February
- Sales calls with trade clients such as Travel Junction & Fusion Holidays (Sydney)
- Product Manager famil planning
- Campaigns booked with TripAdvisor and Expedia for Q2
- Brisbane sales calls & client event on 8-9 March 2022

Public Relations

During January, Hawai'i Tourism Oceania worked with media across print, digital and broadcast platforms.

HTO is working with Travel Weekly and KarryOn for a monthly Aloha Friday feature in 2022. Both outlets published the first articles throughout January.

During January, Hawai'i Tourism Oceania assisted the following media:

- James Wilkinson, Host & Executive Producer WAYFARER Executive Travel & Lifestyle TV show
- Erina Stark, Digital Editor for delicious.com.au
- Ivy Carruth, Freelance Travel Writer
- Evie Farrell, Freelance Writer and Influencer (mumpack travel)
- Norwegian Cruise Line famil participants
 - Andrea Black, Escape
 - Kristie Kellahan (NYC), Traveller
 - Adam Stewart, Travel Daily
 - Cathy Wagstaff, V&T / Signature / LATTE
 - Sue Wallace (SYD), NZ Herald

During January, Hawai'i Tourism Oceania had the following meetings:

- James Wilkinson, Host & Executive Producer WAYFARER Executive Travel & Lifestyle TV show

- Evie Farrell, Freelance Writer and Influencer (mumpack travel)
- Monique Ceccato, Freelance Writer
- Heather Jeffery, Hawaiian Airlines PR
- Tina-Louise Jackson, Signature Media
- Guy Dundas, LATTE
- Monique Roos, U.S Commercial Service
- Chris Aguinaldo, 6 Pillars Marketing
- John White, Kaanapali Beach Hotel
- Minh-Huyen Nguyen, Wailea Beach Resort

Responsible Tourism Update

- During January, Hawai'i Tourism Oceania worked with International Traveller Magazine on editing and drafting a 12 page lift out for the March 2022 issue. The lift out will cover activities, culture and food across all the Hawaiian Islands, focusing on mālama and sustainable travel. This guide is underway and we will be sharing the first draft with HTA and the Island Chapters next week.
- Mālama continues to be a focus across our social media channels as a way to educate consumers about traveling responsibly.
- Mālama activities are being incorporated into the trade and media famils we have planned for March/April 2022
- We are working on a partnership with Take3 For the Sea as a way to incorporate mālama style activities here in Oceania into our trade and consumer education programs
- Discussions have begun around the 2022 Sea Cleaners initiative
- New blog content has been published with responsible tourism and mālama activities included where possible
- HTO have also been participating in training sessions with NAHHA to ensure we are educated and update with the cultural learning from the destination

Island Chapters Engagement Update

HTO is having regular meetings with the Island Chapters. We have a monthly meeting with OVB and have a meeting with the Kauai Island chapter booked for next week.

We are communicating with each Island Chapter regularly with activities and campaigns that relate to their island.

Hawai'i Tourism Korea

2022 Monthly Market Activity Report – January

MARKET INTELLIGENCE

Economy

- Korea's exports in terms of value were seen growing 15.5% in January from a year earlier, according to the median forecast of 10 economists, slowing down from 18.3% expansion in December.
- The average USD/WON exchange rate in January was KRW 1,195.88, slightly depreciated compared to the previous rate of 1,184.67 in December.

Outbound Travel Market

- The number of outbound travelers from Korea in December recorded 139,426, 72.2% year-on-year increase.
- The Korean government extended the mandatory 10-day quarantine for all international arrivals regardless of nationality until February 3.
- The vaccine pass, digitalized proof of full vaccination which is available for 6 months after the 2nd shot, is applied for major indoor facilities.
- Korean Air delivered its opinion to the FTC at the end of January after reviewing the FTC report calling for the return of some slots and readjusting flight licenses for specific routes. The FTC will decide whether or not to approve the transaction for Korean Air to acquire Asiana Airlines in February.

Competitive Environment

- The travel industry is focusing on Saipan, the only destination that is exempt from the 10-day self-quarantine mandate. Saipan provides benefits such as local PCR testing (worth \$300), treatment fee for COVID-19 patients, travel subsidy card (worth \$100), and quarantine exemption to travelers who book the Saipan Travel Bubble package through designated travel agencies.

Consumer Trends

- Korea's consumer sentiment improved in January as the tough antivirus rules mitigated worries over the spread of the coronavirus. The composite consumer sentiment index (CCSI) came to 104.4 in January, up 0.6 point from the previous month. The rise followed a 3.8 point decline in December. A reading above 100 means optimists outnumbered pessimists. (Source: Bank of Korea)
- The retail industry is introducing plans with the theme of overseas travel one after another. This is to quench the thirst of customers for overseas travel due to the prolonged COVID-19.
 - A leading department store, Lotte Department Store released videos of the Parisian landscape through its mobile app. Authentic French home-cooked recipes containing the secrets of celebrity chefs are shared on the app, and selected French desserts are offered at special prices.

- A popular TV shopping channel, CJ OnStyle conducted an exclusive mobile live broadcasting with the French drugstore 'Monge Pharmacy.' It is a derma cosmetic drug store popular among Korean tourists.
- In partnership with a famous board game 'Monopoly,' GS25, a local convenience store chain, launched a series of meal kit products with menus representing major destinations including the United States, Japan, and Seoul under the theme of world gourmet travel.

Travel Trends

- According to a recent survey by Jeju Air, Jeju Island, Guam, Hawai'i, and Saipan were ranked 1st to 4th as the most wanted travel destinations in 2022.
- The number of domestic passengers at 14 domestic airports excluding Incheon last year reached 33,382,902, an increase of 32% from the previous year. This is 276,000 more than the previous maximum of 33,106,703 passengers in 2019. The growth of regional airports was the result of domestic travel being relatively less restricted compared to overseas travel, and airlines actively expanding domestic services. (Source: Aviation Information Portal System)
- Green Initiatives in the Korean Travel Industry:
 - Asiana Airlines produced a tablet pouch by recycling old uniforms.
 - Korean Air raised funds to create a forest for carbon neutrality with Skypass members.
 - Korea Tourism Organization and Busan Tourism Organization are conducting various campaigns to raise awareness of responsible travel among travelers and developed eco-tour products such as 'Low Carbon Bike Tour,' 'No Plastic Tour,' 'Plogging Tour' products by cooperating with travel agencies.
 - Major hotels in Korea are encouraging guests to use reusable water bottles and offering eco-friendly amenities.
- 'LAN travel' and 'metaverse travel,' which use advanced IT technology to access overseas travel destinations online, are gradually gaining popularity. In social media data, positive responses to 'LAN travel' increased by 7% in 20 months when compared to the data between January 2020 and September 2021. (Source: 2022 Domestic Tourism Trend report, Korea Tourism Organization & Ministry of Culture, Sports and Tourism)

Airlift

- Korean Air increased its frequency of ICN-HNL route to 5 times a week from January, and it plans for daily service from April.
- Hawaiian Airlines increased from 3 to 4 weekly flights from January 22.
- Asiana Airlines will return to service with 3 weekly flights from April 3.

MARKET ACTIVITY UPDATE

Consumer Direct

- B2C Newsletter: HTK is preparing a bi-monthly B2C newsletter to be distributed in February. The B2C newsletter will cover Mālama Hawai'i activities, airlift updates including Asiana's ICN-HNL flight resumption, entry protocol, Hawai'i's Community Enrichment Program, hotel news, and celebrities visiting the Hawaiian Islands.

- Mālama Social Campaign: HTK carried out a social content campaign in January by publishing weekly content showcasing Mālama Hawai'i activities on O'ahu, Maui, Kaua'i, and Hawai'i Island.
 - O'ahu: 'Discover Mālama Experience Tour Activity' at Kualoa Ranch was introduced as a must-do activity to do voluntourism activity in the Hawaiian forest where they can experience the deeper side of Hawai'i.
 - Maui: Pacific Whale Foundation's sea cleaner's activity was introduced as a new activity to experience on Maui, so-called the island of romance, encouraging visitors to have a heart for the environment with their loved ones.
 - Hawai'i Island: Waikoloa Dry Forest's Mālama 'Āina project was featured as a way to explore the vegetation of the pacific island offering a chance to enter the nature reserve.
 - Kaua'i: Surfriider Foundation's beach cleanup was covered as a program in which travelers can get DIY clean-up kit and clean up the beach with local volunteers.

Travel Trade

Travel Trade Calls			
Airline	Wholesaler/TA/TO/OTA	Other	Total
2	4		6

- HTK met with OZ, KE and discussed co-op ideas for Mālama Hawai'i and Kuleana campaign.
- HTK met with Mode tour, Naeil tour, Online tour, and Hanjin travel and discussed new tour product development.

Public Relations

- Hawai'i, Get-The-Word-Out Influencer Project: as an opening program of integrated Mālama Hawai'i campaign, HTK is developing an influencer project to boost up social buzz on Hawai'i by featuring Mālama Hawai'i activities and Hawai'i travel tips to inspire and educate travelers before traveling the Hawaiian Islands in near future. By inviting top-class influencers in a variety of segments (fashion, film, culinary, travel, cosmetics) to the Hawaiian Islands, HTK plans to position the Hawaiian Islands as a next-go-to travel destination showcasing Mālama Hawai'i activities of each neighbor island. The itinerary will include components where they can experience deep connections with Hawaiian nature and culture.
- Brand Co-op with Barrel: to attract responsible, mindful travelers to Hawai'i, HTK started the discussion with Barrel, a top sustainable outdoor fashion brand, to carry out a brand photoshoot on the Hawaiian Islands especially targeting MZ generations. The celebrity model along with influencers will be participating in Mālama Hawai'i activities and featuring their experience on their social channels to maximize social buzz. HTK will also utilize the photo/video assets and carry out consumer giveaway events to maximize engagement and increase awareness of Mālama Hawai'i.

REGENERATIVE TOURISM/DMAP INITIATIVES UPDATE

DMAP Action Items Supported

- Mālama Hawai'i travel product development with Hana Tour: the itinerary included dining at a restaurant that uses fresh, locally grown vegetables, attending local cooking classes, cleaning the beach, and planting trees. It is even more meaningful that the agent participated in the last trade Fam tour and well understood the meaning of Mālama Hawai'i through experience, and developed a product that included the tree planting activity of Gunstock Ranch.

Initiatives to Promote Hawai'i Made Products

- Mālama Hawai'i examples were provided on the Privia website and the quiz event lasted for 4weeks. Some of the quiz winners received Hawai'i-made products - Kona coffee.

Festivals & Events Promoted

- No news to report

Voluntourism Programs Promoted

- HTK official social channels (IG and FB)
 - O'ahu: 'Discover Mālama experience tour activity' at Kualoa Ranch
 - Maui: Pacific Whale Foundation's sea cleaners activity
 - Hawai'i Island: Waikoloa Dry Forest's Mālama 'Āina project
 - Kaua'i: Surfrider Foundation's beach cleanup

ISLAND CHAPTERS ENGAGEMENT UPDATE

- HTK worked with OVB and IHVB to feature voluntarism activities during HTK's travel trade fam and as a result of the fam trip, Hāna Tour has developed a Mālama Hawai'i tour product for the Korean market.

"COMING ATTRACTIONS"

What	When	Where
Mālama Hawai'i, Get-The-Word-Out Influencer Project	Feb to Mar	Online
Brand Co-op with Barrel	Mar	Online
Tide Square – Mālama Hawai'i Promotion	Dec to Mar	Online

Hawai'i Tourism China

Monthly Market Activity Report – January 2022

MARKET INTELLIGENCE

Economy

- Currency: January 2022 month end rate for Chinese Yuan (CNY) vs. USD was 6.36, flat from December 2021.
- GDP: China's 2021 GDP stood at 114.37 trillion yuan (US\$18 trillion) from 101.36 trillion yuan in 2020, accounting for 18% of the global economy, according to the National Bureau of Statistics (NBS). Gross domestic product (GDP) grew by 8.1% vs. 2020, beating most expectations and Beijing's target of above 6%. GDP growth in the fourth quarter 2021 slowed to 4% year on year, amid virus disruptions and a property market slowdown.
- Total number of trips conducted by Chinese domestic tourists: In 2021, total number of trips was 3.246 billion, an increase of 367 million or 12.8% over the same period last year.
- Total domestic tourism consumption: Domestic tourism revenue was 2.92 trillion CNY (USD417 billion) in 2021, an increase of 31% over 2020.
- 2022 domestic travel revenue will recover to 70% of pre-pandemic level. China Tourism Academy observed that China's tourism industry was recovering in 2021 on the whole after two years of downturn, as outlined in its newly released report on tourism economic operations in 2021 and trends forecast in 2022. Inbound and outbound travel was stymied, while essential travel stayed flat and travel consumption fell. Domestic travel volume was down by 18.3% year-on-year in the third quarter of 2021 under the impacts of macroeconomic downturn and the pandemic.

Outbound Travel Market

- Fewer Chinese travelers crossed the border out of Mainland China in 2021 than in 2000, according to new figures from the Chinese Outbound Tourism Research Institute (COTRI). There were 8.5 million outbound travelers from China in 2021, a number below the 10 million seen in 2000 and less than 5% of the figures seen pre-pandemic in 2019. Recent concerns have also risen around when Chinese travelers and shoppers will return to wider international markets, with most outbound Chinese tourism currently heading to Macau.

Competitive Environment

- Seven major Chinese airlines have pulled out from routes to Australia. Chinese spending in Australia in 2019 was estimated at \$12.4B. It has been exactly two years since Australia reported its first case of the virus and since that time Chinese visitors to Australia have fallen from 1.4 million per year to just 2,500.

Consumer Trends

- Higher demand from young adults In the post-pandemic era, flight passenger composition had also changed. The proportion of young-adult passengers aged between 18 and 24 increased by three percentage points compared with the 2019 level, while the proportion of seniors and juniors decreased, with the proportion of those aged below 17 decreased by two percentage points.

Travel Trends

- Shorter booking windows Pandemic uncertainties continued to shorten the booking window. The share of bookings made just three days in advance was 8% higher than pre-pandemic levels, while that of bookings made 15 or more days in advance was down by 10%.
- China's resort island eyes 15% growth for tourism revenue. South China's tropical island province of Hainan targets tourism revenue growth of 15% and an increase of 10% in tourist numbers this year, an official said Sunday during the annual session of the provincial people's congress. More than 81 million domestic and overseas tourists visited Hainan in 2021, up 25.5% year on year. Hainan's total tourism revenue increased 58.6% over the previous year to about RMB 138.4 billion (USD 21.8 billion).

Airlift

- Asiana Airlines will resume flights between Incheon and Hawai'i on April 3, 2022 with three flights per week. Asiana Airlines resumes flights to Hawai'i with 300,000 won discount tickets on a first-come, first-served basis. Asiana Airlines made this promotional announcement on Chinese popular social media WeChat on January 20, 2022.

MARKET ACTIVITY UPDATE:

Consumer Direct

- HTC is working on content for incorporation into the WeChat B2C mini-program. Information from gohawaii.com and meethawaii.com will be translated and customized for Chinese consumption.
- HTC posted social media posts to promote Mālama Hawai'i through New Year holiday greetings, celebrate the start of the PGA Tour on Maui and O'ahu and showcasing popular golf courses across the Hawaiian Islands and Chinese New Year of the Tiger good wishes.
- HTC is planning offline events to target Chinese VIP guests. The offline events will be consumer-centric and focus on Mālama Hawai'i content.

Travel Trade

- Hula Show "The Story of Pele", supported by HTC: Hawai'i Tourism China invited industry partners including airlines, OTAs and Brand USA representatives (total of 15 VIP guests) to attend and support a Hawaiian dance show, "The Story of Pele", organized by the Hawai'i Culture and Art Center on January 16, 2022 in Shanghai, China. HTC also showcased Mālama Hawai'i videos during the show. The show attracted over 200 guests and Hawai'i culture fans.

Travel Trade Calls

Airline	Wholesaler/TA/TO/OTA	Other	Total
4	3	2	9

- HTC conducted travel trade calls with airlines – Asiana Airlines, Korean Air, All Nippon Airlines, Japan Airlines to discuss future flight information and secondary flights connecting from China to Korea / Japan and to Hawai'i. HTC also met with Hawaiian Airlines to discuss possible charter flights.
- HTC conducted travel trade calls with wholesalers and OTAs –Tuniu, LY (Tongcheng), Trip.com to discuss demand for international travel.

- HTA conducted travel advisory and information calls with US Consulates.
- HTA connected with Dianping Meituan on messaging and communication of Hawaiian Islands on their platforms.

Public Relations

- No news to report.

REGENERATIVE TOURISM/DMAP INITIATIVES UPDATE

DMAP Action Items Supported

- HTC will be working on specific social media content and education materials to incorporate into the quarterly online and offline travel trade training events in Beijing and Shanghai with each Island Chapter.

Initiatives to Promote Hawai'i Made Products

- HTC will be working on social media content for promotion of Hawai'i Made Products listed on DBEDT Made in Hawai'i portal.
- HTC has met with some local vendors to determine how best to promote their products. HTC is working and planning a Hawai'i marketplace to be placed on Border X, a Chinese platform that provides customers in China to buy USA products and have it delivered to them.

Festivals & Events Promoted

- HTC is working and developing content for promotion of local festivals and events per Island with specific emphasis on events listed on the Community Enrichment Program.

Voluntourism Programs Promoted

- HTC is working and developing content for promotion and awareness of voluntourism programs as listed on gohawaii.com site through the Mālama Hawai'i Program.

ISLAND CHAPTERS ENGAGEMENT UPDATE

- HTC has scheduled meetings with the respective island chapters in February 2022 to develop, coordinate and support DMAP activities.

“COMING ATTRACTIONS”

What	When	Where
Direct Consumer Education Event	March (TBC)	Shanghai / Beijing
Travel Trade Education Event	March (TBC)	Shanghai / Beijing
DMAP Initiatives – promotion of local CEP events, Hawai'i made products, voluntourism activities	February and Ongoing	Online
WeChat Mini-Program	Ongoing	Online
Digital Content Development for Social Media Channels	March	Online

7

Ho'okahua Hawai'i Standing Committee Update

7a

Discussion and Action on the Recommendation by the
Ho'okahua Hawai'i Standing Committee on the
Tourism Recovery Marketing Plan's Section as Presented
and Proposed Revisions Discussed at the February 15,
2022 Meeting



Tourism Recovery and Marketing Plan FY 2022 Budget

2/18/2022

*Information in this document, which is relative to our market activities, is **PROPRIETARY** and should be treated in a **CONFIDENTIAL** manner to protect Hawai'i's competitive advantage as a visitor destination.*

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1 HAWAII TOURISM AUTHORITY

Who We Are, What We Do

The Hawai'i Tourism Authority (HTA) is the state's tourism agency responsible for setting tourism policy and direction; developing and implementing the state's tourism management strategy and Tourism Recovery and Marketing Plan; supporting programs and activities to sustain a healthy tourism economy, including programs that address the long-term sustainability of the destination; ensuring sufficient air and cruise access; the global promotion of leisure and business travel; the management of the Hawai'i Convention Center; and coordinating tourism-related research, planning, promotional, experiential and outreach activities across the state. The agency serves as a critical bridge linking government and private sectors, the visitor industry, and visitor and island communities. The HTA aims to contribute successfully to a quality visitor experience and enhanced quality of life for residents through tourism.

HTA Strategic Plan

The HTA Strategic Plan (HTASP) is the foundation for all of HTA's initiatives. The purpose of the HTASP is to guide the organization in addressing issues and creating opportunities that will move Hawai'i's visitor industry forward.

Purpose of the Tourism Recovery and Marketing Plan

The HTA's Tourism Recovery and Marketing Plan describes the goals, strategies, actions and evaluation approach that HTA will undertake to achieve the objectives within the HTASP. This document frames our efforts for FY 2022 to address the needs of our industry and improve the continuity or flow of business to maintain our industry's standing as the foundational or initiating economic driver for the state while promoting and practicing destination management through responsible tourism.

According to the Hawai'i Revised Statutes (HRS) §201B-6, there are five (5) statutory requirements that comprise the HTA's Tourism Marketing Plan. According to the statute, the plan shall include:

1. Statewide Hawai'i brand management efforts and programs;
2. Targeted markets;
3. Efforts to enter into Hawai'i brand management projects that make effective use of cooperative programs;
4. Program performance goals and targets that can be monitored as market gauges and used as attributes to evaluate the authority's programs; and
5. The authority's guidance and direction for the development and coordination of promotional and marketing programs that build and promote the Hawai'i brand, which are implemented through contracts and agreements with destination marketing organizations or other qualified organizations, including:
 - a. Target markets and the results being sought;
 - b. Key performance indicators; and
 - c. Private sector collaborative or cooperative efforts that may be required.

To provide additional guidance to the HTA in the development of the Tourism Recovery and Marketing Plan, the statute states that "Hawai'i brand" means "the programs that collectively differentiate the Hawai'i experience from other destinations." The statute further states that "the authority shall develop measures of effectiveness to assess the overall benefits and effectiveness of the marketing plan and include documentation of the progress of the marketing plan towards achieving the authority's strategic plan goals." HTA's Tourism Recovery and Marketing Plan strives to meet these requirements by including detailed execution plans for brand marketing, including the individual Brand Management Plans by major market area, as well as HTA's community enrichment, Hawaiian culture, natural resources, communications, and planning programs.

HTA Functions

One of the HTA's key functions is managing the Hawai'i brand, more specifically, managing the promotion of Hawai'i's brand, supporting and developing airlift to the state, and supporting programs to help deliver on the brand promise. The HTA works with its global contractors, visitor industry partners, travel trade members, and community stakeholders to position the Hawaiian Islands as a unique, world-class destination that is aligned with Hawai'i's distinctive products, activities, natural resources, Hawaiian culture and multi-cultures. In FY 2022, HTA will be organizing and placing more emphasis and investment on programs which focus on the management of the destination.

To better implement its strategies to achieve its goals, HTA programs are organized into four categories as shown in the chart below.

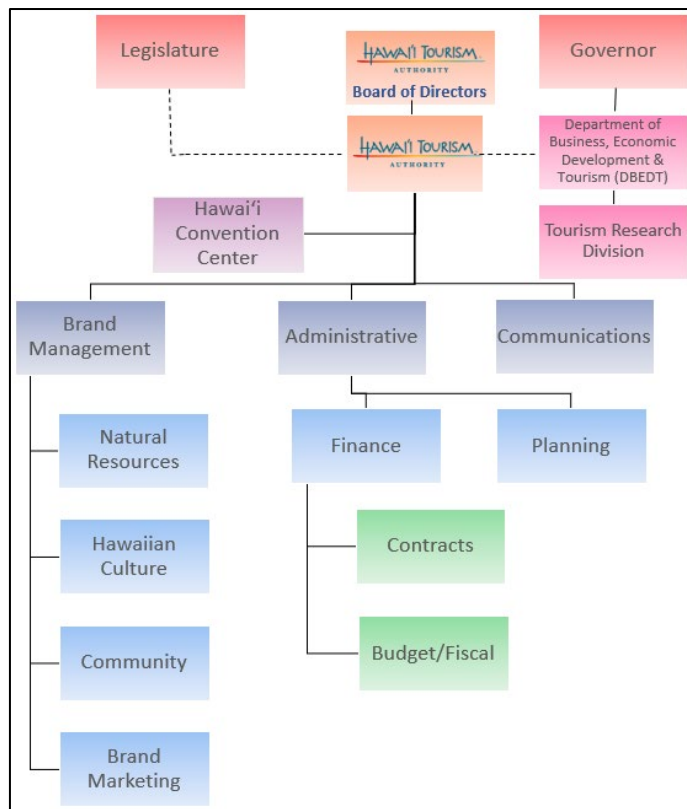


Figure 1: HTA Functional Structure

From Recovery to Stabilization – Market Conditions

Tourism continues to remain the primary economic driver for the Hawai'i economy across all islands. The pandemic has had far-reaching impacts that will require significant resources and focus to return the overall economy of Hawai'i to a more stable position. While tourism has experienced a resurgence since the relaxing of travel restrictions in October 2020, the long-term outlook of travel remains questionable. The pre-pandemic mix of international and domestic travelers is no longer as virtually all travelers to Hawai'i are now originating from domestic markets. Driving this new paradigm are the restrictions on international travel to some of the more traditionally frequented destinations that Hawai'i once competed against for market share. Additionally, domestic travelers have expressed the strong desire to travel after living under the many protective measures that prevented leisure travel in 2020. As such, Hawai'i has become the destination of choice for domestic travelers seeking a vacation in a more tropical setting.

The pent-up demand for travel, while initially strong, has started to wane and is weakening as the season transitions from summer to fall. Traditional international competitor destinations have opened for business and are now providing domestic travelers with choices where, previously, there were few. Additionally, with the surge in COVID-19 Delta Variant cases throughout the United States, travelers are opting to postpone or cancel plans to travel including to Hawai'i. This may begin to erode the perceived recovery and prevent a move to stabilization of the industry.

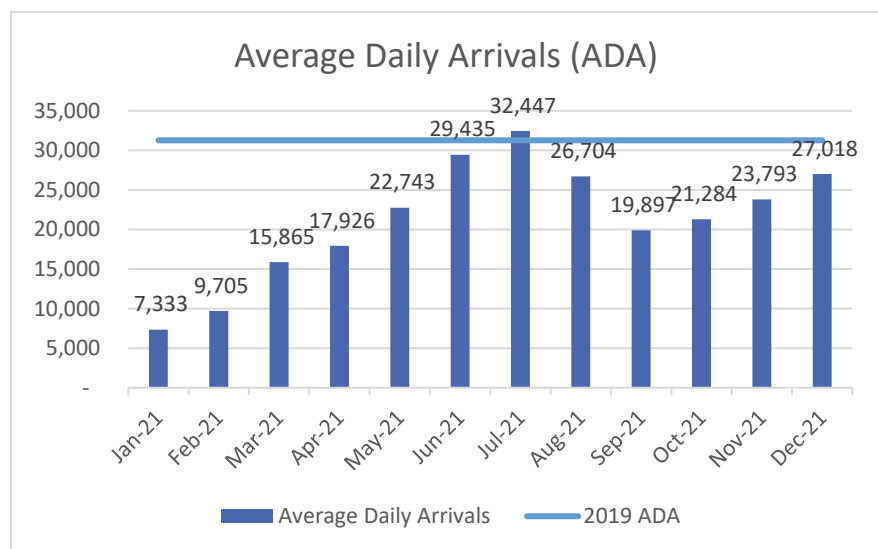


Figure 2: Average Daily Arrivals
Source: DBEDT

Based on historical tracking information, industry recovery began in October 2020 with launch of the State of Hawai'i's Safe Travels program.

While recovery is evident, as reflected in Figure 1, overall arrivals continue to lag when compared to 2019 (Figure 2). We believe that the ever-changing nature of the pandemic due to emerging variants, rising case counts and vaccination efficacy will begin to erode the recovery that Hawai'i has experienced since October 2020.

Stabilization will be a challenge for Hawai'i until such time as COVID-19 case counts decrease, the efficacy of COVID-19 vaccines is improved, and the status of Hawai'i's healthcare system is normalized. Recently, the overtaxing of Hawai'i's healthcare system has become a major concern and is expected to play a role in the instability of Hawai'i's recovery and road to the stabilization of our economy.

As we move forward, achieving the stabilization targets set forth in the plan will require significant resources and support. The HTA will focus its efforts on strategies that will move the visitor industry economy from a somewhat unstable recovery to a more sustainable stabilization future.

The Department of Business, Economic Development & Tourism (DBEDT) projects that Hawai'i's economic growth

rate, as measured by the real gross domestic product (GDP), will increase by 0.7% in 2021, 0.6% in 2022 and 1.1% in 2023. Hawai'i is expected to welcome 6.2 million in 2021, 8.3 million in 2022, and 9.4 million in 2023. Visitor arrivals will not reach the 2019 level until 2025, based on the assumptions. Visitor spending will decline more over the next few years due to decreases in daily spending

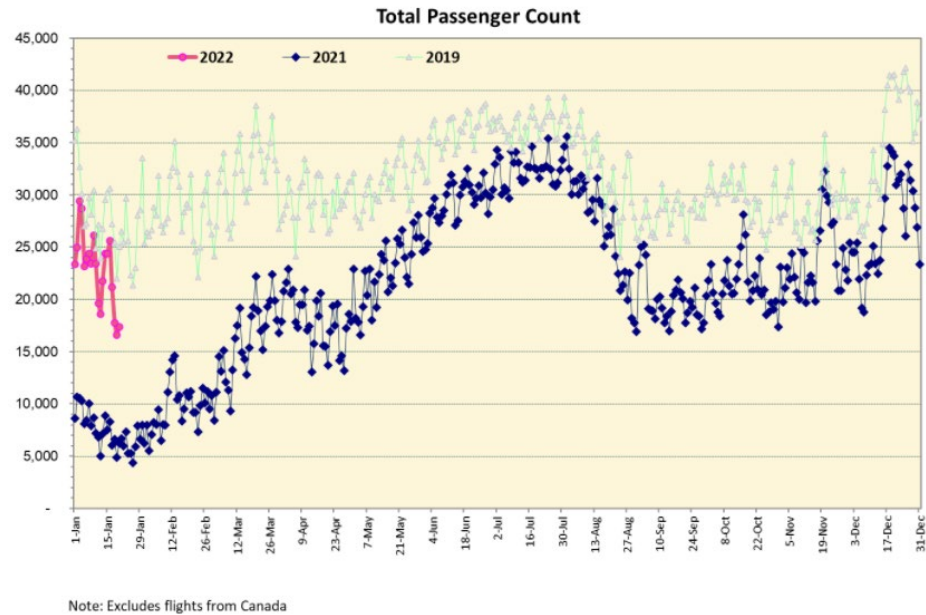


Figure 3: Total Passenger Count
Source: DBEDT

2 TOURISM RECOVERY AND MARKETING PLAN EXECUTION OVERVIEW

Key Priorities for 2022

There are six key priorities that HTA will focus on for 2022 to aid in the recovery of our visitor industry and building stronger and resilient communities.

1. Bring back leisure travel in a safe, sustainable, and regenerative manner.
 - Promote responsible, safe, and respectful travel to drive industry recovery.
 - Accommodations
 - Activities/Attractions
 - Restaurants
 - Ground Transportation
 - Airlift
 - Support of local businesses and other industries, like agriculture.
2. Recapture the meetings, conventions, and incentives (MCI) market to assist this segment with recovery and eventual stabilization to increase visitor spending.
3. Address priority hotspot areas to mitigate direct and indirect impacts.
 - Hotspots, defined as sites/areas that attract visitors due to its popularity, which may result in overcrowding, congestion, degradation of resources, safety hazards, and a negative experience for both residents and visitors, have also been identified.
 - Improve interagency (state, county, federal), visitor industry, and community coordination and collaboration.
4. Improve industry and visitor relationships with the community.
 - Create opportunities for communication, education, engagement, and collaboration between the HTA, community, visitor industry, and other sectors to improve community-industry and community-visitor relations.
5. Invest in targeted regenerative tourism products, services, and activities.
 - Invest in Hawai'i's tourism product and services to provide for regenerative tourism activities and high satisfaction experiences for residents and visitors alike. This includes but is not limited to programs that connect residents and visitors; voluntourism opportunities; tour guide certification and licensure programs; programs that highlight the uniqueness of the Hawaiian Islands, Hawaiian culture, and Hawai'i's multi-ethnic cultures; support for natural resources; and visitor safety programs.
6. Invest in authentic Hawaiian culture and 'ōlelo Hawai'i projects and programs which enhance the visitor experience, including training and education of visitor industry-related businesses.

Evaluation of Programs within the Tourism Recovery and Marketing Plan

The process to develop meaningful measures started with clearly understanding the connection between the current Strategic Plan and Tourism Recovery and Marketing Plan. The Strategic Plan establishes the overarching vision and strategic direction for the organization. The four overarching top-level measures of success are resident satisfaction, visitor satisfaction average daily spending and total spending. The Tourism Recovery and Marketing Plan is the tactical action plan used to achieve the vision with clear actions and a set of measurements. It is incumbent on the HTA to utilize measures of





effectiveness that will assist in assessing the overall benefits and effectiveness of its programs. This is identified under each program in the TRMP. The HTA will communicate the results of its efforts on a regular basis to the HTA Board of Directors, State Legislature, Governor, and the public. In addition, there are a variety of other measures that HTA will use to gauge the performance of the visitor industry and health of the community.

The below illustrates HTA’s strategic plan top line measures of success, examples of HTA programmatic measures, and indicators to gauge visitor industry performance.






Overarching Top-level Measures Of Success



Programmatic Measures Of Success (examples – see program write-up for specific measures)

 Natural Resources <ul style="list-style-type: none"> • Expand awareness of the Sustainable Tourism Association of Hawai'i certification program • # of businesses re-certified and newly certified • # of Aloha 'Aina programs funded • # of sustainability practices implemented in industry operations and programs • # of voluntourism participation through Mālama Hawai'i program • Energy Savings: # of kWh • Energy cost savings: \$ amount • Water savings: # of kGal • Water cost savings: \$ amount 	 Hawaiian Culture <ul style="list-style-type: none"> • Increased awareness, use and appreciation for Hawaiian language and culture • Economic impact, including local businesses • # of programs/events funded • # of visits to Ma'ema'e Toolkit landing page/resource • Positive and constructive feedback from trainees • # of greetings/performances provided per week per location 	 Community <ul style="list-style-type: none"> • # of DMAP sub-actions completed according to the timeline • Increased communication with visitor industry, other sectors • # of trainings/capacity building workshops • Attendee satisfaction of at least 85% • Economic impact of festivals and events • Visitors rate Hawai'i as safe and secure • #of community-action steward plans and projects developed and supported • # of hotspots resolutions 	 Branding <ul style="list-style-type: none"> • Increase % for “visitors recall hearing or seeing information about safe and responsible travel” • Improve Hawai'i's ratings for “value” and “unique experiences” • Improve score in perceptions of uniqueness of the destination for prospective visitors • Increase % of consideration for visiting Hawai'i within the next 12 months • Increase percentage of visitors that participated in voluntourism activities while in Hawai'i • # of local vendors benefitting from cruise lines arriving in Hawai'i
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Indicators to Gauge Visitor Industry Performance

 <ul style="list-style-type: none"> • Booking Pace – hotel, travel agency • Hotel Performance – occupancy, ADR, RevPAR • Vacation Rental Performance – occupancy, ADR • Time Share Performance -- occupancy 	 <ul style="list-style-type: none"> • Brand Perception – Buzz, recommend, consideration, purchase intent 	 <ul style="list-style-type: none"> • Number of direct inbound seats by island and by market 	 <ul style="list-style-type: none"> • # of visitor arrivals by island by market • Average Daily Census by Island • Average Length of Stay of island by market 	 <ul style="list-style-type: none"> • Unemployment Rate • Tax Revenue
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3 BRAND MARKETING PILLAR

Pillar Overview

The goal of this pillar is to strengthen tourism’s contributions by taking the lead in protecting and enhancing Hawai’i’s globally competitive brand in a way that is coordinated, authentic, and market-appropriate; is focused on Hawai’i’s unique host and local cultures and natural environment; and supports Hawai’i’s economy through catalytic programs and projects. Our emphasis is on educating and attracting high value visitors.

Key Strategies

- Manage brand marketing programs so that they are aligned with HTA’s values and objectives.
- Evaluate performance of brand marketing and management programs against identified performance measures and the four HTA KPIs.
- Differentiate Hawai’i from its competition by focusing on our unique Hawaiian culture, authentic activities, natural environment, and attractions, by engaging Native Hawaiian organizations.
- Focus marketing on higher-spending, positive-impact prospects by developing data-driven plans based on a deep understanding of current visitors and the visitor of the future.
- Promote Responsible Tourism via post-arrival programs that promote visitor safety and responsible travel.
- Nurture partnerships with industry partners – especially airlines, wholesalers, hoteliers, cruise lines, MCI corporate end-users, meeting planners, A-list intermediaries, and others in the travel distribution system.
- Align branding and education programs with the responsible transition of Hawai’i’s tourism model to regenerative tourism.
- Use advances in technology to enhance marketing efficiency and effectiveness, reach intended audiences, and promote regenerative tourism.
- Facilitate communication to advance the goals of the various DMAPs and to improve resident sentiment.

Major Market Brand Marketing & Management

Program Overview: The major market brand marketing and management program aims to promote Hawai’i responsibly through market education and coordinated branding. HTA’s ultimate goal is to bring back leisure travel in a safe, sustainable, and regenerative manner.

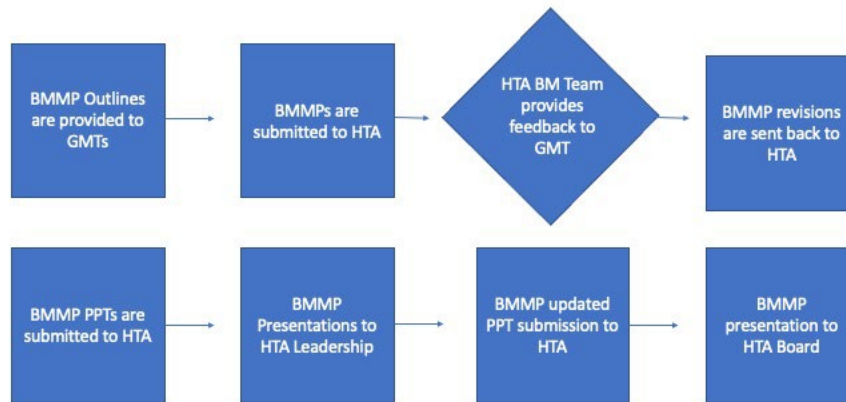
The major markets are selected based on their potential to reach mindful visitors who have the highest propensity to truly engage in all that Hawai’i has to offer. HTA has contracted with six marketing organizations to promote the Hawaiian Islands in the following Major Market Areas (MMAs): United States, Canada, Japan, Korea, Oceania (Australia and New Zealand) and China.

The global marketing contractors were directed to develop Brand Marketing and Management Plans (BMMPs) in a clear and concise format using narrative to explain the strategies and key campaign & programs and worksheets to establish performance measures and budget plans. The ultimate role of the plan is to ensure that the Hawai’i brand story is told across the globe in a way that is consistent, authentic, respectful of the Hawaiian culture, the environment and community, and continues to inspire travelers to want to visit and contribute to Hawai’i and its people.

Key Objectives

- Assist HTA in execution of Destination Management Action Plans and regenerative tourism initiatives.
- Drive destination brand awareness - build the brand of the Hawaiian Islands as well as the specific islands of O‘ahu, Maui, Hawai‘i Island, Kaua‘i, Lāna‘i, and Moloka‘i.
- Take advantage of local resources, as well as market insights and intelligence on trends, distribution dynamics, consumer insights, and competitive analysis. Target both current and next generation of mindful travelers.
- Focus brand marketing to target mindful travelers with emphasis on higher trip expenditures and increasing per person per day expenditures.
- Collaborate with the visitor industry to leverage resources and optimize results.
- Maintain the cultural integrity of the Hawaiian language, customs and practices, music, dance, cultural and historic sites, and imagery in all marketing initiatives while raising awareness and familiarization and appreciation of the diversity of Hawai‘i’s people, place and overall culture.
- Implement a responsible tourism branding communications program to educate visitors both pre-and post-arrival with specific information about safe and respectful/mindful travel.
- Develop airline relationships with the goal of monitoring and improving load factors and to support direct routes as directed
- Focus marketing and enhance tour product development to build a desire to visit during shoulder periods.
- Maintain a balance between travel trade and consumer promotions, backed by research regarding consumer destination travel shopping and buying trends.
- Assist HTA’s Global MCI contractor in securing MCI group business with special focus on the state-owned Hawai‘i Convention Center (HCC) and citywide convention growth.
- Support local businesses and promote Hawai‘i made products.
- Assist HTA and other designated entities in crisis management and communication related to the visitors and/or visitor industry.
- Ensure that initiatives are metrics driven.

Implementation: For 2022 brand marketing and management, only the USA MMA is funded through the FY 2022 budget via an RFP. Canada, Oceania, Japan, Korea, and China MMAs will continue to be funded through the FY 2021 budget via HTA procurement exemption as a result of the transition from the legislative session, veto, and subsequent veto override, as well as extensions and the COVID-19 pandemic. HTA took steps to ensure operations were not impacted by the transition and maintained within reason of environmental situations.



BMMP Approval Process

HTA’s Chief Brand Officer directs and administers the individual MMA annual brand marketing and management plans. The BMMPs are approved by the HTA board of directors annually. Brand Managers work directly with the contractors in their assigned markets to monitor and evaluate the delivery of approved key performance indicators (KPIs) and performance measures against the annual plans. Throughout the year, the following activities take place:

- Constant engagement through email and phone communications, and virtual or in-person meetings with all contractors.
- GMT group meetings held twice a year for planning and collaboration purposes.
- Marketing advisory committee meetings held regularly in Hawai’i for planning and networking purposes with United States and Japan contractors.
- Annual visitation to the major markets by HTA’s Chief Brand Officer and brand managers.
- Monthly, mid-year and year-end detailed reporting.
- HTA performance review covers the following topics:
 - KPIs and Performance Measures - review results against targets.
 - Campaigns and Programs - review the actual campaigns and programs conducted vs. the HTA-approved Brand Marketing and Management Plan.
 - Brand Integrity - review contractor’s ability to maintain the brand integrity and cultural authenticity.
 - Communication - review contractor’s communication with HTA and industry partners.
 - Financial Accountability - Review significant variances of budget vs. actual, if any.

Below is a summary of the current market situation for each of the major markets. Full versions of the 2022 Brand Marketing and Management Plans was submitted to HTA in November 2021 and finalized & approved in December 2021/January 2022. All approved Brand Marketing and Management Plans will be added to this document as Appendix B by January 2022.

3.1.1 United States

(This program is currently funded through FY 2021 funds and HTA staff resources continue to be required to monitor contractor)

- The U.S. West and U.S. East are Hawai'i's two largest source markets for visitors. The U.S. West market includes visitors who travel to the Hawaiian Islands from the 12 U.S. states west of the Rockies, and U.S. East includes all other states.
- Domestic air seats accounted for 70% of total seats to Hawai'i in 2019 with 9.7 million seats. In 2020, the total number of domestic seats were 4.2 million, accounting for 80% of total seats to Hawai'i. For 2021, there are 10.4 million domestic air seats scheduled in total from the U.S. West and U.S. East.
- Of the U.S. visitors that traveled to Hawai'i in 2019, 73.3% were repeat visitors. There was a percentage increase in repeaters for 2020 at 76.2%. An increase in first timers is anticipated for 2021.
- The Congressional Budget Office (CBO) projects that the economy will continue to strengthen during the next five years, with real GDP expanding rapidly over the coming year, reaching its previous peak in mid-2021 and surpassing its potential level in early 2025.
- According to the CBO, labor market conditions will continue to improve as the economy expands, with many people rejoining the civilian labor force who had left it during the pandemic, restoring it to its pre-pandemic size in 2022.
- Inflation, as measured by the price index for personal consumption expenditures, will rise gradually over the next few years and above 2.0 percent after 2023, as the Federal Reserve maintains low interest rates and continues to purchase long-term securities.
- Destination Analysts indicate that the travel outlook is positive with 83.8% of American travelers currently having trip plans, 53.0% traveling at least once in the next three months, and nearly 70% having high degrees of excitement about a potential getaway they had not previously considered, as of November 2021.
- More than 50% of American adults plan to take a domestic vacation before the end of 2022, according to AAA.
- Travel will be used as a means to deeply connect with friends and family, traveling more sustainably and with a greater environmental consciousness, and a greater focus on outdoor activities, according to Destination Analysts.
- Personal safety considerations will continue to play a role in destination choice.

3.1.2 Canada

(This program is currently funded through FY 2021 funds, but HTA staff resources are required to monitor contractor)

- Canada is the second largest international market and fourth largest source market overall for visitors to Hawai'i.

- Direct air service from Canada to Hawai'i in 2019 accounted for over 484,000 seats. In 2020, the number of seats dropped to almost 178,000. For 2021, there are nearly 155,000 air seats scheduled from Canada.
- Of the Canadians that have traveled to Hawai'i in 2020, 71.3 were repeat visitors. For 2021, the percentage of repeaters will likely decrease.
- In September 2021, the Canadian border reopened to fully vaccinated travelers from all countries. Fully vaccinated travelers no longer had to do on-arrival and day eight testing, but they are subject to random testing at the border.
- The Canadian economy will rebound strongly and grow by 6.1% in 2021 and 3.8% in 2022, due to reduced COVID-19 restrictions and increasing external demand.
- The loonie is forecasted to have an average value of USD \$0.83 in 2022, a slight increase over an average USD \$0.82 in 2021 and \$0.79 in 2020.
- As labor markets come back to pre-pandemic strength, slow growth in the size of the working-age population will hamper economic potential after 2023, even with full employment.
- Canada's aging population will continue to be a positive contributor to growth in outbound leisure travel driven by baby boomers (those born between 1946 and 1964).
- Millennials continue as a growing and important market sector.
- Canadian residents are most likely to rely on word of mouth, online search engines, travel review sites, online travel agencies, and destination websites for vacation inspiration; and when it comes to planning and booking, online travel agencies, travel review sites, and online search engines rank among the top and the use of travel agencies will be significantly increased.

3.1.3 Japan

(This program is currently funded through FY 2021 funds, but HTA staff resources are required to monitor contractor)

- Japan is the largest international market for Hawai'i, consisting of approximately 15% of all travelers.
- Through the first nine months of 2021, there were 15,040 visitors from Japan compared to 286,802 visitors (-94.8%) in the first nine months of 2020, versus 1,173,477 visitors (-98.7%) in the first nine months of 2019. Total visitor spending was \$54.6 million, a 96.7 percent drop from \$1.65 billion in the first nine months of 2019. Comparative 2020 spending data was not available.
- For first nine months of 2021, there were 348 scheduled flights with 87,561 seats from Japan. In comparison, there were 1,721 flights with 467,002 seats in the first nine months of 2020, versus 5,836 flights with 1,498,414 seats in the first nine months of 2019.
- New Prime Minister Fumio Kishida formed a Cabinet to meet challenges including recovering an economy affected by the pandemic and prevention of COVID-19 spread. PM Kishida made first speech to transform the Japanese economy by implementing a "new model of capitalism," identifying growth and the distribution of wealth as "mutually necessary."
- With relaxation of COVID-19 regulation, slowly the government plans economic recovery by setting up ¥500 billion fund aimed at supporting firms developing vaccines for infectious diseases and new drugs and expands "university fund" by ¥600 billion to enhance research activities and make Japan a nation of science and technology.

- The number of new COVID-19 cases confirmed each day in Japan is continuing to fall, even after the full lifting of the government's state of emergency at the end of September, according to the health ministry advisory board. As of November 1, 77.6 % are vaccinated once, and 72.5% are fully vaccinated.
- Japan's Vaccine Certificate (VC) program for overseas travelers started from July 26 and as of mid-October, 51 countries/regions have accepted the Japan issued VC. Japan is planning to introduce online COVID-19 vaccination certificates from December.
- The Japan Government announced that as of October 1, self-quarantine for fully vaccinated travelers is reduced from 14 days to 10 days.
- According to Japan National Tourism Organization, Japanese outbound travel for September 2021 was 52,400 passengers, 97.0% down from 2019.

3.1.4 Oceania

(This program is currently funded through FY 2021 funds, but HTA staff resources are required to monitor contractor)

- Through the first nine months of 2021, there were 563 visitors from Australia, compared to 41,238 visitors (-98.6%) in the first nine months of 2020, versus 219,205 visitors (-99.7%) in the first nine months of 2019. Visitors who came in the first nine months of 2021 arrived on domestic flights as direct flights from Australia continued to be suspended.
- Through the first nine months of 2021, there were 1,394 visitors from New Zealand, compared to 9,167 visitors (-84.8%) in the first nine months of 2020, versus 59,325 visitors (-97.7%) in the first nine months of 2019. Visitors who came in the first nine months of 2021 arrived on domestic flights as direct flights from New Zealand remained suspended.
- The market is readying itself for the re-opening of international travel, thanks to high-volume vaccination rates and a relaxing in government restrictions. The HTO office (and the wider industry) has noticed an increase in consumer excitement and inquiries around future travel opportunities.
- With the announcement of reopening plans by the Australian government, attention turned to both Qantas and Hawaiian Airlines around the return of flights to Honolulu. Both carriers have scheduled flights between Sydney and Honolulu commencing in the 2nd half of December. These have been scheduled for some time, but now is the first time they have caught the attention of local media. The next few weeks will provide more clarity and hopefully confirmation around restart details.
- The Australian government has given the greenlight for vaccinated Australians to travel overseas in November (once the 80% threshold has been reached). Qantas has announced the re-start to the key destinations of London and Los Angeles in November which will be the start of a more widespread rollout.
- The outlook has markedly improved with conditions relaxing around international travel along with a market ready to travel and with the propensity to travel. NZ/AUS still have Hawai'i's three key airline partners active in the market (Qantas, Hawaiian and Air NZ) along with a stable exchange rate that is higher than pre-Covid levels.
- After a recent dip, both local currencies have recovered to once again be above pre-Covid levels against the USD (AUD.75cents & NZD.72cents).

3.1.5 Korea

(This program is currently funded through FY 2021 funds, but HTA staff resources are required to monitor contractor)

- Through the first nine months of 2021, there were 5,597 visitors from Korea, compared to 46,540 visitors (-88.0%) in the first nine months of 2020, versus 165,690 visitors (-96.6%) in the first nine months of 2019. Total year to date visitor spending was \$27.1 million (497.9 million in 2019). Comparative 2020 spending data was not available.
- There were 74 scheduled flights and 20,572 seats from Korea during the first nine months of 2021, compared to 234 flights and 71,175 seats in the first nine months of 2020, versus 763 flights and 244,014 seats in the first nine months of 2019.
- Moody's, an international credit rating agency, raised Korea's real GDP growth forecast for this year from 3.5 percent to 4.0 percent. It mentioned that the production growth of Korea has already surpassed the pre-COVID-19 peak due to the strong exports and raised its forecast for 2022 economic growth from 3 percent to 3.2 percent as well.
- Korea's real GDP in the second quarter grew 0.8 percent compared with the previous quarter as consumption, which had been suppressed since the breakout of COVID-19, has recovered. Private and government consumption contributed significantly to GDP growth.
- South Korea's export prices rose in August, marking the ninth straight monthly gain amid a strong recovery in exports marking 35 percent on-year in August on the back of robust demand for chips and automobiles. Outbound shipments came to \$53.2 billion last month.
- As of November 1, 2021, 75.6% of Korean population are fully vaccinated. Koreans can get a Certificate of Immunization from Korea Disease Control and Prevention Agency. The certificate includes personal information (first & last name, gender, address, date of birth), vaccination series, vaccine product name, and date and location of vaccine inoculated. All information will be provided in English for overseas use.
- Korean Air plans to operate 3 weekly flights from Incheon to Honolulu starting November and 5 weekly flights from January 2022. Asiana Airlines is expected to return to service early next year. Hawaiian Airlines is maintaining its weekly 3 flights and planning 4 weekly flights from mid-January during the winter peak season.

3.1.6 China

(This program is currently funded through FY 2021 funds, but HTA staff resources are required to monitor contractor)

- Chinese visitor arrivals in 2019 totaled 92,082 generating over 242million in visitor expenditures with per person per day spending of \$329, the highest amongst all visitors to Hawai'i. In 2020, as China Eastern Airlines ceased its direct services to Honolulu coupled with the spread of COVID-19, visitor arrivals from China declined sharply to 10,736 in 2020 and 9,812 for the first nine months of 2021.
- Direct air service from China to Hawai'i in 2019 accounted for over 90,000 seats. In 2020 and 2021, there are no direct flights scheduled from China.
- Asia Development Bank projects PRC's economic growth to surge by 8.1% in 2021 from 2.3% in 2020, and increase by 5.5% in 2022. Powered by strong exports and gradual recovery in household consumption, the economy continues to come back robustly despite pandemic uncertainty, the

recovery will be driven by improvement in the job market, restored consumer confidence, and the release of pent-up household demand.

- RMB continues to appreciate due to pandemic and economic stimulus packages and the surplus US dollar in market. It indicates booming in the luxury shopping sector both domestic and overseas (cross-border e-commerce) which Chinese market is the driver of luxury goods consumption globally.
- Chinese market is on an upward flight path toward a new normalcy and prosperity, 80 percent of China's population have received the COVID-19 vaccines, with some observers suggesting that China has achieved herd immunity.
- Based on industry insights, Beijing Winter Olympics would be the trigger to open China's inbound cross-border travel which to lift the stringent quarantine restrictions and lead to open both inbound and outbound cross-border travels by the 2022 Labor Day Holiday, May 1. This means Chinese travelers would return to home country without quarantine which is the key indicator for planning oversea trips.
- China's domestic travel market trends indicate that Chinese travelers are gravitating toward outdoor experiences as well as luxury integrated offerings. And how consumers choose these offerings is also changing - social media channels are now key sources of inspiration for travel destinations.

Staff: Kalani Ka'anā'anā, Laci Goshi (USA, Canada), Jadie Goo (Japan, Korea, China), Maka Casson-Fisher (Oceania)

Contract and Contractor Leads

MMA	Contractor	Lead Contact	Contract Start Date	Contract End Date	Option Period
United States	Hawai'i Visitors & Convention Bureau	John Monahan	1/1/2022	6/29/2022	No options
Canada	VoX International	Susan Webb	1/1/2022	12/31/2022	No options
Japan	a.Link	Eric Takahata	1/1/2021	12/31/2022	No options
Oceania	The Walshe Group	Darragh Walshe	1/1/2021	12/31/2023	2, one-year options (2024-2025)
Korea	Aviareps	Irene Lee	1/1/2020	12/31/2022	2, one-year options (2023-2024)
China	ITRAVLOCAL	Dennis Suo	1/1/2021	12/31/2022	No options

Measurements

Measures	Source
Leisure: Consumer/Trade Ad Reach & Impressions; # of Consumer/Trade Shows and Participants; PR Values & Impressions; # of Media/Trade FAMs and Participants; # of Articles Generated from Press Trips; # of Trade Education Sessions & Participants; # of Industry Partner Meetings (include % comparisons) Social Media: Impressions & Interactions Gained; Fan Growth; # of Posts	Contractor
DMAP: No. of DMAP Action Items Supported; No. of Initiatives to Promote Hawai'i Made Products; No. of Hawai'i Festivals & Events Promoted; No. of Voluntourism Programs Promoted	Contractor & Survey
<ul style="list-style-type: none"> • Grow Average Daily Visitor Spending over 2021 • Grow Total Visitor Expenditures (prioritizing average daily spend over increasing visitor arrivals) over 2021 • Increase percentage for “visitors recall hearing or seeing information about safe and responsible travel” compared to the most recent study • Improve Hawai'i's ratings for “value” and “unique experiences” compared to the most recent study • Improve score in perceptions of uniqueness of the destination for prospective visitors compared to the most recent study • Increase percentage of consideration for visiting Hawai'i within the next 12 months compared to the most recent study • Increase percentage of visitors that participated in voluntourism activities while in Hawai'i (2022 will be the first year to establish a baseline.) 	Survey/Study

Global Meetings, Conventions and Incentives (MCI)

Program Overview: While Hawai'i's leisure market has typically been strong, when managed strategically, the MCI market can become a critical source of profitable “base” business booked years in advance. This base of business enables a higher yield of shorter-term leisure business. It can also help fill hotel occupancy gaps in future years by capitalizing on off-peak opportunities. Additionally, to be competitive and thrive in the changing world of Business Tourism (MCI market), Hawai'i must capitalize on its strategic mid-Pacific location, which conveniently connects East and West, helping organizations create events that are international, engaging and memorable business event experiences. As mentioned above in our larger brand marketing strategy, our location also contributes to a unique experience and the focus-group setting of these meetings, conventions and incentives allows us to further educate our markets about Hawaiian culture and our precious resources by immersing

attendees and stakeholders in these activities.

Key Objectives

- Primary focus is on MCI sales and marketing in the United States, Japan, Canada, Oceania, Korea, and China. Secondary focus is on additional markets as identified by contractors.
- Assist HTA by engaging in the execution of DMAP and regenerative tourism initiatives.
- Drive destination brand awareness and promote the Hawaiian Islands as a preferred destination for MCI.
- Target appropriate vertical MCI segments with emphasis on high-profile global events that are aligned with Hawai'i's culture, natural resources and community:
 - earth, ocean and atmospheric sciences
 - indigenous knowledge and traditional practices
 - environmental and biodiversity conservation
 - health and wellness
 - conflict resolution, civility, compassion and peace
 - multicultural diversity and cross-cultural exchange
 - technology & engineering
 - finance & insurance
- Target appropriate associations, corporate end-users, third party/meeting planner organizations, and A-list intermediaries in key MMAs that have potential to use the Hawai'i Convention Center.
- Collaborate with the visitor industry both in Hawai'i and globally to leverage resources and optimize results.
- Work in coordination with HTA, HCC, HTA's GMTs, and Hawai'i's MCI tourism stakeholders to ensure effective marketing under the Meet Hawai'i brand.
- Focus marketing and booking business for the higher need periods (Years 2022-2023, and 2026 and beyond for the Hawai'i Convention Center) and traditional shoulder seasons of April, May, October, and November.
- Implement a regenerative tourism communications program to educate meeting planners and MCI groups both pre- and post-arrival with specific information about safe and respectful/mindful travel and encourage CSR opportunities.
- Focus brand marketing to target mindful groups with emphasis on higher trip expenditures and increasing per person per day expenditures.
- Maintain the cultural integrity of the Hawaiian language, customs and practices, music, dance, cultural and historic sites, and imagery in all marketing initiatives.
- Increase awareness, familiarization, and understanding of the diversity of Hawai'i's people, place, and culture.
- Support local businesses and promote Hawai'i-made products.
- Assist HTA and other designated entities in crisis management and communication related to the visitors and/or visitor industry.
- Ensure that initiatives are metrics driven.

Implementation: Legislation passed during the 2019 session now enables HTA to separate the Hawai'i Convention Center's sales and operations efforts from a sole provider. With support from the industry and key customers, HTA has restructured its approach to MCI by offering meeting planners a single point of contact for all of their MCI needs. Whether the meeting is taking place at a single property or at the Hawai'i Convention Center (citywide), a single-island or multi-island bid, or from single or multiple

gateways, this centralized resource under “Meet Hawai‘i” brand will provide a one-stop shop for planners.

HTA is issuing an RFP for a Global MCI contractor for a contract start date of January 1, 2022. Funding for this RFP consists of three budget line items in FY22: MCI Single Property (\$1.9mil), Convention Center Sales & Marketing Citywide (\$2.6mil), and MCI MFF (\$850,000), totaling \$5,350,000. The contractor will be responsible for administering the MFF that were previously committed by HTA for 2022 definite and tentative businesses on the books. In addition, the contractor will be able to request MFF support for new citywide MCI leads developed in 2022 for future years, based on pre-determined criteria, established by HTA. Each MFF request is subject to HTA’s prior approval.

Similar to the Major Market Brand Marketing and Management for Leisure, HTA’s Chief Brand Officer directs and approves the annual MCI marketing and management plan. HTA staff works directly with the contractor to monitor and evaluate the delivery of approved key performance indicators (KPIs) and performance measures against the annual plan. Throughout the year, the following activities take place:

- Constant engagement through email and phone communications, and virtual or in person meetings with contractor.
- MCI stakeholder meetings held regularly in Hawai‘i for planning and networking purposes.
- Participations in major MCI trade events.
- Monthly, mid-year and year-end detailed reporting.
- HTA performance review covers the following topics:
 - KPIs and Performance Measures - review results against targets.
 - Programs and Activities - review the actual programs and activities conducted vs. the HTA-approved MCI Marketing and Management Plan.
 - Brand Integrity - review contractor’s ability to maintain brand integrity and cultural authenticity.
 - Communication - review contractor’s communication with HTA and industry partners.
 - Financial Accountability - review significant variances of budget vs. actual if any.

Staff: Kalani Ka’anā’anā (overall and MCI MMF) and Laci Goshi (Meetings, Convention & Incentives – Single Property, Convention Center Sales & Marketing – City Wide),

Contractor: TBD

Measurements

Measures	Source
# MCI Trade Shows & Appointments; # of MCI FAMs & Participants; # of MCI Education Sessions & Participants; # of MCI Sales Calls; Paid & Earned Media Reach & Impressions (% comparison)	Contractor
DMAP: No. of DMAP Action Items Supported; No. of Initiatives to Promote Hawai‘i Made Products; No. of Hawai‘i Festivals & Events Promoted;	Contractor & Survey

No. of Voluntourism Programs Promoted; No of MCI Groups and Visitors Participated in CSR Opportunities	
Total Citywide MCI Tentative Room Nights; Total Citywide MCI Definite Room Nights; Total Single-Property MCI Tentative Room Nights; Total Single-Property MCI Definite Room Nights	Contractor

Global Support Services (Global Digital Marketing Strategy & Global Market Shared Resources)

Program Overview: The Global Support Services contractor will provide project management development services related to the existing destination website maintenance, a database to connect community organizations and projects with travel and tourism companies, hosting, licensing, budget management, analytics, reporting, search engine optimization (SEO), ADA browser compliance, data protection/privacy, crisis management/communications and special alerts; social media content management, including analytics, reporting, crisis management/communications and special alerts; and intellectual property data bank (digital assets library) software maintenance, licensing, reporting, and consulting (maintaining assets developed by the HTA, Island Chapters and Global Marketing Team). The management of these shared resources will include communication and collaboration across the HTA, Island Chapters, Global Marketing Team, and other contractors.

Global Digital Marketing Strategy: Funds will be used to support the efforts of HTA's Global Marketing Team in digital marketing, including the continuous improvements, maintenance, and management of the Knowledge Bank (the State's global still image and video library) by retaining software licensing and support agreements for editing, processing, maintenance, and hosting. Required licensing (talent and stock photography) will be obtained, globally coordinated, and distributed via the Knowledge Bank. HTA will manage all global creative development through this central resource, while allowing for appropriate market specific adjustments.

Global Market Shared Resources: Staffing for management of online marketing & social media in support of HTA's Global Marketing Team. Funds used to maintain various websites including Sharing Aloha and media websites; renew subscriptions to digital tools including Sprout and Podio. Funds also maintain various websites including Sharing Aloha and media websites and renew subscriptions to digital tools including the Sprout and Podio social media management platforms.

Implementation: HTA is issuing an RFP for a Global Support Services contractor for 2022. Funding for this RFP consists of two budget line items in FY22: Global Digital Marketing Strategy (\$713,000) and Global Market Shared Resources (\$787,000), totaling \$1,500,000.

HTA's Chief Brand Officer directs and approves the annual support services management plan. A Brand Manager will work directly with the contractor to monitor and evaluate the delivery of approved key performance indicators (KPIs) and performance measures against the annual plan. Throughout the year, the following activities will take place:

- Constant engagement through email and phone communications, and virtual or in-person meetings with the contractor
- Monthly, mid-year and year-end detailed reporting
- HTA performance review covers the following topics:
 - KPIs and Performance Measures - review results against targets.
 - Programs and Activities - review the actual programs and activities conducted vs. the HTA-approved Global Support Services Management Plan.
 - Brand Integrity - review contractor's ability to maintain the brand integrity and cultural authenticity.
 - Communication - review contractor's communication with HTA and industry partners.
 - Financial Accountability - review significant variances of budget vs. actual, if any.

Staff: Kalani Ka'anā'anā and Brand Management Team

Contractor: TBD

Measurements

Measures	Source
# of unique users	Contractor
Pages per session	Contractor
# of sessions	Contractor
Average session duration	Contractor
# of page views	Contractor
# of staff assigned to the management of the Knowledge Bank, destination websites & social media platforms	Contractor
# of followers/fans	Contractor
# of impressions/interactions	Contractor
# of posts per channel	Contractor

GoHawaii.com

Project Description: GoHawaii.com is designed to be an advanced story-telling platform, capable of delivering immersive, sensory-rich multimedia content experiences that transcend words and encapsulate the vibrancy of Hawai'i across all types of digital devices. Funds will go towards building a brand-new destination website that is reflective of our Hawai'i brand. This includes the English, Japanese, Chinese, Korean, German, French, and Spanish sites in support of the Global Marketing Team. Funds also pay for hosting, licensing, analytics, SEO, ADA/browser compliance, and event listings support for the new destination website.

Implementation: HTA is issuing an RFP for a GoHawaii website developer for a contract in 2022. Special focus will be given to:

- Constantly evaluate the role of the DMO website in the consumer travel journey, from initial dreaming to sharing, and ensure our user experience and information architecture is getting

prospective travelers the content they need to choose Hawai'i as a destination and plan their trip as responsible travelers.

- Evaluate the role of GoHawaii.com in HTA's and the GMT's owned channel ecosystem, and ensure all channels are seemingly working together, with management by the Global Support Services contractor.
- **Feature local nonprofit organizations and responsible businesses that are aligned with HTA's regenerative tourism model.**

Staff: Kalani Ka'anā'anā, Laci Goshi

Contractor: TBD

Measurements

Measures	Source
# of unique users	Contractor
Pages per session	Contractor
# of sessions	Contractor
Average session duration	Contractor
# of page views	Contractor

Marketing Opportunity Fund

Program Overview: HTA will utilize these funds in markets where there are opportunities to impact short-term needs due to unforeseen changes in market conditions, or to take advantage of new opportunities that create high-value or are advantageous to the State.

Implementation: For cumulative initiative expenditures greater than \$250,000, the HTA Branding Standing Committee and HTA CEO will need to approve funding for the initiative. For cumulative expenditures less than \$250,000, only the HTA CEO will need to approve the funding. Project proposals are required and subject to HTA's approval.

Staff: Kalani Ka'anā'anā and Brand Management Team

Contractor: Contractor will be determined with each project and based on the appropriate procurement for the situation.

Measurements

Measures	Source
All initiatives will have unique trackable measures to determine outcome and impact	HTA and Contractor

Island Chapters Staffing & Administration

(This program is currently funded through FY 2021 funds)

Program Overview: A restored budget amount has been approved by the HTA Board for the Island Chapters' Staffing and Administration for Calendar Year 2022. The Island Chapters provide representation for each of the islands and work closely with HTA, its Global Marketing Team members

and the numerous tourism industry partners and community members to bring awareness to each island's unique concerns, accommodations, activities, and tours. The Island Chapters assist by developing approved familiarization trips and press trips, traveling to Major Market Areas to support approved trade shows and missions, and coordinating with local government officials and organizations for crisis management and environmental impact related to visitors and/or the visitor industry.

Implementation: The Island Chapters work in support of the HTA and its Global Marketing Team for Leisure and MCI marketing assistance with on-island execution and in-market programs and provide oversight of the island brands and island-specific visitor education, including the DMAPs. The Island Chapters are staffed by Hawai'i Visitors and Convention Bureau (HVCB) employees.

Staff: Kalani Ka'anā'anā, Laci Goshi

Contractors: Kaua'i Visitors Bureau, O'ahu Visitors Bureau, Maui Visitors & Convention Bureau, Island of Hawai'i Visitors Bureau

Measurements

Measures	Source
# of destination trainings/educational sessions	Contractor
# of staff assigned to Island Chapters administration	Contractor
# of FAM events attended	Contractor
# of huaka'i attended for cultural immersion	Contractor

Cruise Industry Consultant Services (Formerly Known As Cruise Infrastructure Improvements and Arrival Experience)

Program Overview: Cruise business has the potential to bring visitors to the Hawaiian Islands during off-peak seasons and are a good source of first-time visitors. For the local community, there is the additional positive economic impact of most ship supplies being sourced locally. The resumption of cruising in Hawai'i will start in January 2022. The program will include a FAM for cruise line executives.

Implementation: HTA will ensure that Hawai'i continues to foster positive relationships with key cruise lines to maintain this business and steer new interest to strategic ports during off-peak seasons. In addition, HTA continues to monitor arrival protocols implemented by each cruise line, which include safety and respectful travel to the Islands. HTA also works closely with DLNR, Department of Transportation – Harbors Division and the cruise lines to ensure that passengers are greeted with a seamless arrival experience. HTA staff will effectively manage this sector, working in concert with a seasoned cruise specialist contractor.

Staff: Laci Goshi

Contractor: Access Cruise, Inc.

Measurements

Measures	Source
# of cruise line meetings	Contractor

# of events/conferences participated in	Contractor
# of FAM participants	Contractor
# of local vendors benefitting from cruise lines arriving in Hawai'i	Contractor
% increase of cruise visitor spending (if this can indeed be measured)	Contractor

Kuleana Messaging & Pono Travel Tips

Program Overview: The airing of kuleana messaging with pono travel tips at neighbor island airports (OGG, KOA, LIH, ITO) via Baggage Claim Carousel Digital Video Wall Circuits to educate and inform visitors and residents on how to travel responsibly throughout the Hawaiian Islands. Core messaging will include ocean and land safety, natural resources conservation, marine life protection, culture, voluntourism, and more. Messaging will also be provided via the in-room visitor channel at hotels statewide.

Implementation: This contract will be a sole source procurement due to DOT airport's existing agreement with Pacific Media Group.

Staff: 'Iwalani Kūali'i Kaho'ohanohano

Contractor: Pacific Media Group

Measurements

Measures	Source
# of spots per day per airport	Contractor
# of travelers passing through per airport	Contractor/DBEDT Research

Rebranding of the Hawaiian Islands

Program Overview: Funding to support a full rebranding of the Hawaiian Islands. Inclusive of discovery and research, competitive analysis, brand positioning and key messages, logo and visual identity system update, brand standard guidelines, communications/brand audit, and rollout plan. The goal is to build a stronger brand and positioning for Hawai'i that is better aligned to current market conditions, resident sentiment and HTA's Strategic Plan.

Implementation: HTA will issue an RFP to seek a contractor who can provide expertise and services in destination branding/rebranding. The contractor will work closely with HTA, HTA's PR agency and creative agency, Global Marketing Team, Island Chapters, and other organizations and stakeholders as directed by the HTA in the development of the new brand for Hawai'i.

Staff: Kalani Ka'anā'anā and Brand Management Team

Contractor: TBD

Measurements

Measures	Source
Quality, consistency and timeliness of contract deliverables	Contractor KPIs

Maintain or improve the strength of Hawai'i's brand relative to its competitors via ratings on "value" and "unique experiences" YouGov

Destination Management Technology Consulting Services

Program Overview: A single strategic consulting service for implementing various technology solutions for Hawai'i as it pertains to providing a seamless and integrated travel experience for visitors- thus enabling better destination management.

Implementation: HTA will issue an RFP for a technology consultant for a CY2022 contract. The contractor will work closely with HTA, HTA's Smart Destination contractor, and other organizations and stakeholders as directed by the HTA in finding innovative and viable technology solutions.

Staff: Kalani Ka'anā'anā

Contractor: TBD

Measurements

Measures	Source
Quality and timeliness of contract deliverables	Contractor
Number of visits to determined online destination(s)/app(s)	Contractor
Identified integrated stakeholder resources	Contractor
Increased ratings for visitor experience	MES/VSAT
Increased ratings for resident sentiment	Resident Sentiment Survey
Comprehensive roadmap and style guide for technology solution	Contractor

Smart Destination

Program Overview: A suite of digital infrastructure to advance Hawai'i as a world-class destination through convenience and effective marketing strategy. Elements include development of a booking engine and related module infrastructure to support Hawai'i and Hawai'i-made products and activities, as well as unique Hawai'i content for the Hawaiian Islands. This new integrated digital eco-system will lead to a stronger brand positioning for Hawai'i, drive spending to Hawai'i-based businesses, which in turn would create a revenue stream to fund HTA and its operations and build up data and a more direct relationship with travelers.

Implementation: HTA will issue an RFP to seek a contractor who is capable of designing and building a forward-thinking and cutting edge digital eco-system for Hawai'i. The contractor will work closely with HTA, HTA's Destination Management Technology consultant, and other organizations and stakeholders as directed by the HTA.

Staff: Kalani Ka'anā'anā

Contractor: TBD

Measurements

Measures	Source
# of traffic to platform(s) and user trends	Contractor
Engagement in activities/businesses through platform	Contractor
Increase in spending at Hawai'i-based businesses	Contractor
Income generated from this platform to support HTA and its operations	Contractor

Creative Agency

Program Overview: A creative agency to support the HTAs efforts in developing creative assets as needed and directed by the HTA. Content will be created and distributed according to HTA's brand to ensure consistency and maintain brand integrity.

Implementation: HTA will issue an RFP for a creative content development contractor for a Calendar Year 2022 contract. Creative assets would include items like collateral and PowerPoint decks for consistent branding throughout our platforms and partners.

Staff: 'Iwalani Kūali'i Kaho'ohanohano

Contractor: TBD

Measurements

Measures	Source
# of creative assets developed	Contractor

HTUSA & HTJ Campaign Effectiveness Study

Program Overview: Studies to evaluate campaign effectiveness for the USA and Japan major market areas, including visitor education, incremental trips generated, visitor spending per trip, incremental spending generated, and the taxes generated on spending.

Implementation: HTA will issue an RFP for a research contractor for a Calendar Year 2022 contract. The contractor will work closely with HTA, HTUSA, HTJ, and HTA/DBEDT's Research team in the development and implementation of the studies.

Staff: Kalani Ka'anā'anā, Jadie Goo

Contractor: TBD

Measurements

Measures	Source
Quality and Timeliness of Contract Deliverables	Contractor
# of requests met	Contractor

4 NATURAL RESOURCES PILLAR

Pillar Overview: The goal of this pillar is to remind us of our kuleana to the ‘āina as more than a destination. The reciprocal nature of our relationship to land is that we care for our natural resources and in return the land will care for us. We continue to dedicate resources to programs that enhance and support Hawai‘i’s natural resources and cultural sites to improve the quality of life for all of Hawai‘i’s residents, which also enhance the visitor experience.

Strategies

- Over the next five years, we are focusing more attention toward improving and enhancing visitor-impacted infrastructure and natural resources, such as forests, parks, trails, beaches and reefs—most of which hold cultural significance. Included in this focus is our Destination Management Action Plans (DMAPs), which involve each county and input from community.
- As we invest in the uniqueness and biodiversity of our islands, we are supporting sustainable management, responsible tourism and educational outreach in areas with high visitor traffic.
- Recognizing the impacts of climate change and sea level rise, we will be coordinating and collaborating with qualified organizations to provide direction, support and leadership in areas where tourism can have a positive impact - those organizations and ideas that are aligned with the United Nations Sustainable Development Goals.
- We will also continue to encourage visitors to support local businesses by buying locally made products and/or food grown on the land to reduce dependence on imports and increase local economic activity.

Staff: Brand Management Team

Aloha ‘Āina Program

(This program is currently funded through FY 2021 funds)

Program Description: HTA supports community-based programs that are leading efforts to protect, enhance and maintain Hawai‘i’s unique and fragile environment. Programs are selected through an RFP process administered by the Hawai‘i Community Foundation.

Implementation

- Set the overall direction and criteria to procure the RFP and select and contract with the Aloha ‘Āina awardees via Hawai‘i Community Foundation.
- Provide Aloha ‘Āina informational briefings and contractor workshops to provide capacity-building and support opportunities promoting program sustainability.
- Maintain communications and engagement with Aloha ‘Āina awardees, including site visits and meetings.
- Evaluate Aloha ‘Āina projects through progress and annual reports.
- Maintain an advisory committee of community and knowledge experts to review proposals and provide advice for the program.

Staff: Maka Casson-Fisher

Contractors: Hawai'i Community Foundation

Measurements

Measures	Source
# of programs funded	Contractor
# of islands served	Contractor
% of requests met	Contractor
Success rate	Contractor

Sustainable Tourism Association of Hawai'i (STAH)

Program Description: HTA seeks to support the development of a sustainable tourism certification program for tour operators. Businesses will be evaluated on whether they fit the Global Tourism Sustainable Council's criteria of what makes a sustainable tourism company. This program supports the Natural Resources pillar overall goal, to enhance and respect Hawai'i's natural and cultural resources.

Implementation

- Work with STAH to assure that the certification process meets the environmental initiatives of HTA's Strategic Plan.
- Develop additional video curriculum that can be shared digitally.
- Conduct workshops that increase the skill and proficiency of certified operators in continuing to improve their operations and practices.
- Conduct educational outreach/partnership development.

Staff: Irina De La Torre, Brand Manager

Contractor: Hawai'i Ecotourism Association dba Sustainable Tourism Association of Hawai'i

Measurements

Measures	Source
# of businesses re-certified	STAH
# of businesses newly certified	
# of tour operator trainings	STAH
Expand public awareness of STAH and sustainable tourism initiatives	STAH

Hawai'i Green Business Program (HGBP)

Program Description: HTA seeks to support Hawai'i Green Business Program's efforts that will help to encourage energy and resource efficiency in addition to sustainable and regenerative practices in hotels, businesses, and events. Businesses will be evaluated on whether they fit criteria that would make them a sustainable company. This program supports the Natural Resources pillar overall goal, to enhance and respect Hawai'i's Natural Resources.

Implementation

- Work with Hawai'i Green Business Program to assure that the criteria meet the environmental initiatives of HTA's Strategic Plan.
- Recognize businesses that are committed to implementing energy and resource efficiency practices.

Staff: Irina De La Torre, Brand Manager

Contractor: Hawai'i Green Business Program, Hawai'i State Energy Office

Measurements

Measures	Source
# of hotels, businesses, and events recognized/awarded by HGBP	HGBP
Energy savings: # of kWh	HGBP
Energy cost savings: \$ amount	HGBP
Water savings: # of kGal	HGBP
Water cost savings: \$ amount	HGBP

Hawai'i Green Growth (HGG) Local2030 Hub

Program Description: HTA supports the United Nations 17 Sustainable Development Goals (SDGs), and the UN 2030 Agenda for Sustainable Development. The Aloha+ Challenge is Hawai'i's locally and culturally driven framework to achieve the United Nations' Sustainable Development Goals (SDGs) and is measured on an open-data dashboard to track progress. This unprecedented initiative positioned Hawai'i as a leader on the SDGs regionally and globally and led to the United Nations recognition of the HGG Local2030 Hub to scale Hawai'i's model to address global sustainability challenges. Hawai'i is in the position to be an industry leader with the tourism sector charting a path toward achieving statewide sustainability goals and positioning Hawai'i at the cutting edge.

Implementation

- HGG Hawai'i Local2030 Hub will help address sustainable tourism in three key areas to build a foundation for long-term impact and position Hawai'i globally.
 - (1) Convene industry stakeholders to integrate sustainability across the sector using the shared goals, measures, and actions through the Aloha+ Challenge.
 - (2) Implement and highlight tangible sustainability practices into industry operations and programs across the tourism sector.
 - (3) Attract and host major international meetings and conferences, building on Hawai'i's role as a UN Local2030 Hub for local solutions to global sustainability challenges.
- If HTA is unable to contract with HGG, then HTA will issue an RFP to implement the Natural Resources brand pillar similar in scope to NaHHA and the Hawaiian Culture brand pillar.

Staff: Irina De La Torre, Brand Manager

Contractor: Hawai'i Green Growth Local2030 Hub

Measurements

Measures	Source
# of participating stakeholder groups	HGG
# of sustainability practices implemented in industry operations and programs	HGG
# of meetings and conferences hosted	HGG

Kūlāiwi Series

Program Description: A seven-part video series that will feature programs that HTA supports on Kaua‘i, O‘ahu, Maui, Lāna‘i, Moloka‘i and Hawai‘i Island to connect people (malihini and kama‘āina) to place through those who live into their kuleana of mālama and aloha ‘āina. Each chapter will follow a host in their hometown and while at work as they show our viewers the importance of giving back through voluntourism and supporting local, indirectly showing their mahalo to HTA’s support and leadership in managing tourism. On that note, this series also aims to introduce our ‘ohana HTA to our extended ‘ohana in the community by placing them in their home community, their kūlāiwi - beginning with leadership.

Implementation: HTA will issue an RFP to seek a contractor that can create the video series and supporting assets to share it through multiple media channels. The contractor will work closely with HTA in the development of the series. The intent is to start with our DMAPs or Kūkulu Ola and Aloha ‘Āina programs that mālama our natural resources. Eventually it can highlight certification and training opportunities and even branch off into other areas that fall under other pillars, while maintaining the natural resources foundation and its importance to the masters in these areas.

Staff: ‘Iwalani Kūali‘i Kaho‘ohanohano

Contractor: TBD

Measurements

Measures	Source
Quality and Timeliness of Contract Deliverables	Contractor
# of views (returning and unique)	Website/landing page/Social Media/airline IFEs
Comments	Social Media
# of voluntourism participation through Mālama Hawai‘i program	Mālama Hawai‘i/DMAPs (data from TBD-16 + 17 under Planning)
Impact on participating programs.	Kūkulu Ola/Aloha ‘Āina awardee deliverables/DMAPs (data from TBD-18 under Planning)

Channel Manager (Formerly Universal Reservation System)

(This program is currently funded through FY 2021 funds)

Program Description: HTA has determined that implementing a centralized, statewide channel manager for reservations at various state and county attractions is an important layer to managing Hawai'i's precious natural resources. The online reservations site will focus on the user experience by centralizing reservations for state and county attractions available throughout the state; while also providing educational, cultural, and safety information for visitors and residents. This program supports the Natural Resources pillar overall goal, to enhance and respect Hawai'i's natural and cultural resources.

Implementation:

- No FY 2022 funds are designated for this program. Should funds become available, funds may be re-allocated to this program.
- HTA has contracted with HVCB to support a manager-level position to oversee the market research, procurement, and development of a robust Channel Manager (Universal Reservations System) for statewide leisure activities.

Staff: Kalani Ka'anā'anā & Dede Howa, Brand Manager

Contractor: HVCB

Measurements

Output Measures	Source
Completion of Phase 1- Discovery	Contractor
Completion of Phase 2- RFP Creation	Contractor
Completion of Phase 3- RFP Process	Contractor
Completion of Phase 4- Contracting	Contractor
Completion of Phase 5- System Development	Contractor

Tour Guide Certification and Licensure

(This program is currently funded through FY 2021 funds)

Program Description: In partnership with the Native Hawaiian Hospitality Association (NaHHA) and the University of Hawai'i at Mānoa School of Travel Industry Management (TIM), HTA has contracted these two organizations to complete a comprehensive study to better understand current tour guide certification and licensure programs that exist in Hawai'i, while exploring industry best practices globally for possible implementation throughout the state. This program supports the Natural Resources pillar overall goal, to enhance and respect Hawai'i's natural and cultural resources.

Implementation:

- No FY2022 funds are designated for this program. However, HTA staff resources are required to monitor contractor.

Staff: Maka Casson-Fisher

Contractors: Native Hawaiian Hospitality Association (NaHHA) and University of Hawai'i at Mānoa School of Travel Industry Management (TIM)

Measurements

Output Measures	Source
Survey results of best practices by country	Contractor
Focus group results from industry stakeholders	Contractor
Suggestions for future certification and licensure curriculum/program	Contractor

5 HAWAIIAN CULTURE PILLAR

Pillar Overview

A Hawaiian proverb “Ho’okahi wale nō lā o ka malihini,” or “A guest for only a day,” implies that guests become contributing members of the community with shared kuleana of protecting all that is Hawai’i. This is fulfilled with aloha - feelings of affection, compassion, mercy, sympathy, kindness, grace and charity – a sense of mālama. The goal of this pillar is to ho’oulu (grow) the uniqueness and integrity of Native Hawaiian culture and community through genuine experiences, support for those upholding kuleana and a stronger connection between visitors, residents, and place.

Strategies

- Over the next five years, we are increasing our attention to improving and enhancing the authenticity of Hawai’i by reinforcing the values embedded in its host culture and supporting Hawaiian programs and cultural practitioners, craftsmen, musicians, linguists and artists preserving and perpetuating Hawaiian culture.

Strengthen the relationship and trust between the visitor industry and the Hawaiian community by investing in community, including continued interaction with other Native Hawaiian-serving organizations and support for Native Hawaiian festivals and events and training opportunities that directly and indirectly involve the tourism industry.

Staff: Brand Management

Kūkulu Ola Program

(This program is currently funded through FY 2021 funds)

Program Description: The Kūkulu Ola Program is a community-based initiative that helps to perpetuate the Hawaiian culture and Hawaiian values that are important to our way of life in Hawai’i for the long term. These programs are selected and supported through an RFP process.

Implementation

- Set the overall direction and criteria to procure the RFP; select and contract with the Kūkulu Ola awardees via Hawai’i Community Foundation.
- Provide Kūkulu Ola informational briefings and contractor workshops to provide capacity-building and support opportunities.
- Maintain updates from Kūkulu Ola awardees to ensure ongoing communication and engagement, including site visits and meetings.
- Evaluate Kūkulu Ola projects through progress and final reports.
- Maintain an advisory committee of community and cultural knowledge experts to review proposals and provide advice to the program.
- Preference provided to those programs/events that have not received four years of consecutive funding.

Staff: Maka Casson-Fisher

Contractor: Hawai’i Community Foundation

Measurements

Measures	Source
# of programs funded	Contractor
# of Islands served	Contractor
% of Funding Requests Met	Contractor
Success rate	Contractor

Hawaiian Cultural Initiative – Strategic Partnerships

Program Description: This effort looks at identifying strategic programs and partnerships with organizations and agencies that offer Hawaiian cultural initiatives and resources that can be leveraged to increase the impact of HTA’s programs and in turn, the long-term perpetuation of the Hawaiian culture. These entities include those that can help to bridge the visitor industry and the Hawaiian community through existing and fostered relationships in the field and community.

Implementation

- Identify priority initiatives and participants.
- Develop dialogue and engage with identified organizations.
- Allocate funds to participating organizations to support a common project.
- Continue to engage with the industry and Hawaiian community throughout the year.

Staff: Maka Casson-Fisher

Contractors

- Native Hawaiian Hospitality Association (NaHHA)
- Various sponsorships of Hawaiian community organizations and programs

Measurements

Measures	Source
Community impact with current practice/efforts	Contractor
# of which are based in Hawai’i	Contractor

Center for Hawaiian Music & Dance

Program Description: In accordance with Hawai’i Revised Statute (HRS) 201B, HTA has initiated the planning process for the development of a Center for Hawaiian Music and Dance (CHMD) to promote and market the State of Hawai’i as a visitor destination in a way that highlights its host culture’s rich history. Although planning has taken a pause since 2016 and budget has been reduced due to the COVID-19 pandemic, the CHMD remains a project we explore. What we’ve gained from the pandemic is an audience that is accustomed to virtual spaces. With that, we are now looking to develop a space for

our Hawaiian music, dance, related histories and cultural storytelling online. This would complement a “bricks and mortar” concept as originally envisioned. The physical location and concept is in the planning process as well and will serve as both a museum and a center where practitioners can meet, practice and perform.

Implementation

- Conduct an RFP for the development, construction and management of the center’s virtual and physical spaces
- Allocate funds to initiate the implementation of this program in accordance with the law and legislative commitments, which will include communicating with the Hawai’i State Legislature throughout the year
- Contractor will need to keep community engaged with the center’s existence and services

Staff: Kalani Ka’anā’anā

Contractor: TBD

Measurements

Measures	Source
Published RFP	HTA
Completed concept and timeline for the CHMD	Contractor
Awarding of contract to develop the center	HTA
Proven to be experienced in managing and operating facilities and programs that focus on the preservation and perpetuation of Hawaiian culture and arts with an emphasis on ‘ōlelo Hawai’i, music and hula	Contractor
Proven to be conversant in best and innovative practices in the museum field	Contractor

Ma’ema’e Program

Program Description: With these funds we aim to modernize the Ma’ema’e Program and its supporting toolkit so that it is sustainable, engaging, interactive, useful, and accessible to our markets and those promoting Hawai’i, including Media and travel trade. These resources are used to share Hawai’i accurately, appropriately, and consistently in alignment with our brand identity.

Implementation

- Inclusive of its resources is the Ma’ema’e Toolkit and request for support forms, which will evolve to meet the demand of modern technology – pulling resources together to inform a growing audience on multiple platforms, including those within the Global Support Program.
- Procure services of cultural trainers and organizations for content development/updates
- Evaluate effectiveness and benefits of the training and its platforms/strategies and adjust based on engagement and feedback

Staff: Kalani Ka'anā'anā, 'Iwalani Kūali'i Kaho'ohanohano, Maka Casson-Fisher

Contractor: TBD

Measurements

Measures	Source
# of visits to Ma'ema'e Toolkit landing page/resource	Website Metrics
# of training for each demographic/market	Contractor
# of promotions of training opportunities and resources	Contractor
Positive and constructive feedback from trainees	Contractor

Market Support

Program Description: Provide accurate and appropriate cultural representation and awareness in major markets during trade shows, missions, promotional events and other activities that showcase Hawai'i to returning and prospective visitors. This program is dependent upon travel guidelines and budget availability but is key in our strategy to incorporate authentic Hawaiian culture and cultural practitioners in all that we do. With our new Strategic Plan guiding our collective journey into the future, it is important to ensure that along with Hawaiian culture, the unique values embedded in it, like ho'okipa, is not only shared but truly experienced so that the sense of mālama and kuleana is instilled upon arrival and long after departure.

Implementation

- Identify appropriate vendors based on each market's needs
- Procure services of cultural practitioners for in-market support via RFQ
- Update request process to track impact accurately and efficiently on resources and recipients

Staff: 'Iwalani Kūali'i Kaho'ohanohano

Contractor: HTA Staff and Training Budget with Native Hawaiian Hospitality Association (NaHHA)

Measurements

Measures	Source
# of events supported by this program	Contractor
Comments and constructive feedback for services rendered	Contractor
Positive feedback on updated request process	HTA and GMTs

Hawai'i Tourism Authority Legacy Program

Program Description: The HTA Legacy Program seeks to identify, recognize and honor individuals, organizations, and businesses that have dedicated themselves to the perpetuation of the Hawaiian culture and by doing so, have built a "legacy of aloha". Program honorees will have worked to strengthen the relationship between the visitor industry and Hawai'i's diverse community, while nurturing the Hawaiian culture and creating resident and visitor experiences that are respectful and authentic, setting an example for the rest of us and providing mentorship opportunities. The awards program has been held annually at the HTA Global Tourism Summit, the last one being held in 2020.

Implementation

- Facilitate the implementation of the planning stage of this program
- Work with community organizations and industry to select awardees to be recognized and how
- Procure items as needed to conduct the Legacy Awards Program

Staff: Kalani Ka'anā'anā and Brand Management Team

Contractors: Native Hawaiian Hospitality Association & TBD

Measurements

Measures	Source
Examples of Hawaiian language and/or culture perpetuation	Contractor
# of awardees to date and their legacy of aloha	Contractor
# of attendees to track impact	Contractor

Hawaiian Culture Opportunity Fund

Program Description: HTA will utilize these funds in markets where there are opportunities to impact short-term needs due to unforeseen changes in market conditions, or to take advantage of new opportunities that create high-value branding. These needs have included educational, economic, and entertaining opportunities, like supporting our Hawaiian designers to attend invite-only events like the New York Fashion Week

Implementation: For cumulative initiative expenditures greater than \$250,000, the HTA Marketing Committee and HTA CEO will need to approve funding for the initiative. For cumulative expenditures less than \$250,000, only the HTA CEO will need to approve the funding. Project proposals are required and subject to HTA's approval.

Staff: Kalani Ka'anā'anā, 'Iwalani Kūali'i Kaho'ohanohano, Maka Casson-Fisher

Contractor: TBD

Measurements

Measures	Source
All initiatives will have trackable measures to determine outcome and impact	HTA and Contractor

‘Ōlelo Hawai‘i – He Aupuni Palapala, Phase II

Program Description: In accordance with Hawai‘i Revised Statute (HRS) 201B, HTA shall be responsible for ensuring that programs that work toward the revitalization and normalization of the Hawaiian Language as a foundation of the Hawaiian culture and that which draws visitors to Hawai‘i are supported. This includes the everyday use of ‘ōlelo Hawai‘i, preservation of Hawaiian language resources (past and present), as well as the encouragement of appropriate and correct use of ‘ōlelo Hawai‘i.

As the largest repository of nūpepa Hawai‘i (Hawaiian language newspapers), Bishop Museum understands the need to safeguard resources that are dangerously close to deterioration. The images of nūpepa Hawai‘i currently accessible online were digitized from images taken nearly four decades ago. Additionally, many of the newspapers were photographed tightly bound, obscuring essential text. The goal of this multi-year project is to digitize all Hawaiian language newspapers (in all repositories and personal collections) for free online access. Under the guidance of trained paper conservators, these bound volumes will be unbound for preservation and imaging. With more than 40 years of technological advances made and the unbinding of the nūpepa, this project will create an entirely new image repository leading to a greater understanding of Hawai‘i.

Implementation:

- Preservation of language resources (past & present)
- Scans of the Hawaiian language newspapers (in all repositories and personal collections) before they disintegrate
- Prioritize nūpepa that were not previously captured via microfilm
- Partner with Awaiaulu to perpetuate the Hawaiian knowledge by illuminating the historical trove of Hawaiian writings and by generating scholars who can comprehend that unique cache as it is rediscovered and reintegrated into the present.
- Encourage appropriate use of ‘ōlelo Hawai‘i inspire stronger inclusion of ‘ōlelo Hawai‘i in the industry and across HTA programs

Staff: Kalani Ka‘anā‘anā, Maka Casson-Fisher

Contractor: Bishop Museum

Measurements

Measures	Source
Community feedback/impact	Community Surveys
Maintained or increased proportion of total budget for HTA cultural programs each year, specifically those focused on 'ōlelo preservation or education	Contractor
# of product outputs	Contractor
# of products used/shared and demographics for reach	Contractor
increased awareness, use and appreciation for Hawaiian language and culture	Contractor

Festival of Pacific Arts & Culture

Program Description: To support the planning for the 2024 Festival of Pacific Arts and Culture (FestPAC), this is inclusive of providing administrative support to the FestPAC Commission meetings; to include planning, execution, and meeting management and support along with website domain costs, web server and other associated costs. FestPAC is the world's largest celebration of indigenous Pacific Islanders. The South Pacific Commission (now The Pacific Community – SPC) launched this dynamic showcase of arts and culture in 1972 to halt the erosion of traditional practices through ongoing cultural exchange. The next FestPAC, the 13th Festival of Pacific Arts and Culture, will convene in Hawai'i in June 2024.

Implementation

- Identify FestPAC needs
- Procure services for FestPAC support
- Evaluate effectiveness and benefits of supporting FestPAC 2024

Staff: Kalani Ka'anā'anā, Maka Casson-Fisher

Contractor: Native Hawaiian Hospitality Association (NaHHA)

Measurements

Measures	Source
Increased awareness and appreciation for the Hawaiian culture	Contractor
Economic impact, including local businesses	Contractor
# of community organizations integrated	Contractor

Kāhea Greetings Program

(This program is currently funded through FY 2021 funds, however, HTA staff resources are required to monitor contractor)

Project Description: The Kāhea Greetings Program showcases Hawai'i's Aloha Spirit and contributes toward ensuring a positive first and last impression of the Hawaiian Islands for visitors arriving by airport and cruise ship. This includes hosting Hawaiian entertainment, cultural demonstrations and other

activities at the major airports and cruise ship ports statewide. This program supports HTA’s overall goal for the Hawaiian Culture pillar, to support Native Hawaiian culture and community through genuine experiences for both visitors and residents.

Implementation

- Contracted through June 2022 to implement greetings at HNL, ITO, KOA, OGG, LIH airports.
- Contracted through December 2022 to implement cruise ship greetings at Hilo pier, Kailua-Kona pier, and Nāwiliwili harbor.

Staff: ‘Iwalani Kūali‘i Kaho‘ohanohano

Contractors: Department of Transportation, Airports Division; Destination Hilo, Destination Kona Coast, & Kaua‘i Office of Economic Development

Measurements

Measures	Source
# of greetings/performances provided per week per location	Contractor
High appreciation for Hawaiian Culture from visitors	Contractor

6 COMMUNITY PILLAR

Pillar Overview

What's good for community is good for tourism. Effective and transparent communication with residents about tourism, its contributions and how it impacts their community is important. The purpose of the Community pillar is to:

- Address safety issues and concerns for residents and visitors
- Address and mitigate community concerns
- Support programs and initiatives that create economic benefits for communities
- Promote opportunities for resident and visitor interaction
- Invest in the development and training of community organizations
- Elevate the communities' awareness and appreciation for the visitor industry
- Support projects that address current and future visitor industry workforce needs

Strategies

In order to enhance the quality of life for Hawai'i's communities, HTA will work to:

- Support projects that are valued by the community and are in alignment with the destination's brand and image
- Strengthen the relationships between communities and the visitor industry
- Improve communication strategies to educate the resident and visitor of the projects HTA invests in
- Create opportunities for economic development and entrepreneurship in communities
- Form partnerships to build a strong workforce for the visitor industry

Community-Based Tourism Program

(This program is currently funded through FY 2021 funds, but HTA staff resources are required to monitor contractor)

Project Description: The Community-Based Tourism program is designed to empower communities to define and set the direction for tourism development. Through this community-driven effort, HTA will work with communities statewide that have identified tourism as a primary economic development strategy and are willing to work collaboratively. HTA will help facilitate the process, be the catalyst to bring the community and visitor industry together, expand the communities' knowledge of the intricacies of the visitor industry, and ensure that the appropriate stakeholders (e.g. other community members or organizations, local and state government entities, visitor industry sectors) are brought into the dialogue with the communities as they plan their work.

Implementation

- Destination Management Action Plans for each island.

Staff: Planning Team

Contractors: HVCB and its Island Chapters

Measurements

Measures	Source
Increased partnerships and synergies between tourism and other sectors, like agriculture, entrepreneurs	Contractor and HTA staff
Improvement in resident sentiment study: <ul style="list-style-type: none"> “I feel like I have a voice in my island's tourism development decisions” “Tourism presents Native Hawaiian language and culture in an authentic manner” “Provides opportunities for residents to be involved” “Tourism is consistent with community values on this island” 	Resident Sentiment Study
Number of sub-actions completed according to the timeline	HTA Staff
Increased communication with visitor industry, other sectors	HTA Staff
Number of geographic locations/areas identified for mitigation	HTA Staff

Community Enrichment Program (CEP)

(This program is currently funded through FY 2021 funds, however, HTA staff resources are required to monitor contractor)

Program Description: This initiative fosters community-based tourism projects and resident-visitor interaction in the areas of agriculture tourism, education tourism, culture tourism, culinary, health & wellness, nature tourism, sports, techno tourism, and voluntourism throughout the Hawaiian Islands. Funding to support these projects and events are determined through an RFP process The CEP program supports HTA’s overall goal for the Community pillar, to ensure tourism and communities enrich each other.

Implementation: Funding to support these projects and events are determined through an RFP process.

Staff: Dede Howa

Contractors: Various: 86 community organizations have been awarded for projects in CY2022. 13 Statewide projects; 21 O’ahu projects; 19 Maui Nui projects; 15 Hawaii island projects; and 18 Kauai projects.

Measurements

Output Measures	Source
# of out-of-state visitors participating	Contractor
# of residents participating	Contractor
Attendee satisfaction of at least 85%	Contractor
# of new projects funded	Contractor
# of projects/events funded by island	Contractor

Community Product Capacity Building

Program Description: A training and capacity building program with an immediate focus on organizations and individuals in the areas of agritourism and voluntourism activities and products, market/tourism readiness, and festivals and events management. The program will invest in new and enhanced products and outcomes that align with our Strategic Plan for tourism in Hawai'i, namely capacity building and training opportunities that address the DMAPs and continue to grow our Mālama Hawai'i efforts.

Implementation: The HTA will procure service providers for training and capacity building opportunities based on the needs of the types of programs being supported. Training will focus on successfully building exiting and new agriculture and volunteer opportunities in our tourism industry. One example is our 2020 Agritourism Summer Webinar, which hosted 300 participants. However, the success of these programs does not solely lie in the outward facing opportunities that would engage visitors. To ensure that these programs become self-sustaining, there is also a need to continue to provide training opportunities for back-of-house operations. This kind of support has proven its value in past events like the webinars we held for nonprofits with Hawai'i Alliance for Nonprofit Organizations that covered the topics of fundraising and fiscal management for 250 participants.

Staff: Irina De La Torre

Contractors: TBD – Various

Measurements

Measures	Source
# of trainings/capacity building workshops	Contractor
# of sustainable programs coming out of these trainings	Contractor
# of participants these programs host in each agritourism and voluntourism	Contractor
DMAP action items addressed	Contractor

Workforce Development Program

Program Overview: Pursuant to HRS 201B-3 (a) (22) HTA will address the industry's evolving needs in workforce training by working with educational institutions to make training available for the current workforce to help enhance overall skills and quality of service. Sustaining tourism's success also depends on Hawai'i's youth helping to carry the industry forward and becoming the next generation of leaders. Encouraging Hawai'i's high school and college-age students to choose tourism as their career is another important part of HTA's career development initiative.

A needs assessment will be conducted in Q1 of 2022 (utilizing FY 2020 funds) with the visitor industry to assess the type of training and job skills they are looking for in their current and future employees.

6.1.1 Current Workforce Development

Program Description: HTA works with training providers to provide information and training to enhance the visitor industry’s knowledge, skills and service level to deliver Hawaiian hospitality. HTA also supports HOST Sector Partnership efforts and engage in an open dialogue with industry stakeholders and educational institutions to address workforce development needs.

Implementation: Based on the needs assessment findings, HTA will develop partnerships with organizations and institutions through an RFP process to provide workshops and trainings to further develop and enhance Hawai‘i’s visitor industry workforce.

Staff: Jadie Goo

Contractor: TBD

Measurements

Measures	Source
# of workshops/training programs	Contractor
# of participants	Contractor
Comprehensive update on trends, needs and solutions	Contractor

6.1.2 Future Workforce Development

Program Description: HTA supports ClimbHI’s LEI (Leadership, Exploration, Inspiration) Program targeted at high school students. This program provides Hawai‘i youth with learning and networking opportunities, and partners with educational organizations and industry businesses to attract and inspire high school students to pursue a future career in hospitality and tourism.

Implementation: HTA staff will work closely with ClimbHI to plan, develop, and execute a 2022 LEI program. In addition, HTA staff serves on school/program boards, conducts guest lectures/presentations, connects schools/students with industry partners for projects, and assists with site visits.

Staff: Irina De La Torre, Brand Manager

Contractor: ClimbHI

Measurements

Measures	Source
# of schools participated	Contractor
# of students participated	Contractor
# of industry businesses participated	Contractor

Program Description: Hawai‘i Tourism Ho‘oilina Scholarships are awarded to college-bound public Hawaii high school seniors based on demonstrated academic achievement, leadership skills and an expressed interest in pursuing a hospitality, tourism or culinary education and career; or community college students who are Hawaii residents, graduated from a Hawaii public high school, completed their

associates degree in hospitality, tourism, or culinary, and are transferring into the junior academic school year. The purpose of this scholarship is to support kids raised in Hawaii to have an executive management level career in our visitor industry. (This program is currently funded through FY 2019 and FY 2020 funds, however, HTA staff resources are required to monitor contractor)

Implementation: HTA staff will work closely with Hawai'i Lodging & Tourism Association, University of Hawai'i at Mānoa, University of Hawai'i at West O'ahu to manage the Ho'olina Scholarship.

Staff: Dede Howa, Brand Manager

Contractors: Hawai'i Lodging & Tourism Association, University of Hawai'i at Mānoa, University of Hawai'i at West O'ahu

Measurements

Measures	Source
# of students awarded	Contractor
# of students who graduated	Contractor

Public Affairs Program

Overall Goals:

- Inform residents, lawmakers, community and visitors about the actions underway by HTA and its strategic partners to manage tourism and its impacts in Hawai'i.
- Ensure timely communication of important information related to COVID-19 and other emergency and disaster situations.
- Improve resident understanding of the positive impact of tourism on Hawai'i's communities.

Key Objectives:

- Improve HTA's Resident Sentiment Survey measures on "Tourism is good for me and my family." and "Tourism brings more benefits than problems."
- Communicate updates from state and county leadership regarding COVID-19 measures and other emergency and disaster situations.
- Encourage kama'āina to engage in HTA and community efforts to manage tourism through initiatives in the Destination Management Action Plans and others.

Staff Lead: T. Ilihia Gionson, Public Affairs Officer

Target Audiences:

- Hawai'i residents
- Hawai'i state legislators, other elected leaders and government officials

Core Messages:

- HTA works closely with communities to ensure the balance of tourism's economic benefits with community and environmental well-being.

- HTA works alongside its partners in the legislature, as well as the visitor industry, to ensure the agency’s mission is being fulfilled with the state’s best interests in mind.

Key Measures of Success:

- Improved resident sentiment toward tourism as measured by HTA’s Resident Sentiment Survey.
- Increased engagement on HTA’s Facebook and Instagram pages.
- Increased traffic to HTA’s website.

Focus #1: Perpetuation Of Hawaiian Culture

HTA will communicate how it helps to perpetuate Hawaiian culture through partnerships, social media, public relations and communication support for funding recipients of its Kūkulu Ola programs.

Social Media

- Utilize HTA’s Facebook, Instagram and Twitter accounts to share information about the Kūkulu Ola programs being funded by HTA.
- Use #HawaiiTourism and @HawaiiHTA on HTA’s posts and encourage organizers and participants of Kūkulu Ola programs to do the same and share HTA’s posts.

Public Relations

- Pitch stories about select HTA-sponsored Kūkulu Ola programs to local print, online and broadcast media.

Communications Support

- Encourage funding recipients to share the message of how HTA supports their programs and strengthens the perpetuation and understanding of the Hawaiian culture.

Focus #2: Preservation Of Natural Resources

HTA will communicate how it helps to preserve Hawai’i’s natural resources and protect wildlife through partnerships, social media, public relations and communication support for funding recipients of its Aloha ‘Āina programs.

Social Media

- Utilize HTA’s Facebook, Instagram and Twitter accounts to share information about the purpose and results of the Aloha ‘Āina programs being funded by HTA.
- Use #HawaiiTourism and @HawaiiHTA on HTA’s posts and encourage organizers and participants of Aloha ‘Āina programs to do the same and share HTA’s posts.

Public Relations

- Pitch stories about select HTA-sponsored Aloha ‘Āina programs to local print, online and broadcast media.
- Collaborate with partners, such as DLNR, to convey the value of tourism to the target audiences through earned media coverage.

Communications Support

- Encourage funding recipients to share the message of how HTA supports their programs and improves the quality and sustainability of Hawai’i’s environment.

Focus #3: Community

HTA will engage with residents, lawmakers, visitor industry stakeholders and the media about its Destination Management Action Plans and the resultant partnerships and actions.

Partnerships

- Collaborate with the counties to communicate with residents and get their input regarding what they feel is important as Hawai'i rebuilds tourism.

Outreach

- Utilize HTA's social media, website and email distribution lists to engage the public and share updates regarding HTA's community-based tourism program.
- Communicate updates with local print, online and broadcast media.

Focus #4: Branding/Industry Relations

HTA will communicate to visitor industry stakeholders, the media and the general public the breadth and depth of tourism's benefits to communities across the state.

Communications Outreach

- Distribute HTA's research findings, including monthly visitor statistics results, monthly hotel performance reports, quarterly timeshare reports, and annual resident sentiment survey results to visitor industry stakeholders and the media.
- Incorporate core messages, when appropriate, in press releases, media opportunities and speaking points, along with how the visitor industry helps to generate tax revenues that fund community-based programs.
- Ensure that HTA's website, HawaiiTourismAuthority.org, continues to serve as the leading resource for information about Hawai'i's visitor industry.

Safety & Security Program

Program Overview: HTA is committed to assisting lead agencies and organizations responsible for ensuring that Hawai'i continues to be a safe and secure visitor destination. Under HRS 237D-6.5 (b)(2), HTA, at a minimum, is required to spend 0.5 percent of the Tourism Special Fund on safety and security initiatives.

Strategies: In order to maintain and enhance Hawai'i's brand as a safe and desirable destination, HTA will implement the following strategies:

- Support programs that assist visitors in need and demonstrate our aloha spirit.
- Support preventative-focused projects and programs designed to inform and educate visitors.
- Serve as one of the lead agencies to Hawai'i's visitor industry during times of crisis.

Staff: Ross Wilson, Brand Manager

6.1.3 Visitor Assistance Program

Project Description: HTA’s Visitor Assistance Program (VAP) provides support, resources and guidance to visitors who are victims of crime and other adversities while traveling in Hawai’i. Services include providing phone cards, transportation, meals, hospital visits and moral support, replacing lost IDs, assisting with hotel and airline bookings, and more.

Implementation

- Actively support and fund Visitor Assistance Programs throughout the State of Hawai’i that provide crisis services to Hawai’i’s visitors.
- Engage VAP providers to continuously improve program delivery, effectiveness and efficiency.
- Promote and encourage greater support for VAPs from the industry and local communities.

Contracts and Contractor Leads

- VASH – O’ahu, Jessica Lani Rich
- VASH – Maui, Janet Kuwahara
- VASH – Kaua’i, Daphne Therese
- VASH – Hawai’i Island, Rachele Hennings

Measurements

Output Measures	Performance Measures
# of visitors aided per year (per VASH Office)	Contractor
Visitors rate Hawai’i as safe and secure	Contractor
Amount of cash and in-kind support from the industry and local communities	Contractor

Sports Program

Program Overview: HTA is committed to developing its support for collegiate and professional sporting teams seeking to hold tournaments, exhibitions, and other activities in Hawai’i, which can attract visitors to our islands and support our local economy. As part of this program, HTA requires all its sporting events to include a community engagement component as part of their proposal. Community engagement may involve activities, such as youth clinics, coaches’ clinics and other activities designed to provide Hawai’i’s youth with access to resources and guidance not normally available to them.

Strategies

- Support programs that provide an economic and community benefit to our community throughout the State of Hawai’i.
- Support programs that are meaningful and are aligned with Hawai’i’s brand.

Implementation: Aside from PGA Tour events, which has been identified for funding utilizing FY22 budget, there will be an RFP to seek sporting events that meet HTA’s sports marketing criteria. All proposals received will be thoroughly evaluated by HTA and HTA’s strategic partners – the Hawai’i Lodging and Tourism Association (HLTA) and the Hawai’i Visitors and Convention Bureau (HVCB) – to determine the economic and community benefit prior to receiving HTA’s support.

Staff: Ross Willkom, Brand Manager

Contractor: Various

Measurements

Measures	Source
Event attendance	Contractor
Community involvement, impact & charitable donations	Contractor
Marketing Value	Contractor
Economic impact	Contractor
Tax Revenue generated by visitor spending	Contractor

7 PLANNING SECTION

Overview: The purpose of the Planning Section is to strategically plan for the near, mid and long-term health and vitality of our visitor industry and manage destination issues that affect communities and the visitor experience. This includes the development, monitoring and oversight of various plans for the HTA including but not limited to the Strategic Plan, the Destination Management Action Plans (DMAPs), and the Tourism Recovery and Marketing Plan. The planning section will also engage with community and other government agencies to address hotspot issues as identified in the DMAPs.

Objectives

- Improve processes to be forward-looking and action-oriented.
- Increase understanding of programs' performance and impact.
- Provide meaningful information to decision makers and the public to reach informative decisions.
- Empower community organizations to plan and manage impacts from tourism.
- Provide resources to communities to design visitor experiences/tourism products in their communities.
- Drive development of tourism policy.

Strategies

- Strengthen HTA's community relations by monitoring and strategically responding to communities' needs and core issues related to tourism.
- Secure the latest tourism industry trends and information affecting Hawai'i as a visitor destination.
- Convene and collaborate with stakeholders for input and to address issues and create new tourism products/visitor experiences.
- Expand research and resources that will help analyze and determine short, mid- and long-term travel trends.
- Institute an ongoing program monitoring and evaluation system for all programs to include measures of effectiveness of the Tourism Marketing Plan and progress of achieving strategic plan goals and fulfillment of DMAPs' actions.

Staff: Caroline Anderson, Director of Planning; Michele Shiowaki, Administrative Assistant

Hotspot Mitigation

Project Description: Planning, facilitation, and mitigation of hotspots/issues as identified in the DMAPs.

Implementation: Review DMAP hotspots with respective County, Island Chapter, and other state government agencies and prioritize top 1-3 hotspots by island that need HTA support and appropriate action. Issue RFPs accordingly.

Contractors: TBD

Measurements

Measures	Source
No. of hotspots to be worked on by island	HTA Staff
No. of hotspot resolutions	HTA Staff

Community Engagement

Project Description: Engagement meetings/forums focused on tourism development decisions, including industry and community input and feedback on identified topics. Includes development of materials to communicate information.

Implementation: Through an RFP, hire facilitation services to assist HTA with the community meetings/forums. Depending on the COVID-19 mandates, seeking to do in-person meetings, especially on the smaller, rural islands like Moloka'i and Lāna'i. The meetings/forums will take place in first half 2022 for all islands.

Contractors: TBD

Measurements

Measures	Source
No. of community engagement meetings/forums per island	HTA Staff
Participant satisfaction	Meeting/Forum Evaluation Survey
Participants strongly rate these statements: <ul style="list-style-type: none"> “I feel like I have a voice in my island's tourism development decisions” “Provides opportunities for residents to be involved” “Tourism is consistent with community values on this island” 	Meeting/Forum Evaluation Survey

Program Evaluation

Project Description: The Program Evaluation consists of various data collection and research projects that support the effective management of HTA programs. This includes events evaluation, development of measures, dashboards and key performance indicators tracking of HTA's programs outcomes and results.

Implementation

- Establish a long-term program that will support measurement monitoring process through an integrated management system at the HTA program level to sharing it out on HTA's website via dashboards.

Contractors: TBD

Measurements

Measures	Source
No. of DMAP Progress Reports created by island	HTA Staff
No. of events evaluated	Contractor

One Annual Report to the Legislature	HTA Staff
Increased staff capacity in tracking KPIs/measures	HTA Staff

Planning Tools & Assessments

Project Description: Destination assessment to aid in destination analysis relative to other competitive destinations. Funds will also be used for tools and resources, such as infographics to easily communicate information for the public. The program also includes studies that assess Hawai'i's visitor industry contribution to other industries (i.e., Agriculture) to demonstrate the visitor industry's support for helping in diversification of Hawai'i's economy and further build programs and activities.

Implementation: Seeking to partner with DNext for destination analysis and resilience studies. Also anticipating to partner with DBEDT-READ and Dept. of Agriculture to work on a study to determine visitor industry (hotel and restaurant) contribution in purchasing of locally grown agriculture, which will require an RFP for this study. Will also seek quotes for a company to develop infographics.

Contractors: DNext and other contractors

Measurements

Measures	Source
No. of studies conducted	HTA Staff
No. of projects/activities created from the studies	HTA staff

Community Tourism Collaborative

Project Description: A planning collaborative with community organizations who are interested and committed to improving a specific site or want to create/enhance the visitor experience. HTA will provide planning assistance, training, and resources to help communities create a shared vision and a prioritized action plan for destination management or a tourism product.

Implementation: Issue an RFP or small purchase to hire trainers and facilitators to lead the workshops. Issue press release, social media posts and conduct community outreach to share out the Community Tourism Collaborative and seek participation. Conduct workshops in latter part of 2nd quarter 2022 which may run through 3rd quarter 2022. Creation of community action steward plans and new/enhanced visitor experiences thereafter.

Contractors: TBD

Measurements

Measures	Source
No. of projects identified for implementation	HTA Staff
No. of community action steward plans developed	HTA Staff
No. of community action stewardship projects supported	HTA Staff
No. of participants by island	HTA Staff
No. of jobs created	Contractor(s)
Participants strongly rate these statements:	Evaluation survey conducted either by Contractor or Staff

<ul style="list-style-type: none">• “I feel like I have a voice in my island's tourism development decisions”• “Tourism presents Native Hawaiian language and culture in an authentic manner”• “Provides opportunities for residents to be involved”• “Tourism is consistent with community values on this island”	
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Accommodations – Infrastructure Research

Project Overview: Infrastructure Research includes information on industries that support the visitor experience, which include accommodations.

Implementation

- Monitor hotel performance statistics, including occupancy and revenue by contracting with the leading company in hotel performance data.

Contractor: STR (Smith Travel Research)

8

Report by the *Budget, Finance, and
Convention Standing Committee*

8a.1

Financials – January 2022



AUTHORITY

Financial Statements – Executive Summary
As of January 31, 2022

Foreword:

- FY21 Transactions Processed in FY22. As noted in HTA’s June 30, 2021 financial statements, some transactions using FY21 funds that we submitted to DAGS in FY21 were processed by DAGS as FY22 business. It is necessary to include these transactions processed in July 2021 in HTA’s official records for FY22 and accordingly are acknowledging that via a separate Budget Statement included in these financial statements for informational purposes only. However, we have included these transactions in HTA’s unofficial FY21 encumbrance records and we will omit these transactions from our focus in FY22 business discussed in these financial statements. Further detail can also be found in HTA’s June 30, 2021 financial statements.
- New Fund Accounts. With HTA now appropriated Federal ARPA funds in FY 2022, we have added two new sections to the Executive Summary to discuss the Tourism Federal Fund (ARPA) and Convention Center Federal Fund (ARPA).

Tourism Federal Fund (ARPA TFF) – [Official Name: HTA CSFRF Subaward]:

1. \$35.4M in cash (remaining from amount that has been allotted to HTA so far), an increase of \$2.7M primarily due to an allotment of Federal ARPA funds in January.
2. The release of TFF funds for HTA use is accomplished through an approval process that includes approval by the Governor (CSFRF approval), the State’s Department of Budget & Finance’s (B&F) and the HTA Board of Directors. Below is a summary of the status of those approvals:

	Gov Approved (CSFRF)	B&F Funds Release		Board Approved Amount	Encumbered
		Requested	Approved		
Hawaiian Culture	-	-	-	1,565,500	-
Natural Resources	-	665,000	-	665,000	-
Community	27,289,500	735,500	-	735,500	-
Branding	28,500,000	31,730,000	31,305,000	34,480,000	27,952,209
Sports	-	3,677,889	-	3,677,889	-
Safety & Security	-	900,000	900,000	900,000	1,380
Research	-	-	-	60,000	-
Planning	-	2,005,200	-	2,005,200	300,000
Admin	648,700	999,111	648,700	999,111	41,846
Governance and Org-Wide	351,800	351,800	246,800	351,800	82,638
Payroll	3,210,000	3,210,000	3,210,000	3,410,000	3,210,000
	60,000,000	44,274,500	36,310,500	48,850,000	31,588,073

B&F has approved HTA's extension request to allow the encumbering and expenditure of the \$60M ARPA funds by June 30, 2023.

- Over several meetings, the HTA Board approved a partial FY 2022 budget of \$48.9M, further detailed below.

	Incremental Approved at Meeting	Cumulative Budget Approved	Description
June 11, 2021 Meeting	1,000,000	1,000,000	Payroll
July 2021 Meeting	32,200,500	33,200,500	Branding, Payroll, Admin and Governance
September 2021 Meeting	1,787,889	34,988,389	Cruise and Sports
November 2021 Meeting	8,086,611	43,075,000	Most other programs
December 2021 Meeting	5,300,000	48,375,000	Programs previously identified as needing further clarification to Board's questions
January 2022 Meeting	475,000	48,850,000	NAHHA FY23

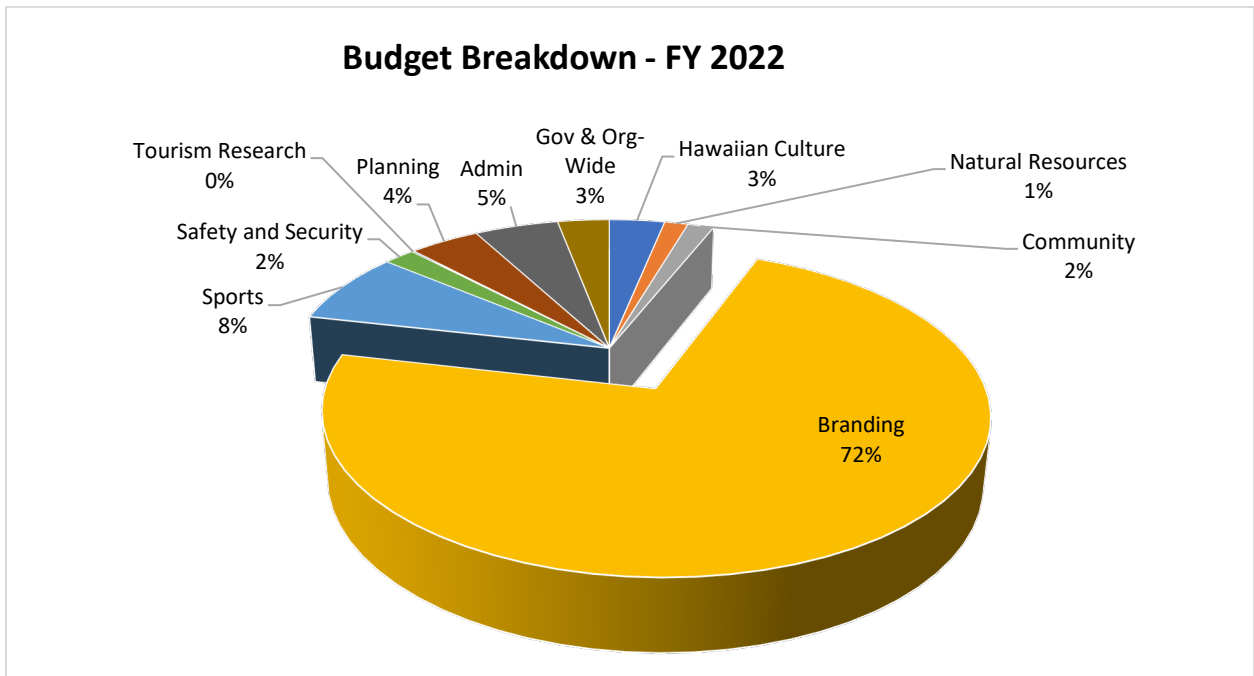
Through January, \$11,150,000 of programs presented as part of HTA's draft FY 2022 budget has been deferred or will be reprogrammed for other purposes, resulting in a FY 2022 budget of \$48,850,000 approved to date.

As of January 31, 2022, \$31.6M of the \$48.9M FY2022 budget was utilized/encumbered, or 65%.

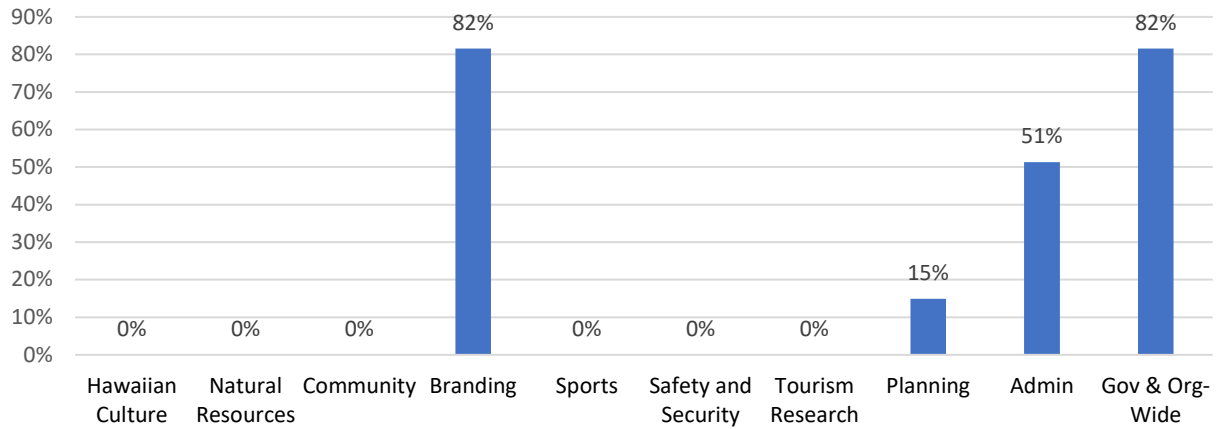
Below is a summary of the FY 2022 budget based upon Federal reporting categories (titles were paraphrased):

Primary Federal Category	Budget	Encumbered	Remaining
Economic Recovery	45,440,000	28,378,073	17,061,927
Continuation of Government Services			
Payroll	3,410,000	3,210,000	200,000
	48,850,000	31,588,073	17,261,927

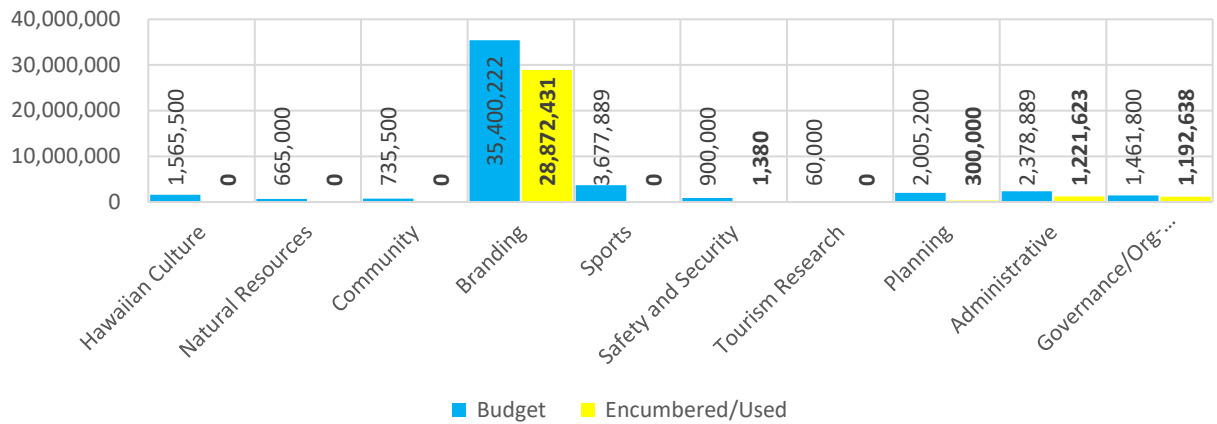
The following are various charts to depict our FY 2022 budget, budget utilization and trends. It is important to note that approximately \$11M of HTA’s budget has been deferred for approval as of the date of these financial statements, and accordingly are not reflected here below. Additionally, a more balanced budget would be evident when considering the contracts for FY 22 services that HTA encumbered using FY 2021 funds (sourced from June 2021 TAT revenue and HTA Board Resolution funds). Further, we anticipate approximately 29% of HTA’s FY 2022 budget to be used toward Branding Education programs.



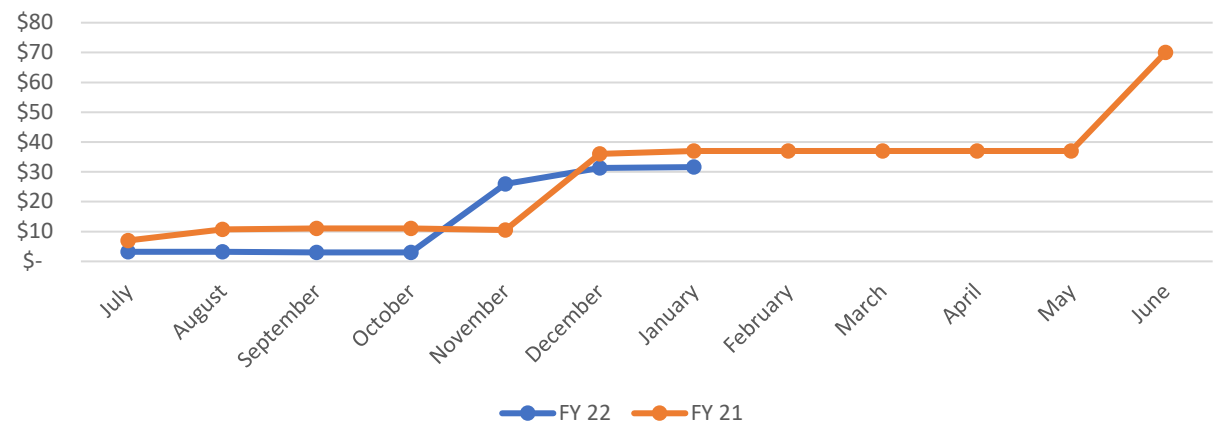
Percentage of Budget Utilized 1/31/22



Budget vs Encumbered as of 1/31/22 (Budget Used)



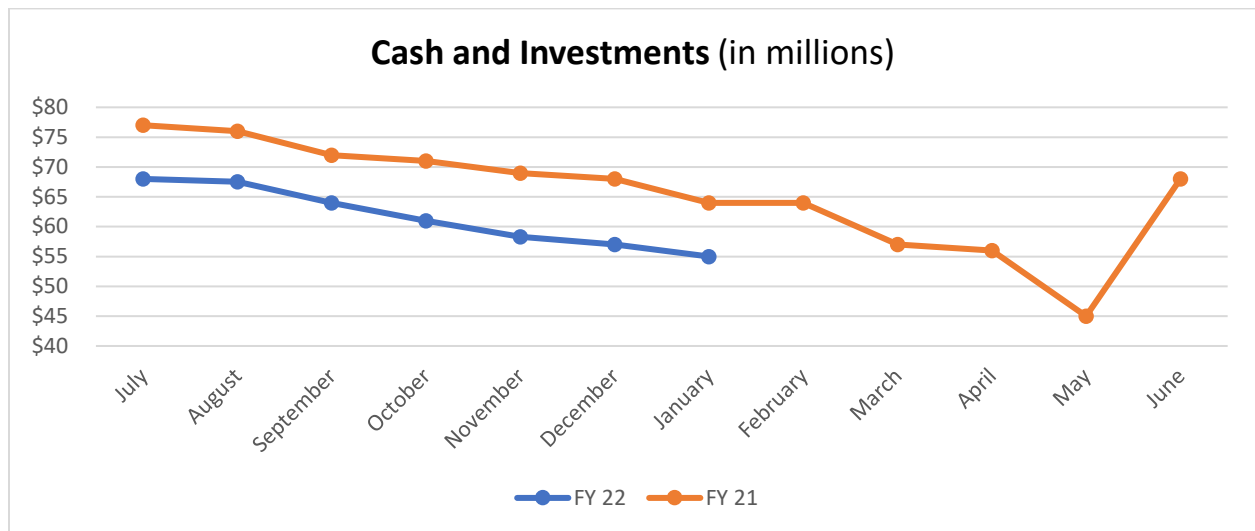
Budget Utilized (in millions)



4. No budget reallocations were made in January 2022. A detail of the reallocations made for the reporting period and cumulatively for the fiscal year are typically detailed on the accompanying Budget Reallocation Summary.
5. Operating Income (Loss):
 - a. \$2,705,000 in ARPA funds were recorded as allotted to HTA during the January 2022 period. Cumulatively, \$35.4M has been allotted to HTA year-to-date through January 2022, which represents ARPA funds HTA will use in FY 2022 for staff's payroll, branding, admin and governance costs.
 - b. Since this is the fund's first year in operation, no Statement of Revenues and Expenditures associated with prior year funds is included.

Tourism Special Fund (TSF):

6. The Tourism Special Fund sunset on January 1, 2022, pursuant to Act 001, 2021 Legislative Special Session, upon which all unencumbered funds are available for remitting to the State's General Fund. The \$5M Emergency Fund remains with HTA.
7. \$55M in cash and investments



- a. Includes \$5M in Emergency Fund held as investments.

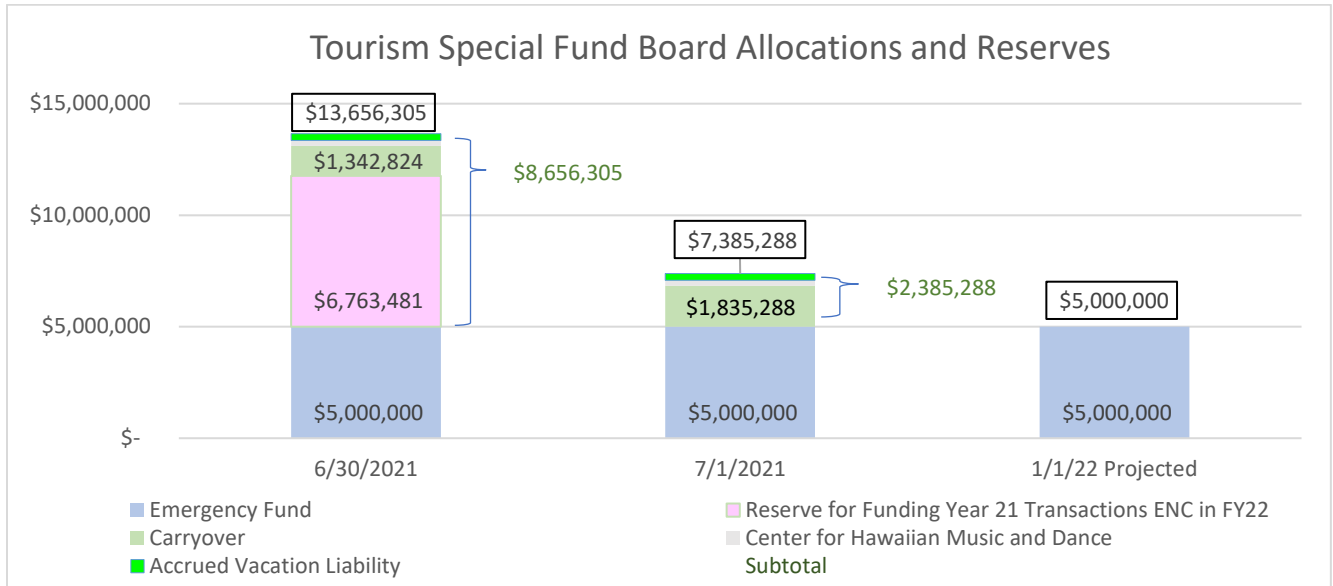
- i. Approximately \$5.0M held in money market funds
- ii. Further detail provided in the financial statements (as of November 2021)
- b. Cash decreased by approximately \$2.1M from December 31, 2021 primarily due to disbursements related to operational and program expenditures.
- c. We anticipate the cash balance to decrease to \$0 over time once all encumbered funds are expended, except for the \$5M Emergency Fund.

8. HTA's outstanding encumbrances are summarized as follows:

\$47.1M	Prior year encumbrances currently being spent down	
\$0.00	Current year encumbrances remaining	
\$47.1M	Total encumbrances outstanding at January 31, 2022	

Staff routinely makes a concerted effort to liquidate older encumbrances that should no longer be encumbered and that is reflected here.

9. In addition to HTA's \$5M Emergency Fund, \$2.3M was reserved as Board allocations as of July 1, 2021. This compares to \$8.6M at the end of last fiscal year. The reduction is due to the FY21 transactions that DAGS processed in July of FY22, as previously discussed. A supporting schedule is also embedded in these financial statements to provide greater detail. These balances are comprised of the following:



Pursuant to Act 001, Special Session 2021 (HB 862), the Tourism Special Fund sunset on January 1, 2022. Any unencumbered funds are now considered available to return to the State's General Fund, which we currently anticipate being approximately \$2.8M.

10. There is no budget for the Tourism Special Fund in FY 2022, as only Federal funds were appropriated.

11. Operating Income (Loss):

- a. Pursuant to Act 001, Legislative Special Session 2021, HTA is no longer included in the TAT allocation.
- b. No investment income was earned in January 2022. Year-to-date investment income is \$126K.

Convention Center Federal Fund (ARPA CCFF) – [Official Name: Convention Center CSFRF Subaward]:

12. \$11M in cash (remaining from amount that has been allotted to HTA so far).

13. The Board approved a \$490K budget for payroll, which was fully encumbered earlier in FY 2022.

14. Operating Income:

- a. Cumulatively, \$11M of ARPA funds has been allotted year-to-date, which represents ARPA funds HTA will use in FY 2022 for staff's payroll and to fund expenditures of the Convention Center.
- b. Since this is the fund's first year in operation, no Statement of Revenues and Expenditures associated with prior year funds is included.

Convention Center Enterprise Special Fund (CCESF):

15. \$49.7M in cash. Cash increased by \$705K from December 31, 2021, primarily due to Convention Center operations revenue receipts.

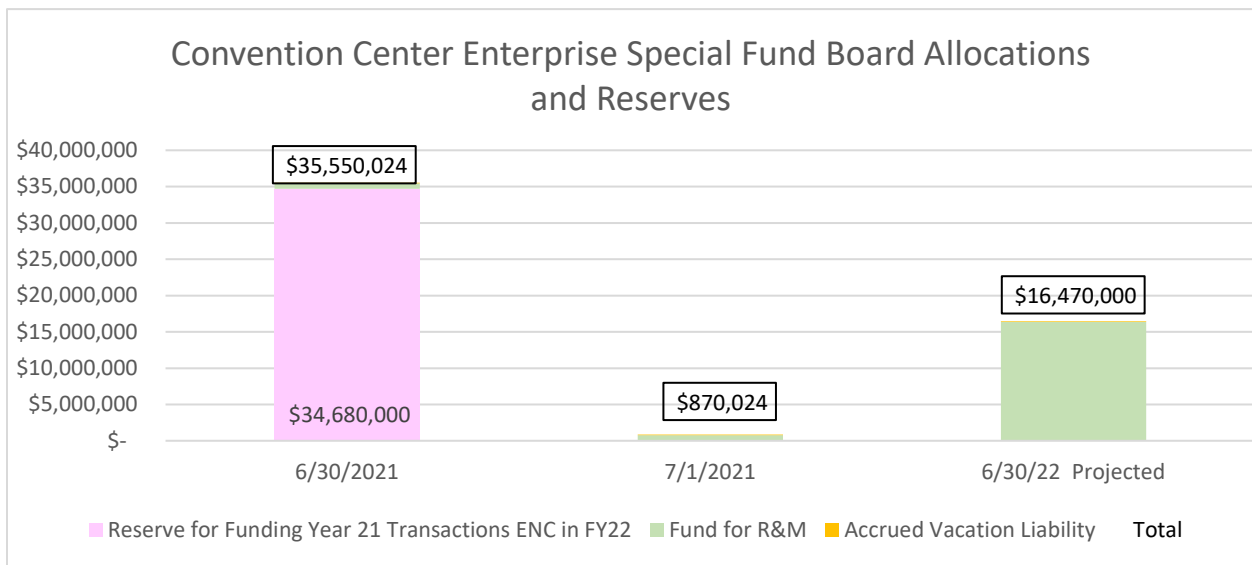
16. \$18.7M in cash with contractor or with DAGS, for R&M projects (as of December 2021).

- a. Includes \$2M in Emergency R&M funds

- b. These funds are encumbered or budgeted toward specific projects such as kitchen wall rehabilitation and exterior planter repairs, exterior building painting, trellis replacement, house audio upgrades, ballroom gutter and transom glass repair, chiller replacement, and various equipment purchases and upgrades. Of the \$18.7M, approximately \$7.5M has been contracted (as of December 2021).
- c. The amount of cash remaining with the contractor already accounts for \$5.3M expended on current and future projects (in-progress costs or preliminary work).

17. \$13.8M reserved as Board allocations as of January 31, 2022. This compares to a reserve balance of \$35.5M as of June 30, 2021. The decrease is due to the FY 2021 transactions that were processed by DAGS in July 2021 (as FY 2022 business) discussed earlier, partially offset by \$1.8M in HCC revenue/other receipts and \$11M in TAT revenue deposited into the CCESF in FY 2022, pursuant to HRS 237D, as amended by Act 1 of the 2021 Legislative Special Session. We anticipate the \$13.8M reserve balance to further increase to \$16.4M by June 30, 2022, due to:

- a. The deposit of Convention Center revenues throughout FY 2022.
- b. The inability to spend these funds due to the CCESF not having an appropriation ceiling in FY 2022.
- c. (The \$16.4M represents a \$400K decrease from prior months due to a decrease in revenue projections, partially offset by the receipt of investment and other income.)



18. \$35.9M of prior year outstanding encumbrances currently being spent down.

19. Budget:

- a. No budget has been established for the CCESF in FY 2022, as no expenditure ceiling was appropriated, as discussed earlier.
- b. Note: In FY 2021, HTA used the \$16.5M TAT it received in June 2021 and \$18.6M previously reserved as Board Allocations to fund AEG’s FY 2022 operations contract. Staff advised the Board of its intention to do so at the June 10, 2021 Board meeting, including to deploy reserve funds in an effort to ensure we maximize HCC’s ROI and efficiently use any time afforded during the pandemic to address major repair and maintenance. The \$16.5M and \$18.6M were encumbered as follows:

	FY22 HCC Operations - Encumbrance Funded with		
	TAT Restart Funds	Reserve / Board Reso Funds	Total
HCC Facility Operations Expenses	5,517,400	5,169,000	10,686,400
HCC Operating Contingency	-	2,500,000	2,500,000
HCC Local Sales	533,000	-	533,000
Major R&M (from TAT Restart funds)	10,129,600	-	10,129,600
Major R&M (from CCESF Reserves)	-	10,831,000	10,831,000
Property Insurance	320,000	100,000	420,000
	<u>16,500,000</u>	<u>18,600,000</u>	<u>35,100,000</u>

* Additionally, the AEG contract included \$5,948,568 funded from the TSF for the Center for Hawaiian Music & Dance.

20. Operating Income:

- a. \$11M in TAT funds were received YTD.
- b. Convention Center Operations
 - i. Note: \$2.6M operating loss fiscal-year-to-date per HCC financial statements (as of December 2021). Funded by FY21’s encumbrance as discussed above.

Hawaii Tourism Authority
Balance Sheet
Tourism Federal (ARPA) Fund
As of 1/31/22

	<u>Current Year</u>
Assets	
Current Assets	
Checking	<u>35,362,906.77</u>
Total Current Assets	<u>35,362,906.77</u>
Total Assets	<u><u>35,362,906.77</u></u>
Fund Balance	
Encumbered Funds	
FY 2022 Funds	<u>31,540,479.61</u>
Total Encumbered Funds	31,540,479.61
Unencumbered Funds	
Total Unencumbered Funds	3,822,427.16
Total Fund Balance	<u><u>35,362,906.77</u></u>

Hawaii Tourism Authority

Balance Sheet

Tourism Special Fund

As of 1/31/22

	<u>Current Year</u>
Assets	
Current Assets	
Checking	49,919,114.51
Petty Cash	5,000.00
Total Current Assets	<u>49,924,114.51</u>
Total Assets	<u><u>49,924,114.51</u></u>
Fund Balance	
Encumbered Funds	
FY 2015 Funds	7,851.29
FY 2016 Funds	6,047.12
FY 2017 Funds	15,706.80
FY 2018 Funds	4,137.03
FY 2019 Funds	271,150.41
FY 2020 Funds	1,689,108.31
FY 2021 Funds	45,076,480.66
Total Encumbered Funds	<u>47,070,481.62</u>
Unencumbered Funds	
Total Unencumbered Funds	2,853,632.89
Total Fund Balance	<u><u>49,924,114.51</u></u>

Hawaii Tourism Authority
Balance Sheet
Convention Center Federal (ARPA) Fund
As of 1/31/22

	<u>Current Year</u>
Assets	
Current Assets	
Checking	<u>11,000,000.00</u>
Total Current Assets	<u>11,000,000.00</u>
Total Assets	<u><u>11,000,000.00</u></u>
Fund Balance	
Encumbered Funds	
FY 2022 Funds	<u>490,000.00</u>
Total Encumbered Funds	490,000.00
Unencumbered Funds	
Total Unencumbered Funds	10,510,000.00
Total Fund Balance	<u><u>11,000,000.00</u></u>

Hawaii Tourism Authority
Balance Sheet
Convention Center Enterprise Special Fund
As of 1/31/22

	Current Year
Assets	
Current Assets	
Checking	49,670,264.91
Total Current Assets	49,670,264.91
Total Assets	49,670,264.91
 Fund Balance	
Encumbered Funds	
FY 2019 Funds	110,894.39
FY 2021 Funds	35,796,538.80
Total Encumbered Funds	35,907,433.19
Unencumbered Funds	
Total Unencumbered Funds	13,762,831.72
Total Fund Balance	49,670,264.91

Hawaii Tourism Authority

Balance Sheet

Emergency Trust Fund

As of 1/31/22

	<u>Current Year</u>
Assets	
Current Assets	
Investments	5,012,933.93
Total Current Assets	<u>5,012,933.93</u>
Total Assets	<u><u>5,012,933.93</u></u>
Fund Balance	
Current year net assets	
	(6,025.15)
Total Current year net assets	<u>(6,025.15)</u>
Prior years	
Total Prior years	5,018,959.08
Total Fund Balance	<u><u>5,012,933.93</u></u>

HTA Allocations
FY 2021 and FY 2022 (Projected)

Annual Budgets:
-\$60M FY 2022 HTA Tourism Federal (ARPA) Fund
 [subject to approval]
-\$11M FY 2022 Convention Center Federal (ARPA) Fund
 [subject to approval]

\$5M Emergency Funds
\$0M Mandated by Board
 (designated for use in the event of a significant economic downturn upon Board approval; used to fund FY 21 budget)

	Tourism Special Fund Long-Term Obligations, Commitments and Allocations:			Convention Center Fund Long-Term Obligations, Commitments and Obligations:		
	6/30/2021	7/1/2021	Projected 1/1/2022	6/30/2021	7/1/2021	Projected 6/30/2022
Carryover of FY 2020 to FY 2021 Budget (Use in FY 21)	-	-	-	-	-	-
Reserve for Funding Year 21 Transactions Enc in FY22	6,763,481	-	-	34,680,000	-	-
Carryover	1,342,824	1,342,824	-	790,024	790,024	16,390,000
FY21 Interest, Refunds and Other Income	-	-	-	-	-	-
Encumbrance liquidations	-	492,464	-	-	-	-
Center for Hawaiian Music & Dance	250,000	250,000	-	-	-	-
Accrued Health Liability	-	-	-	-	-	-
Accrued Retirement Liability	-	-	-	-	-	-
Accrued Vacation Liability	300,000	300,000	-	80,000	80,000	80,000
Total Long-Term Obligations and Commitments	8,656,305	2,385,288	-	35,550,024	870,024	16,470,000

TOTAL RESERVES (incl \$5M Emergency Fund) 13,656,305 7,385,288 5,000,000

35,550,024 870,024 16,470,000

Hawaii Tourism Authority
Statement of Revenues and Expenditures
Tourism Federal (ARPA) Fund
FY 2022 Funds
From 1/1/2022 Through 1/31/2022

	<u>Total Budget - FY22</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Total Budget Variance - FY22</u>
Revenue				
Alloted Federal Funds	60,000,000.00	2,705,000.00	35,410,500.00	(24,589,500.00)
Total Revenue	<u>60,000,000.00</u>	<u>2,705,000.00</u>	<u>35,410,500.00</u>	<u>(24,589,500.00)</u>
Expense				
Perpetuating Hawaiian Culture	1,565,500.00	0.00	0.00	1,565,500.00
Natural Resources	665,000.00	0.00	0.00	665,000.00
Community	735,500.00	0.00	0.00	735,500.00
Branding	35,400,222.00	0.00	0.00	35,400,222.00
Sports	3,677,889.00	0.00	0.00	3,677,889.00
Safety and Security	900,000.00	0.00	0.00	900,000.00
Tourism Research	60,000.00	0.00	0.00	60,000.00
Planning	2,005,200.00	0.00	0.00	2,005,200.00
Administrative	2,378,889.00	5,766.24	5,766.24	2,373,122.76
Governance and Org-Wide	1,461,800.00	0.00	41,826.99	1,419,973.01
Total Expense	<u>48,850,000.00</u>	<u>5,766.24</u>	<u>47,593.23</u>	<u>48,802,406.77</u>
Net Income	<u>11,150,000.00</u>	<u>2,699,233.76</u>	<u>35,362,906.77</u>	<u>24,212,906.77</u>

Hawaii Tourism Authority
Statement of Revenues and Expenditures
Tourism Special Fund
FY 2022 Funds
From 1/1/2022 Through 1/31/2022

	<u>Total Budget - FY22</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Total Budget Variance - FY22</u>
Revenue				
Miscellaneous	0.00	(8,890.37)	1,302.52	1,302.52
Refunds	<u>0.00</u>	<u>9,233.05</u>	<u>57,075.14</u>	<u>57,075.14</u>
Total Revenue	<u>0.00</u>	<u>342.68</u>	<u>58,377.66</u>	<u>58,377.66</u>
Net Income	<u>0.00</u>	<u>342.68</u>	<u>58,377.66</u>	<u>58,377.66</u>

Hawaii Tourism Authority
Statement of Revenues and Expenditures
Prior Year Funds - Tourism Special Fund
From 1/1/2022 Through 1/31/2022

	<u>Total Budget</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Total Budget Variance</u>
Revenue				
Interest and Dividends	0.00	0.00	126,770.45	126,770.45
Total Revenue	<u>0.00</u>	<u>0.00</u>	<u>126,770.45</u>	<u>126,770.45</u>
Expense				
Perpetuating Hawaiian Culture	11,199,632.00	887,855.00	1,871,472.25	9,328,159.75
Natural Resources	3,447,910.00	36,910.00	781,910.00	2,666,000.00
Community	8,462,772.12	0.00	391,062.07	8,071,710.05
Branding	33,112,516.00	602,673.00	8,013,455.88	25,099,060.12
Sports	160,222.00	0.00	7,222.00	153,000.00
Safety and Security	770,114.66	382,500.00	419,625.00	350,489.66
Tourism Research	2,270,248.83	180,226.91	1,344,958.54	925,290.29
Administrative	933,514.62	29,528.79	255,431.14	678,083.48
Governance and Org-Wide	<u>201,675.92</u>	<u>3,455.52</u>	<u>119,790.98</u>	<u>81,884.94</u>
Total Expense	<u>60,558,606.15</u>	<u>2,123,149.22</u>	<u>13,204,927.86</u>	<u>47,353,678.29</u>
Net Income	<u>(60,558,606.15)</u>	<u>(2,123,149.22)</u>	<u>(13,078,157.41)</u>	<u>47,480,448.74</u>

Hawaii Tourism Authority
 Statement of Revenues and Expenditures
 Convention Center Federal (ARPA) Fund
 FY 2022 Funds
 From 1/1/2022 Through 1/31/2022

	<u>Total Budget - FY22</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Total Budget Variance - FY22</u>
Revenue				
Alloted Federal Funds	11,000,000.00	0.00	11,000,000.00	0.00
Total Revenue	<u>11,000,000.00</u>	<u>0.00</u>	<u>11,000,000.00</u>	<u>0.00</u>
Expense				
Branding	72,958.00	0.00	0.00	72,958.00
Administrative	247,042.00	0.00	0.00	247,042.00
Governance and Org-Wide	<u>170,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>170,000.00</u>
Total Expense	<u>490,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>490,000.00</u>
Net Income	<u>10,510,000.00</u>	<u>0.00</u>	<u>11,000,000.00</u>	<u>490,000.00</u>

Hawaii Tourism Authority
 Statement of Revenues and Expenditures
 Convention Center Enterprise Special Fund
 FY 2022 Funds
 From 1/1/2022 Through 1/31/2022

	<u>Total Budget - FY22</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Total Budget Variance - FY22</u>
Revenue				
Transient Accomodations Tax	11,000,000.00	0.00	11,000,000.00	0.00
Miscellaneous	0.00	0.00	42,210.00	42,210.00
Refunds	0.00	0.00	41,501.08	41,501.08
HCC Revenue	0.00	<u>514,537.34</u>	<u>1,371,101.32</u>	<u>1,371,101.32</u>
Total Revenue	<u>11,000,000.00</u>	<u>514,537.34</u>	<u>12,454,812.40</u>	<u>1,454,812.40</u>
Net Income	<u>11,000,000.00</u>	<u>514,537.34</u>	<u>12,454,812.40</u>	<u>1,454,812.40</u>

Hawaii Tourism Authority
Statement of Revenues and Expenditures
Prior Year Funds - Convention Center Enterprise Special Fund
From 1/1/2022 Through 1/31/2022

	<u>Total Budget</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Total Budget Variance</u>
Revenue				
Interest and Dividends	0.00	0.00	57,844.34	57,844.34
Miscellaneous	0.00	0.00	35,100.21	35,100.21
Refunds	0.00	80,938.93	80,938.93	80,938.93
HCC Revenue	0.00	<u>109,627.56</u>	<u>264,111.94</u>	<u>264,111.94</u>
Total Revenue	<u>0.00</u>	<u>190,566.49</u>	<u>437,995.42</u>	<u>437,995.42</u>
Expense				
Branding	6,080.00	0.00	6,079.86	0.14
Administrative	19,449.64	0.00	19,449.86	(0.22)
Governance and Org-Wide	587,376.00	0.00	8,917.40	578,458.60
HCC Operating Expense	13,465,701.52	0.00	0.00	13,465,701.52
HCC Repair and Maintenance	20,960,600.00	0.00	0.00	20,960,600.00
HCC Sales and Marketing / MFF	<u>902,672.93</u>	<u>0.00</u>	<u>0.00</u>	<u>902,672.93</u>
Total Expense	<u>35,941,880.09</u>	<u>0.00</u>	<u>34,447.12</u>	<u>35,907,432.97</u>
Net Income	<u>(35,941,880.09)</u>	<u>190,566.49</u>	<u>403,548.30</u>	<u>36,345,428.39</u>

Hawaii Convention Center
Facility
Income Statement
From 12/01/2021 Through 12/31/2021
(In Whole Numbers)

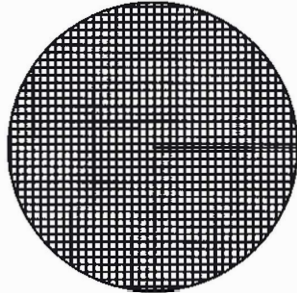
	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	YTD Actual	YTD Budget	Variance	YTD Prior Year
Direct Event Income								
Rental Income (Net)	282,895	181,049	101,846	(119,911)	1,093,518	917,950	175,568	1,486,119
Service Revenue	24,940	155,850	(130,910)	181,355	683,527	849,945	(166,418)	1,210,486
Total Direct Event Income	307,835	336,899	(29,064)	61,444	1,777,044	1,767,895	9,150	2,696,604
Direct Service Expenses	89,209	244,501	155,292	178,401	753,913	1,250,415	496,502	1,132,492
Net Direct Event Income	218,626	92,398	126,228	(116,957)	1,023,131	517,480	505,651	1,564,112
Ancillary Income								
Food and Beverage (Net)	19,822	212,314	(192,492)	2,965	42,655	549,157	(506,502)	134,214
Event Parking (Net)	20,294	44,120	(23,827)	305	359,861	115,760	244,101	46,149
Electrical Services	2,000	2,800	(800)	0	2,000	23,120	(21,120)	0
Audio Visual	3,911	33,000	(29,089)	0	14,792	51,560	(36,768)	2,790
Internet Services	0	0	0	0	0	0	0	0
Rigging Services	82,661	600	82,061	0	84,003	1,600	82,403	0
First Aid Commissions	0	0	0	0	0	0	0	0
Total Ancillary Income	128,687	292,834	(164,147)	3,270	503,312	741,197	(237,885)	183,153
Total Event Income	347,313	385,232	(37,919)	(113,687)	1,526,443	1,258,677	267,766	1,747,265
Other Operating Income								
Non-Event Parking	0	0	0	0	3,480	0	3,480	(875)
Other Income	8,628	1,417	7,211	119	41,391	8,502	32,889	12,222
Total Other Operating Income	8,628	1,417	7,211	119	44,871	8,502	36,369	11,347
Total Gross Income	355,941	386,649	(30,708)	(113,568)	1,571,314	1,267,179	304,135	1,758,612
Net Salaries & Benefits								
Salaries & Wages	322,109	367,640	45,531	275,485	1,879,902	2,184,800	304,898	1,751,376
Payroll Taxes & Benefits	76,495	125,893	49,398	88,576	491,073	755,358	264,285	576,021
Labor Allocations to Events	(33,791)	(171,353)	(137,562)	(174,504)	(484,638)	(843,146)	(358,508)	(1,073,974)
Total Net Salaries & Benefits	364,814	322,180	(42,634)	189,557	1,886,338	2,097,013	210,675	1,253,423
Other Indirect Expenses								
Net Contracted Services	28,249	25,986	(2,263)	11,644	103,238	140,421	37,183	64,536
Operations	17,484	10,534	(6,950)	14,435	46,407	63,204	16,797	66,572
Repair & Maintenance	99,085	72,367	(26,718)	53,682	421,908	434,202	12,294	318,623
Operational Supplies	37,490	39,524	2,034	53,771	127,797	206,110	78,313	125,782
Insurance	11,345	12,188	843	6,612	71,078	63,371	(7,707)	(243)
Utilities	178,716	151,403	(27,313)	86,948	1,004,727	818,217	(186,511)	859,791
Meetings & Conventions	0	850	850	894	3,396	6,100	2,704	7,209
Promotions & Communications	2,565	2,300	(265)	454	(98)	13,800	13,898	7,004
General & Administrative	12,372	14,531	2,159	11,738	69,898	83,016	13,118	64,596
Management Fees	18,633	18,633	(0)	(91,162)	111,800	111,798	(2)	0
Other	6,343	2,166	(4,177)	6,695	12,493	12,996	503	(66,642)
Total Other Indirect	412,282	350,482	(61,800)	155,710	1,972,644	1,953,235	(19,410)	1,447,229
Net Income (Loss) before CIP Funded Expenses	(421,155)	(286,013)	(135,142)	(458,836)	(2,287,668)	(2,783,068)	495,401	(942,039)
CIP Funded Expenses	0	0	0	6,495	0	0	0	(67,777)
Net Income (Loss) from Operations	(421,155)	(286,013)	(135,142)	(452,341)	(2,287,668)	(2,783,068)	495,401	(1,009,816)
Fixed Asset Purchases	261,326	8,333	(252,993)	0	300,126	49,998	(250,128)	22,771
Net Income (Loss) After Fixed Asset Purchases	(682,481)	(294,346)	(388,135)	(452,341)	(2,587,794)	(2,833,066)	245,272	(1,032,587)

Hawaii Convention Center
Facility
Income Statement
From 12/01/2021 Through 12/31/2021
(In Whole Numbers)

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	YTD Actual	YTD Budget	Variance	YTD Prior Year
Revenues								
Food & Beverage	34,582	349,203	(314,621)	12,199	266,770	906,359	(639,589)	203,032
Facility	428,849	425,236	3,613	61,867	2,327,602	1,984,287	343,316	2,756,891
Total Revenues	463,431	774,439	(311,008)	74,066	2,594,372	2,890,646	(296,273)	2,959,923
Expenses								
Food & Beverage	93,483	239,733	146,250	73,843	707,333	931,680	224,347	410,998
Facility	791,103	820,719	29,617	459,059	4,174,708	4,742,034	567,326	3,490,964
Total Expenses	884,586	1,060,452	175,866	532,902	4,882,040	5,673,714	791,674	3,901,962
Net Income (Loss) before CIP Funded Expenses	(421,155)	(286,013)	(135,142)	(458,836)	(2,287,668)	(2,783,068)	495,401	(942,039)
CIP Funded Expenses	0	0	0	6,495	0	0	0	(67,777)
Net Income (Loss) from Operations	(421,155)	(286,013)	(135,142)	(452,341)	(2,287,668)	(2,783,068)	495,401	(1,009,816)
Fixed Asset Purchases	261,326	8,333	(252,993)	0	300,126	49,998	(250,128)	22,771
Net Income (Loss) after Fixed Asset Purchases	(682,481)	(294,346)	(388,135)	(452,341)	(2,587,794)	(2,833,066)	245,273	(1,032,587)

Summary Of Investments

Investment Allocation



0.0%	CASH	41.21
100.0%	CASH EQUIVALENTS	5,012,892.72
100.0%	TOTAL	5,012,933.93

Investment Summary

	Market Value	%	Estimated Income	Current Yield
CASH	41.21	0.00	0	0.00
CASH EQUIVALENTS	5,012,892.72	100.00	501	0.01
Total Fund	5,012,933.93	100.00	501	0.01

Schedule Of Investments

UNITS	DESCRIPTION	BOOK VALUE	MARKET VALUE	% OF CATEGORY
	CASH	41.21	41.21	100.00
	CASH EQUIVALENTS			
	CASH MANAGEMENT			
5,012,892.72	DREYFUS TREASURY OBLIGATIONS CASH MANAGEMENT FUND	5,012,892.72	5,012,892.72	100.00
	Total Fund	5,012,933.93*	5,012,933.93*	100.00*

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8a.2

Budget Reallocation

Budget Reallocation Summary
 FY 2022
 Through January 31, 2022

Budget Line Item	Program Code	Budget	Year-to-Date		January 2022 Activity
			Reallocation	Budget After Reallocations	
Perpetuating Hawaiian Culture					
<i>From:</i>					
None				-	
				-	
				-	
			-		-
<i>To:</i>					
				-	
				-	
				-	
				-	
				-	
			-		-
Natural Resources					
<i>From:</i>					
None				-	
				-	
				-	
			-		-
<i>To:</i>					
				-	
				-	
				-	
				-	
				-	
			-		-
Community					
<i>From:</i>					
None				-	
				-	
				-	
			-		-
<i>To:</i>					
				-	
				-	
				-	
				-	
				-	
			-		-

Budget Reallocation Summary
 FY 2022
 Through January 31, 2022

Budget Line Item	Program Code	Budget	Reallocation	Budget After Reallocations	January 2022 Activity
			-	-	
			-	-	
			-	-	
			-		-
Branding					
<i>From:</i>					
None				-	
				-	
			-		-
<i>To:</i>					
				-	
				-	
			-		-
			-		-
Sports					
<i>From:</i>					
None				-	
				-	
			-		-
<i>To:</i>					
				-	
				-	
			-		-
			-		-
Safety and Security					
<i>From:</i>					
None				-	
				-	
			-		-
<i>To:</i>					
				-	
				-	
			-		-
			-		-
Tourism Research					
<i>From:</i>					

Budget Reallocation Summary
 FY 2022
 Through January 31, 2022

Budget Line Item	Program Code	Budget	Reallocation	Budget After Reallocations	January 2022 Activity
None				-	
			-	-	-
To:				-	
			-	-	-
<hr/>					
Planning					
From:					
None				-	
			-	-	-
To:				-	
			-	-	-
<hr/>					
Administration					
From:					
None				-	
			-	-	-
To:				-	
			-	-	-
<hr/>					
Governance and Organization-Wide					
From:					
None				-	
			-	-	-
To:				-	
			-	-	-
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Budget Reallocation Summary
 FY 2022
 Through January 31, 2022

Budget Line Item	Program Code	Budget	Reallocation	Budget After Reallocations	January 2022 Activity
Board Allocations					
<i>From:</i>					
None			-	-	-
			-		-

8a.3

Budget Statement-Summary
January 31, 2022

Category	Tourism Federal Fund - ARPA [TFF]				Convention Center Federal Fund - ARPA [CCFF]			
	Fiscal Year 2022				Fiscal Year 2022			
	Budget	YTD Amount of Budget Used	Balance	Activity for January 2022	Budget	YTD Amount of Budget Used	Balance	Activity for January 2022
Revenues								
TAT Revenue Allocation			-	-			-	-
Federal ARPA Funds	60,000,000	35,410,500	24,589,500	2,705,000	11,000,000	11,000,000	-	-
Prior Year Carryover			-	-			-	-
Availability of \$5M Emergency Fund (Subject to Governor Approval)			-	-			-	-
Other			-	-			-	-
Total Revenues	60,000,000	35,410,500	24,589,500	2,705,000	11,000,000	11,000,000	-	-
Encumbrances								
Perpetuating Hawaiian Culture								
Hawaiian Culture Programs	1,565,500	-	1,565,500	-	-	-	-	-
In-House Contracted Staff - Hawaiian Culture			-	-			-	-
Subtotal	1,565,500	-	1,565,500	-	-	-	-	-
Natural Resources (Statute: \$1M minimum)								
Natural Resources Programs	665,000	-	665,000	-	-	-	-	-
In-House Contracted Staff - Natural Resources			-	-			-	-
Subtotal	665,000	-	665,000	-	-	-	-	-
Community								
Community Programs	735,500	-	735,500	-	-	-	-	-
In-House Contracted Staff - Community			-	-			-	-
Subtotal	735,500	-	735,500	-	-	-	-	-
Branding								
Branding Programs	34,480,000	27,952,209	6,527,791	-	-	-	-	-
In-House Contracted Staff - Branding			-	-			-	-
State Employee Salaries - Branding	920,222	920,222	-	-	72,958	72,958	-	-
Subtotal	35,400,222	28,872,431	6,527,791	-	72,958	72,958	-	-
Sports								
Sports Programs	3,677,889	-	3,677,889	-	-	-	-	-
Subtotal	3,677,889	-	3,677,889	-	-	-	-	-
Safety and Security								
Safety and Security Programs	900,000	1,380	898,620	-	-	-	-	-
Subtotal	900,000	1,380	898,620	-	-	-	-	-
Tourism Research								
Tourism Research Programs	60,000	-	60,000	-	-	-	-	-
In-House Contracted Staff - Tourism Research			-	-			-	-
Subtotal	60,000	-	60,000	-	-	-	-	-
Planning								
Planning Programs	2,005,200	300,000	1,705,200	300,000	-	-	-	-
In-House Contracted Staff - Planning			-	-			-	-
Subtotal	2,005,200	300,000	1,705,200	300,000	-	-	-	-
Hawai'i Convention Center								
Sales & Marketing	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Major Repair & Maintenance	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Administrative (Statute: Cannot exceed 3.5% = \$2,765,000)								
Operations	999,111	41,845	957,266	620	-	-	-	-
In-House Contracted Staff - Admin			-	-			-	-
State Employee Salaries - Admin	1,379,778	1,179,778	200,000	-	247,042	247,042	-	-
Subtotal	2,378,889	1,221,623	1,157,266	620	247,042	247,042	-	-
Organizationwide Costs								
State Employee Fringe	1,110,000	1,110,000	-	-	170,000	170,000	-	-
Organization-Wide	230,000	-	230,000	-	-	-	-	-
Governance - Board/Others	121,800	82,638	39,162	3,355	-	-	-	-
Subtotal	1,461,800	1,192,638	269,162	3,355	170,000	170,000	-	-
Total Encumbrances	48,850,000	31,588,072	17,261,928	303,975	490,000	490,000	-	-
Revenues vs Encumbrances	11,150,000	3,822,428			10,510,000	10,510,000		

Category	Tourism Special Fund (TSF)				Convention Center Enterprise Special Fund (CCESF)			
	Fiscal Year 2022				Fiscal Year 2022			
Revenues								
TAT Revenue Allocation	-	-	-	-	11,000,000	11,000,000	-	-
Convention Center Revenue - Relating to FY22 (also tied to FY21 encumbrance)	-	-	-	-	-	1,371,101	(1,371,101)	514,537
Convention Center Revenue - Relating to Prior Years	-	-	-	-	-	264,112	(264,112)	109,628
Other	-	185,148	(185,148)	343	-	257,594	(257,594)	80,939
Total Revenues	-	185,148	(185,148)	343	11,000,000	12,892,807	(1,892,807)	705,104

8a.4

Budget Statement

As of January 31, 2022

FY2022

Hawai'i Tourism Authority
 Budget Statement
 As of January 31, 2022
 FY 2022

Program Code	Program Title	Budget FY22	YTD Amount of Budget Used	Remaining Balance	January 2022 Activity
Tourism Federal Fund					
Perpetuating Hawaiian Culture					
202	Hawaiian Culture Initiative	475,000.00	0.00	475,000.00	0.00
203	Ma'ema'e HTA	50,000.00	0.00	50,000.00	0.00
204	Market Support	50,000.00	0.00	50,000.00	0.00
214	Legacy Award Program	25,000.00	0.00	25,000.00	0.00
215	Hawaiian Culture Opportunity Fund	200,000.00	0.00	200,000.00	0.00
216	Olelo Hawaii	500,000.00	0.00	500,000.00	0.00
217	FESTPAC	250,000.00	0.00	250,000.00	0.00
297	Memberships and Dues - Hawaiian Culture	500.00	0.00	500.00	0.00
298	Travel - Hawaiian Culture	15,000.00	0.00	15,000.00	0.00
Subtotal	Perpetuating Hawaiian Culture	1,565,500.00	0.00	1,565,500.00	0.00
Natural Resources					
406	Visitor Impact Program	350,000.00	0.00	350,000.00	0.00
407	Hawaii Eco Tourism Association	50,000.00	0.00	50,000.00	0.00
416	Wahī Pana Series	250,000.00	0.00	250,000.00	0.00
498	Travel - Natural Resources	15,000.00	0.00	15,000.00	0.00
Subtotal	Natural Resources	665,000.00	0.00	665,000.00	0.00
Community					
702	Community Training Workshops (formerly Capacity)	500,000.00	0.00	500,000.00	0.00
797	Memberships and Dues - Community	500.00	0.00	500.00	0.00
798	Travel - Community	15,000.00	0.00	15,000.00	0.00
802	Current Workforce Development (Industry Career Dev)	100,000.00	0.00	100,000.00	0.00
803	Future Workforce Development (LEI)	120,000.00	0.00	120,000.00	0.00
Subtotal	Community	735,500.00	0.00	735,500.00	0.00
Branding					
004	Cruise Infrastructure Improvements and Arrival Experience	100,000.00	100,000.00	0.00	0.00
005	Route Development Program (PAUSE)	250,000.00	0.00	250,000.00	0.00
010	HTUS/HTJ Campaign Effectiveness Study	270,000.00	0.00	270,000.00	0.00
012	Rebranding of the Hawaiian Islands	1,000,000.00	0.00	1,000,000.00	0.00
013	Creative Agency	250,000.00	0.00	250,000.00	0.00
014	Pono Travel Tips (Kuleana Travel Messaging at NI Airports)	175,000.00	0.00	175,000.00	0.00
102	Hawai'i Tourism Summit	125,000.00	2,209.42	122,790.58	0.00
317	Convention Center Sales & Marketing - City Wide	2,600,000.00	2,600,000.00	0.00	0.00
318	gohawaii.com (formerly Online Website Coordination) (PAUSE)	2,500,000.00	0.00	2,500,000.00	0.00
319	MCI MFF	850,000.00	850,000.00	0.00	0.00
321	US (formerly North America)	22,500,000.00	22,500,000.00	0.00	0.00
331	Meetings, Convention & Incentives	1,900,000.00	1,900,000.00	0.00	0.00
339	Global Digital Marketing Strategy (former Intl Online Strat)	713,000.00	0.00	713,000.00	0.00
350	Global Mkt Shared Resces (formerly Intellect Prop Data Bank)	787,000.00	0.00	787,000.00	0.00
380	Marketing Opportunity Fund	250,000.00	0.00	250,000.00	0.00
397	Memberships and Dues - Branding	160,000.00	0.00	160,000.00	0.00
398	Travel - Branding	50,000.00	0.00	50,000.00	0.00
934	State Employee Salaries - Branding	920,222.00	920,222.00	0.00	0.00
Subtotal	Branding	35,400,222.00	28,872,431.42	6,527,790.58	0.00
Sports					
312	PGA Tour Contracts	2,177,889.00	0.00	2,177,889.00	0.00
379	Sports Programs - Unallocated	1,500,000.00	0.00	1,500,000.00	0.00
Subtotal	Sports	3,677,889.00	0.00	3,677,889.00	0.00
Safety and Security					
601	Visitor Assistance Programs	500,000.00	0.00	500,000.00	0.00
602	Crisis Management	100,000.00	1,380.00	98,620.00	0.00
603	Lifeguard Program	200,000.00	0.00	200,000.00	0.00
604	Preventative Programs	100,000.00	0.00	100,000.00	0.00
Subtotal	Safety and Security	900,000.00	1,380.00	898,620.00	0.00
Tourism Research					
506	Infrastructure Research (Accomodations and Airseats)	60,000.00	0.00	60,000.00	0.00
Subtotal	Tourism Research	60,000.00	0.00	60,000.00	0.00
Planning					
652	Planning Tools and Assessments	410,000.00	0.00	410,000.00	0.00
653	Hotspot Mitigation	500,000.00	0.00	500,000.00	0.00
654	Program Evaluation	500,000.00	300,000.00	200,000.00	300,000.00
655	Community Engagement	175,000.00	0.00	175,000.00	0.00
656	Community Tourism Collaborative	400,000.00	0.00	400,000.00	0.00
697	Memberships and Dues - Planning	3,200.00	0.00	3,200.00	0.00
698	Travel - Planning	17,000.00	0.00	17,000.00	0.00
Subtotal	Planning	2,005,200.00	300,000.00	1,705,200.00	300,000.00
Administrative					
101	Community-Industry Outreach & Public Relations Svcs	200,000.00	0.00	200,000.00	0.00
103	hawaiiitourismauthority.org (formerly HTA web/Global Social)	100,000.00	0.00	100,000.00	0.00
901	General and Administrative	648,700.00	41,845.46	606,854.54	619.90
930	State Employee Salaries - Admin	1,379,778.00	1,179,778.00	200,000.00	0.00
998	Travel - Admin	50,411.00	0.00	50,411.00	0.00
Subtotal	Administrative	2,378,889.00	1,221,623.46	1,157,265.54	619.90
Governance and Org-Wide					
915	Organization-Wide	230,000.00	0.00	230,000.00	0.00
919	Governance - Gen Board/Others	121,800.00	82,637.96	39,162.04	3,355.53
931	State Employees Fringe	1,110,000.00	1,110,000.00	0.00	0.00
Subtotal	Governance and Org-Wide	1,461,800.00	1,192,637.96	269,162.04	3,355.53
Total	FY 2022 Funds	48,850,000.00	31,588,072.84	17,261,927.16	303,975.43
Convention Center Federal Fund					
Branding					
934	State Employee Salaries - Branding	72,958.00	72,958.00	0.00	0.00
Subtotal	Branding	72,958.00	72,958.00	0.00	0.00
Administrative					
930	State Employee Salaries - Admin	247,042.00	247,042.00	0.00	0.00
Subtotal	Administrative	247,042.00	247,042.00	0.00	0.00
Governance and Org-Wide					
931	State Employees Fringe	170,000.00	170,000.00	0.00	0.00
Subtotal	Governance and Org-Wide	170,000.00	170,000.00	0.00	0.00
Total	FY 2022 Funds	490,000.00	490,000.00	0.00	0.00

8a.5

Budget Statement

July 1, 2021

Hawaii Tourism Authority
Budget Statement
July 1, 2021

Note: This schedule summarizes transactions that were encumbered with FY21 funds, processed by FY22 business. See further discussion in Executive Summary.

Program Code	Program Title	FY21 Funds Transactions, Processed in FY22
Perpetuating Hawaiian Culture		
201	Kukulu Ola: Living Hawaiian Cultural Prog	-
202	Hawaiian Culture Initiative	-
206	Kahea Program - Harbor Greetings	-
207	Kahea Program - Airport Greetings	-
208	Hawaiian Music and Dance Center	5,948,568
212	Merrie Monarch Hula Festival	-
215	Hawaiian Culture Opportunity Fund	99,995
216	Olelo Hawaii	-
297	Memberships and Dues - Hawaiian Culture	-
717	Monthly Music Series	-
932	Salaries - Hawaiian Culture	-
	Total - Perpetuating Hawaiian Culture	6,048,563
Natural Resources		
402	Aloha Aina (formerly NR and Leg Prov NR)	-
406	Visitor Impact Program	-
407	Hawaii Eco Tourism Association	-
499	In-House Contracted Staff - Natural Resources	-
936	State Employee Salaries - Natural Resources	-
	Total - Natural Resources	-
Community		
700	Community Opportunity	-
701	Community Enrichment Program	-
731	Community-Based Tourism - Oahu	-
732	Community-Based Tourism - Maui County	20,000
733	Community-Based Tourism - Hawaii Island	15,000
734	Community-Based Tourism - Kauai	15,000
797	Memberships and Dues - Community	-
933	State Employee Salaries - Community	-
	Total - Community	50,000
Branding		
4	Cruise Infrastructure Improvements and Arrival Experienc	-
318	gohawaii.com (formerly Online Website Coordination)	-
320	Island Chapters Staffing and Admin	-
321	US (formerly North America)	-
322	Canada	800,000
323	Japan	-
324	Korea	-
325	Oceania	-
329	China	-
331	Meetings, Convention & Incentives	-
339	Global Digital Marketing Strategy (former Intl Online Stra	-
350	Global Mkt Shared Resces (formerly Intellect Prop Data B	-
380	Marketing Opportunity Fund	-
397	Memberships and Dues - Branding	-
398	Travel - Branding	-
723	Hawaii Film Office Partnership	-
934	State Employee Salaries - Branding	-
	Total - Branding	800,000
Sports		
312	PGA Tour Contracts	-
377	Polynesian Football HoF	-
378	UH Athletics Branding Partnership	-
384	Football	-
	Total - Sports	-
Safety and Security		
601	Visitor Assistance Programs	55,000
602	Crisis Management	-
	Total - Safety and Security	55,000

Hawaii Tourism Authority
Budget Statement
July 1, 2021

Tourism Research		
505	Est of Visitor Arrivals by Country by Month	-
506	Infrastructure Research (Accomodations and Airseats)	-
512	Visitor Arrivals and Departure Surveys	(390,082)
513	Evaluation and Performance Studies	-
514	Marketing Research	-
597	Memberships and Dues - Research	-
935	State Employee Salaries - Research	-
	Total - Tourism Research	(390,082)
Administrative		
101	Community-Industry Outreach & Public Relations Svcs	200,000
103	hawaiitourismauthority.org (formerly HTA web/Global Sc	-
901	General and Administrative	-
909	Protocol Fund	-
930	State Employee Salaries - Admin	-
	Total - Administrative	200,000
Governance and Organization-Wide		
915	Organization-Wide	-
919	Governance - Gen Board/Others	-
931	State Employees Fringe	-
	Total - Governance and Organization-Wide	-
	Total	6,763,481

Convention Center Enterprise Special Fund:

Branding		
934	State Employee Salaries - Branding	-
	Total - Branding	-
Administrative		
930	State Employee Salaries - Admin	-
	Total - Administrative	-
HCC Operations		
850	HCC Operating Expense	13,186,400
860	HCC Repair and Maintenance	20,960,600
870	HCC Sales and Marketing / MFF	-
871	HCC Local Sales	533,000
	Total - HCC Operations	34,680,000
Governance and Organization-Wide		
915	Organization-Wide	-
931	State Employees Fringe	-
	Total - Governance and Organization-Wide	-
	Total CCESF	34,680,000

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Convention Center Federal Fund (ARPA) Budget

FY2022

Hawaii Tourism Authority
Convention Center Federal Fund (ARPA) Budget
FY 2022

Category	Amount	Notes
Payroll	490,000	Previously approved at the Board's June and July 2021 meetings.
Governance (Incremental HCC Insurance)	45,000	Staff encumbered FY22 HCC property insurance costs with FY21 funds. The actual amount is \$45K more than anticipated. The incremental amount will be funded by FY22's budget.
Major Repairs & Maintenance	10,465,000	<p>Staff anticipates using the funds for the following projects, or similar types of projects:</p> <p>\$1,189,205 CIP-035 Stairwell 5 and 6 Temporary Repair \$4,363,870 CIP-010 Chiller Replacement \$2,959,559 CIP-012 Parapet Roof Repairs \$1,102,366 CIP-007 Kitchen Hood Control Panel and Fire Suppression Upgrade \$ 450,000 CIP-025 Ballroom and Meeting Room Wallpaper Replacement \$ 400,000 CIP-023 Air Wall Repairs</p> <p>Further detail is provided in the attached supplemental document.</p>
11,000,000		

8c.1

Hawaii Convention Center

CIP Projects

(ARPA Funds)

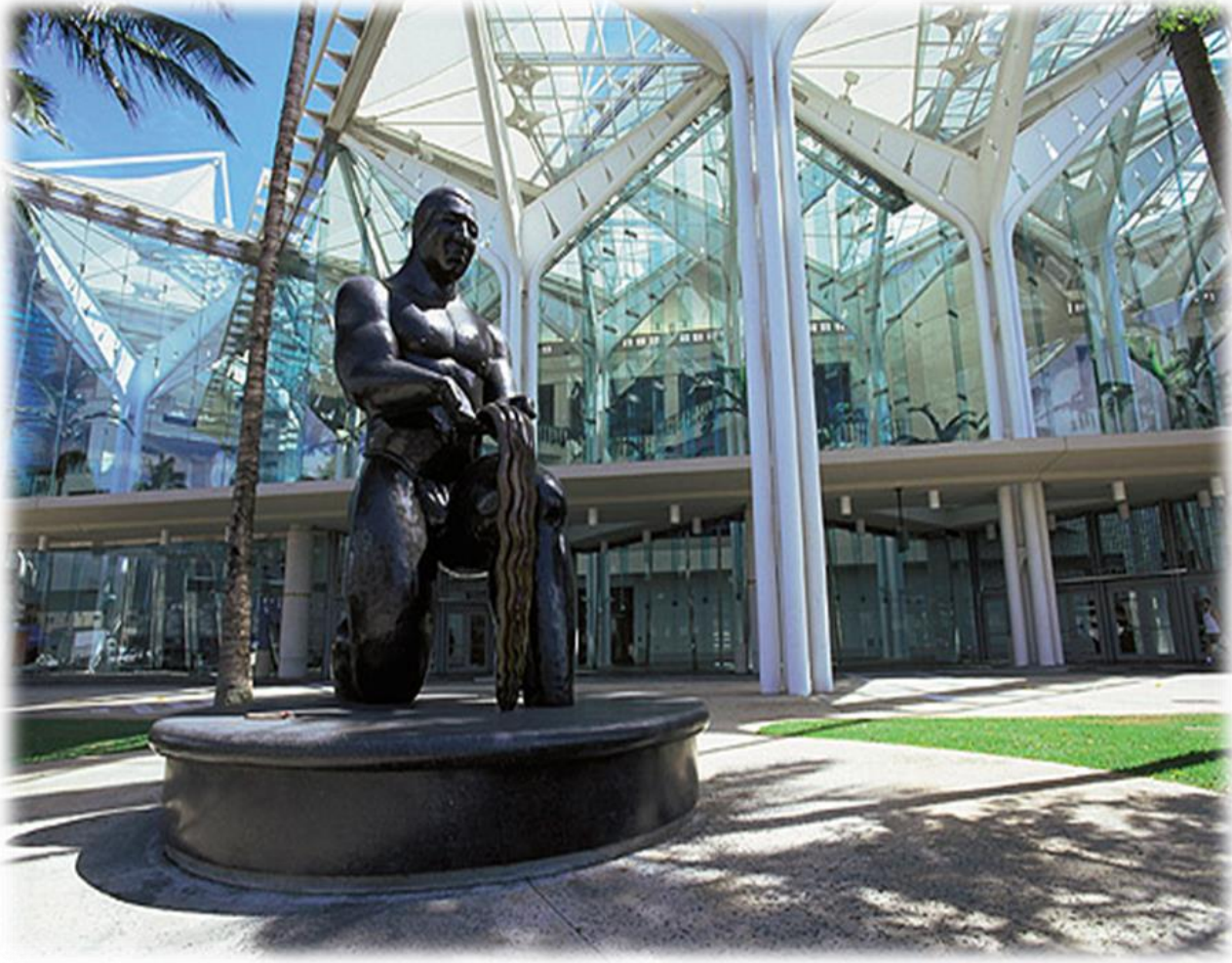
CIP PROJECTS - to submit for ARPA FUNDING

CIP #	Project Name	Project Description	Cost Estimate	Est Completion Date	Procurement
CIP - 035	Stairwell 5 and 6 Temporary Repair	Temporary shoring and repair of deterioration of steel members in the exit stairwells. Building Integrity and Safety	\$ 1,189,205	Qtr end June 2023	Competitive Sealed Proposal (RFP)
CIP - 010	Chiller Replacement	Replacement and upgrade of 4 chillers + Jockey chiller. Includes installation of VFD for increased efficiency and cost savings. Building Improvement, Cost Savings	\$ 4,363,870	Qtr end Sept 2023	Competitive Sealed Proposal (RFP)
CIP - 012	Parapet Roof Repairs	Repair of parapet roofs located above elevator 4/5 and 6/7 mechanical rooms, Facility storeroom behind Ballroom and Stairwell 3. Building Integrity	\$ 2,959,559	Qtr end June 2023	Competitive Sealed Proposal (RFP)
CIP - 007	Kitchen Hood Control Panel and Fire Suppression Upgrade	Replacement and upgrade of Main Kitchen hood control panel as parts not available for repairs. Replacement and upgrade of fire suppression system for Main Kitchen hood. Building Improvement and Safety	\$ 1,102,366	Qtr end Dec 2022	Competitive Sealed Proposal (RFP)
CIP - 025	Ballroom and Meeting Room Wallpaper Replacement	Purchase and installation of Ballroom and meeting room wallpaper. Wallpaper has been damaged and stained since opening. Building Improvement	\$ 450,000	Qtr end Dec 2022	Competitive Sealed Bid (RFB)
CIP - 023	Air Wall Repairs	Repair and upgrade air walls and tracks in Ballroom, meeting rooms and Exhibition Halls. Building Improvement	\$ 400,000	Qtr end Dec 2022	Competitive Sealed Bid (RFB)
TOTAL			\$ 10,465,000		

8d

Discussion and Action on the Recommendation
by the ***Budget, Finance, and Convention
Center Standing Committee*** on the **Hawai'i
Convention Center's January Financial
Report for January 2022** as Presented at the
February 22, 2022 Meeting

Hawai'i Convention Center



*February 2022
Update*

Hawai'i Convention Center

- Impact to HCC in FY22, cancellations and lost revenue impact:
 - 2 associations - \$238k in lost revenue
 - 3 city-wide corporate event - \$373k in lost revenue
 - 32 local events - \$1.65M in lost revenue
- Positive note, business on the books in remainder of FY22
 - 41 Definite events, including 2 city-wide events
 - 24 First Option events, including 4 sporting events

Future Events: As of January 31 we no longer have any Covid-restrictions for large structured events

Financial Update

	January YTD Actual	FY 2022 Forecast	FY 2022 Budget	Variance	CY 2019 Actual
Facility Occupancy	44%	22%	20%	2%	32%
Facility Number of Events	128	190	100	90	238
Facility Gross Revenue	\$3,564,900	\$6,431,800	\$7,701,500	(\$1,269,700)	\$16,866,900
Facility Gross Expenses	\$6,431,000	\$11,945,800	\$13,218,900	\$1,273,100	\$17,649,200
Facility Net Loss	(\$2,866,100)	(\$5,514,000)	(\$5,517,400)	\$3,400	(\$782,300)
S&M Net Expenses	(\$272,800)	(\$533,000)	(\$533,000)	\$0	(\$5,315,00)
HCC Net Loss	(\$3,138,900)	(\$6,047,000)	(\$6,050,400)	\$3,400	(\$6,097,300)

Repair and Maintenance Projects Update

Repair & Maintenance Projects

6-Year Plan (page 1)

Project #	Project Title	Estimated Project Cost	Status (A/P/NA)	Intended Funding Source(s) (TFF/CCESF/GOB/GF/ AHF)	Funds Transferred to ASM (T/P/NT)	Prior Fiscal, incl FY22 to date	Remaining FY22	FY23	FY24	FY25	FY26	FY27	Total
001	Rooftop Terrace Deck Repair	\$ 55,900,000	P	GOB	NT	\$ -	\$ -	\$ 55,900,000					\$ 55,900,000
	Rooftop Terrace Deck Repair	\$ 8,100,000	P	AHF	T	\$ -	\$ 8,100,000						\$ 8,100,000
002	Rooftop Terrace Deck Repair, Pre-planning	\$ 340,208	A	AHF	T	\$ 302,498	\$ 37,710						\$ 340,208
003	Building Envelope Repairs	\$ 18,631,604	A	AHF	NT	\$ 227,980	\$ 8,195,111	\$ 10,208,514					\$ 18,631,605
007	Kitchen Hood Control Panel and Fire Suppres	\$ 1,102,366		ARPA	NT	\$ 31,113	\$ 557,944	\$ 513,309					\$ 1,102,366
008	F&B Refrigerator Replacement (#348)	\$ 319,004	A	AHF	NT	\$ 14,047	\$ -	\$ -	\$ -	\$ 304,957			\$ 319,004
009	Slate Tile Repair	\$ 2,142,108		AHF	T	\$ 12,963	\$ 1,065,256	\$ 1,063,888					\$ 2,142,107
010	Chiller Replacement	\$ 4,363,870		ARPA	NT	\$ -	\$ 30,000	\$ 4,333,870					\$ 4,363,870
	Chiller Replacement	\$ 275,000		AHF	T	\$ 13,247	\$ 261,753						\$ 275,000
011	Ballroom Gutter, Foyer Transom Glass Repair	\$ 10,635,599		AHF	NT	\$ 25,873	\$ 2,605,661	\$ 8,004,065					\$ 10,635,599
012	Parapet Roof Repairs	\$ 2,959,559		ARPA	NT	\$ -	\$ -	\$ 2,959,559					\$ 2,959,559
	Parapet Roof Repairs	\$ 45,000		AHF	T	\$ 10,404	\$ 34,596						\$ 45,000
013	Ballroom Roof Repairs	\$ 2,143,187		AHF	T	\$ 6,712	\$ 1,330,429	\$ 806,046					\$ 2,143,187
014	Lobby Water Feature	\$ 1,035,800		AHF	NT	\$ 1,985	\$ -	\$ -	\$ 253,946	\$ 779,869			\$ 1,035,800
015	House Sound Audio System Upgrade	\$ 1,344,650	A	AHF	T	\$ 9,183	\$ -	\$ 1,335,467					\$ 1,344,650
016	Camera, NVR and Access Control	\$ 2,000,246	A	AHF	T	\$ 1,185,551	\$ 814,695						\$ 2,000,246
017	Trellis Replacement	\$ 5,000,000	A	AHF	T	\$ 3,242,933	\$ 1,757,067						\$ 5,000,000
022	Chill Water Pipe Reinsulation	\$ 250,000	A	AHF	T	\$ -	\$ 250,000						\$ 250,000
023	Air Wall Repairs	\$ 400,000	A	ARPA	NT	\$ -	\$ -	\$ 400,000					\$ 400,000
024	Roll-up Door Replacement	\$ 225,000	A	AHF	T	\$ 23,656	\$ 201,344						\$ 225,000
025	Ballroom / Mtg Rm Wallpaper Replacement	\$ 450,000	A	ARPA	NT	\$ -	\$ 450,000						\$ 450,000

Repair & Maintenance Projects

6-Year Plan (page 2)

Project #	Project Title	Estimated Project Cost	Status (A/P/NA)	Intended Funding Source(s) (TFF/CCESEF/GOB/GF/AHF)	Funds Transferred to ASM (T/P/NT)	Prior Fiscal, incl FY22 to date	Remaining FY22	FY23	FY24	FY25	FY26	FY27	Total
026	IT Network Upgrades	\$ 125,000	A	AHF	NT	\$ -	\$ -	\$ -	\$ 55,000	\$ 70,000			\$ 125,000
027	Ice Machines Replacement	\$ 500,000	A	AHF	NT	\$ -	\$ 250,000	\$ 250,000					\$ 500,000
028	Theatre 310 and 320 Furnishings Upgrade	\$ 750,000	A	AHF	NT	\$ -	\$ -	\$ -	\$ -	\$ 375,000	\$ 375,000		\$ 750,000
029	Theatre 310 and 320 Seating Upgrade	\$ 500,000	A	AHF	NT	\$ 155	\$ -	\$ -	\$ -	\$ 249,845	\$ 250,000		\$ 500,000
030	FB China and Equipment Upgrade	\$ 3,500,000	A	AHF	NT	\$ -	\$ -	\$ -	\$ -	\$ 3,500,000			\$ 3,500,000
031	Ala Wai Waterfall Repair	\$ 1,013,271	A	AHF	NT	\$ 1,985	\$ -	\$ -	\$ 1,011,286				\$ 1,013,271
035	Stairwell 5 and 6 Repair	\$ 1,189,205	A	ARPA	NT	\$ 15,930	\$ 25,000	\$ 1,148,275					\$ 1,189,205
036	Water Intrusion Remediation	\$ 400,000		AHF	T	\$ 10,106	\$ 389,894						\$ 400,000
037	Exterior Security Camera Upgrade	\$ 150,000		AHF	T	\$ -	\$ 150,000						\$ 150,000
038	Leak Repairs - December 2021	\$ 249,779	Emerg	AHF	T	\$ -	\$ 249,779						\$ 249,779
039	Leak Repairs - January 2022	\$ 170,000	Emerg	AHF	T	\$ -	\$ 170,000						\$ 170,000
040	Exterior Planter Repair	\$ 9,000,000				\$ -	\$ -	\$ -	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000		\$ 9,000,000
041	Children's Courtyard Repair	\$ 250,000				\$ -	\$ -	\$ -	\$ 250,000				\$ 250,000
042	Kahakai/Atkins Drywell Rehabilitation	\$ 250,000				\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000		\$ 250,000
043	Air Handler Unit 9 and 10 Replacement	\$ 300,000				\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000		\$ 300,000
044	Fire Sprinkler Line Refurbishment	\$ 270,000				\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,000	\$ 100,000	\$ 170,000
045	Escalator and Elevator Refurbishment	\$ 1,000,000				\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 200,000	\$ 400,000
046	LED Light Upgrade	\$ 1,700,000				\$ -	\$ -	\$ -	\$ 500,000	\$ 200,000	\$ 500,000	\$ 500,000	\$ 1,700,000
047	Lighting Control System Replacement	\$ 200,000				\$ -	\$ -	\$ 200,000					\$ 200,000
048	Electrical Harmonics Testing	\$ 100,000				\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000		\$ 100,000
049	Main Kitchen Dishwasher Replacement	\$ 300,000				\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000		\$ 300,000
050	Main Kitchen Flooring Replacement	\$ 2,000,000				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000	\$ 2,000,000
051	PBX System Replacement	\$ 50,000				\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000		\$ 50,000
052	Ride-on Sweeper Replacement	\$ 25,000				\$ -	\$ -	\$ 25,000					\$ 25,000
053	Forklift	\$ 25,000				\$ -	\$ -	\$ 25,000					\$ 25,000
054	Boardroom Upgrade	\$ 1,000,000				\$ -	\$ -	\$ -	\$ -	\$ 1,000,000			\$ 1,000,000
055	Elevator #2 Upgrade	\$ 250,000				\$ -	\$ -	\$ -	\$ 250,000				\$ 250,000
	GRAND TOTAL	\$ 142,930,456				\$ 5,136,321	\$ 26,926,239	\$ 87,172,993	\$ 5,320,232	\$ 9,479,671	\$ 5,395,000	\$ 2,800,000	\$ 142,230,456

Repair & Maintenance Projects

ARPA Funding

- *Stairwell 5 and 6 Repairs; \$1,189,205; Qtr end June 2023*
- *Chiller Replacement; \$4,363,870; Qtr end Sept 2023*
- *Parapet Roof Repairs; \$2,959,559; Qtr end June 2023*
- *Kitchen Hood Control Panel and Fire Suppression Upgrade; \$1,102,366; Qtr end Dec 2022*
- *Ballroom and Meeting Room Wallpaper Replacement; \$450,000, Qtr end Dec 2022*
- *Air Wall Repairs; \$400,000, Qtr end Dec 2022*

- *TOTAL: \$10,465,000*

Repair & Maintenance Projects Completed

- *Boiler Replacement; \$585k, completed 2020*
- *Ala Wai Waterfall Repairs; \$185k, completed 2020*
- *Chiller 4 Repairs; \$55k, completed 2020*
- *#320 Roof Repairs; \$1.4M, completed 2020*
- *Banquet Chairs and Facility Equipment Upgrade; \$2.25M, completed 2020*
- *Cooling Tower Replacement; \$3.2M, completed 2021*
- *Theatre LED Lighting Upgrade; \$77k, completed 2021*
- *Roof Overflow Drain Repairs; \$16k, completed 2021*
- *Jockey Chiller Repairs; \$28k, completed 2021*
- *ADA Lift Replacement, \$720k, completed 2021*
- *Emergency Generator Repairs, \$32k, completed 2021*
- *Window Repairs – Vandalism, \$177k, completed 2021*



Mahalo Nui Loa

8d.1

Hawaii Convention Center
Rooftop Terrace Deck Further Options

HAWAII CONVENTION CENTER ROOFTOP TERRACE DECK FURTHER OPTIONS



FEBRUARY 2022



HAWAII CONVENTION CENTER | AGENDA

- Recently considered options (estimates)
- Reduced funding request
- Option D. Temporary repair now, permanent repair later
- Questions

DECK IMPROVEMENT COSTS – OPTIONS CONSIDERED (ESTIMATES)

OPTIONS	\$ millions
A. Repair the deck, adding structural augmentation (if required, at additional cost), with pedestal pavers as the finished wearing surface, and repair Stairs 5 & 6.	54
B. Ditto and install additional electrically operated shading so that, together with the existing electrically operated shading, approximately 50% of the total deck area would be covered.	64
C. Repair the deck, construct a new Ballroom which would cover approximately 50% of the total deck area, and repair Stairs 5 & 6. (Cost excludes Ballroom FF&E).	122

Pricing based on October 2021 costs and escalated to the anticipated midpoint of construction of June 2023.

HAWAII CONVENTION CENTER

DECK IMPROVEMENT – REDUCED FUNDING REQUEST

OPTIONS	\$ millions
REPAIR OPTION B. Repair the deck, including: <ul style="list-style-type: none">○ pedestal pavers as the finished wearing surface,○ install additional electrically operated shading, and○ repair Stairs 5 & 6.	64
<u>LESS</u> Delete additional electrically operated shading	(10)
<u>LESS</u> HCC covering planning cost from current CIP budget	(8)
REDUCED FUNDING REQUEST	46

OPTION D. TEMPORARY REPAIR NOW, PERMANENT REPAIR LATER

- HTA has been asked to consider finding a (low cost) ‘temporary’ repair option, so that funding of the complete repair can be delayed.
- A reminder that, in March 2012, ABB stated that:
 - “Scope that is anything less than full demolition, repair, and replacement of deck layers will not eliminate the fundamental problem...”;
 - “If left unrepaired the water will continue to collect in the sub-layers of the deck and compromise the structural reinforced concrete slab that provides stability and foundation for the 4th floor....”;
 - “Bottom line – the less footprint that is included in the scope...the more increased the risk is present for future leaks and problems to continue”.
- It is estimated that a ‘temporary repair’ could **cost between \$14m and \$15m** if carried out in 2022.
 - Convention Center would be interrupted during the construction work,
 - The Rooftop Terrace Deck would not be useable until the permanent repair is completed,
 - Stairwells 5 & 6 would not be permanently fixed,
 - Damage to the structure will continue but perhaps at a lesser rate, and
 - Cost of final repair would escalate rapidly.

OPTION D. TEMPORARY REPAIR NOW, PERMANENT REPAIR LATER

Scope of work

- Demolish Sports Court
- Demolish landscaping
- Demolish water features
- Temporary lightweight sloping concrete in areas previously landscaped or with water features
- Blast clean and prepare existing wearing slab for new waterproofing
- Clean and make temporary repairs to roof drains
- Minor repairs to exterior bathroom wall
- Temporary repairs to Stars 5 & 6 (but closed to access on Level 4)
- New waterproofing membrane and pads
- Flood test roof.

OPTION D. TEMPORARY REPAIR NOW, PERMANENT REPAIR LATER

Cost implications

On the plus side:

- Some work such as demolition of landscaping and water features will be done under the temporary contract and therefore will not need to be done as part of the permanent repair.

On the minus side:

- Cost of permanent repair will continue to escalate;
- The 'temporary' repair cannot address all the items that need attention and so the scope of damage that will have to be covered in the permanent repair will continue to increase; and
- There is an increasing chance that part, or whole, of deck structure will fail (compromise of the structural reinforced concrete slab that provides stability and foundation for the 4th floor).

HAWAII CONVENTION CENTER

OPTION D. TEMPORARY REPAIR NOW, PERMANENT REPAIR LATER

YEAR FUNDING APPROVED	ADDITIONAL COST OF REPAIRING WORK NOT DONE IN TEMPORARY REPAIR*	OPTION B PERMANENT REPAIR COST ESCALATION	TOTAL ADDITIONAL COST OF DELAYED OPTION B PERMANENT REPAIR (after 'temporary' repair in 2022)
2022	Not Applicable	Not Applicable	Not Applicable
2023	+\$3.5 million	+\$8.3 million	\$11.8 million
2024	+\$6.6 million	+\$12.1 million	\$18.7 million
2025	+\$10.8 million	+\$15.3 million	\$26.1 million
2026	+\$14.3 million	+\$18.1 million	\$32.4 million
2027	+\$20.4 million	+\$21.0 million	\$41.4 million
2028	+\$21.6 million	+\$23.9 million	\$45.5 million

*Includes impact of deterioration and inflation.

HAWAII CONVENTION CENTER

OPTION D. TEMPORARY REPAIR NOW, PERMANENT REPAIR LATER

Example of risk profile of structure failure as permanent repair is delayed

YEAR FUNDING APPROVED	(EXAMPLE) IF DECK FAILURE %	ADDITIONAL REPAIR COST (incl escalation)
2022	Included in current request	N/A
2023	0	0
2024	5	+\$3 million
2025	15	+\$10 million
2026	35	+\$24 million
2027	60	+\$42 million
2028	100	+\$72 million

QUESTIONS?

9

Presentation and Discussion of Current Market Insights and Conditions in Hawai'i and Key Major Hawai'i Tourism Markets

9.1

Travel Agency Bookings Report as of
Feb. 14, 2022

TRAVEL AGENCY BOOKING TRENDS

FEBRUARY 14, 2022

Global Agency Pro

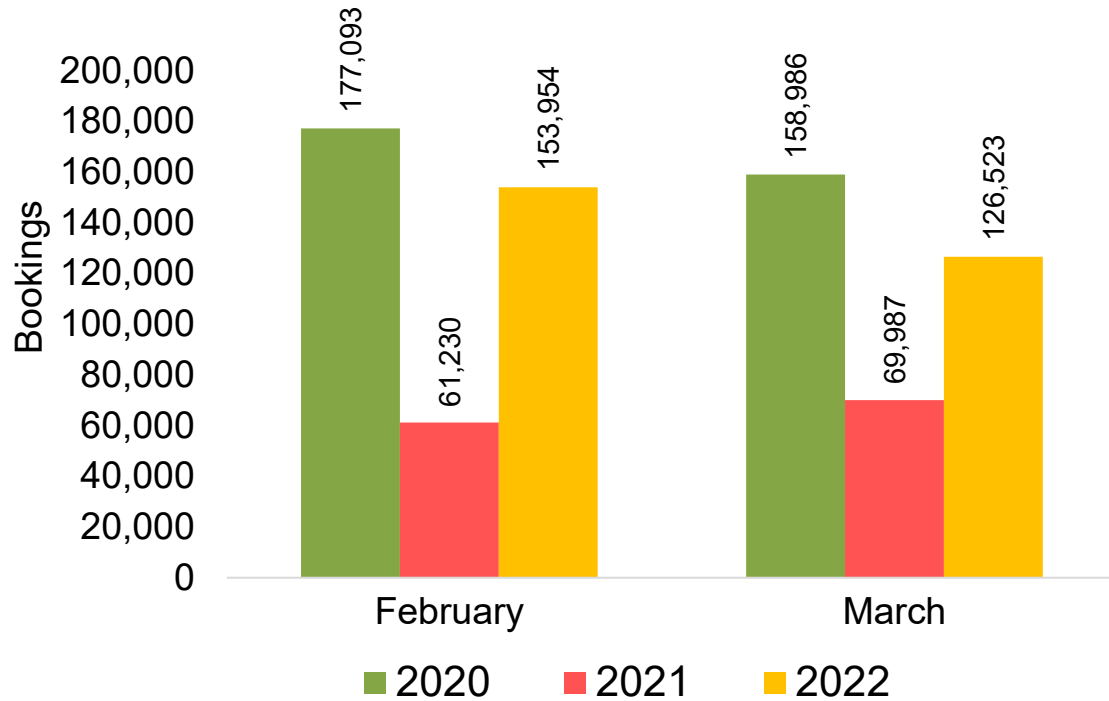
- HTA subscribes to Global Agency Pro, an online travel distribution system consisting of Travel Agency data.
- Global Agency Pro provides access to over 90% of the world's Travel Agency airline transactions.
- The database consists of five years of historical ticketing data and one year of advance purchase data.
- The information is updated daily with a recency of two days prior to current date.

Global Agency Pro Index

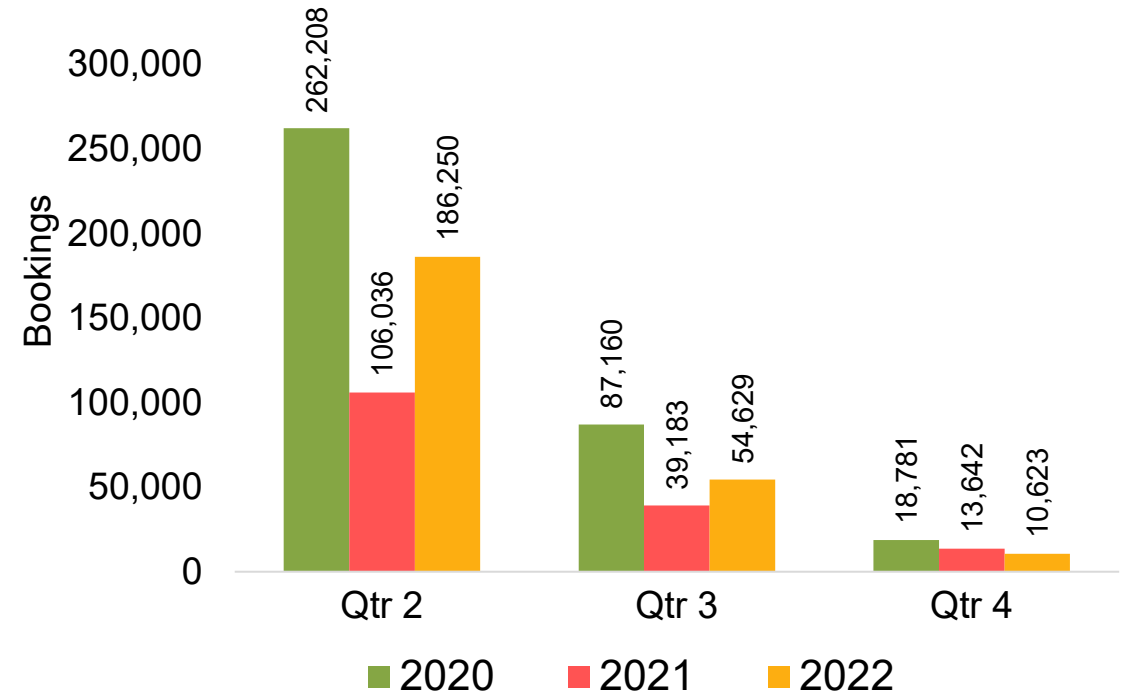
- **Bookings**
 - Net sum of the number of visitors (i.e., excluding Hawai'i residents and inter-island travelers) from Sales transactions counted, including Exchanges and Refunds.
- **Booking Date**
 - The date on which the ticket was purchased by the passenger. Also known as the Sales Date.
- **Travel Date**
 - The date on which travel is expected to take place.
- **Point of Origin Country**
 - The country which contains the airport at which the ticket started.
- **Travel Agency**
 - Travel Agency associated with the ticket is doing business (DBA).

US

Travel Agency Booking Pace for Future Arrivals, by Month



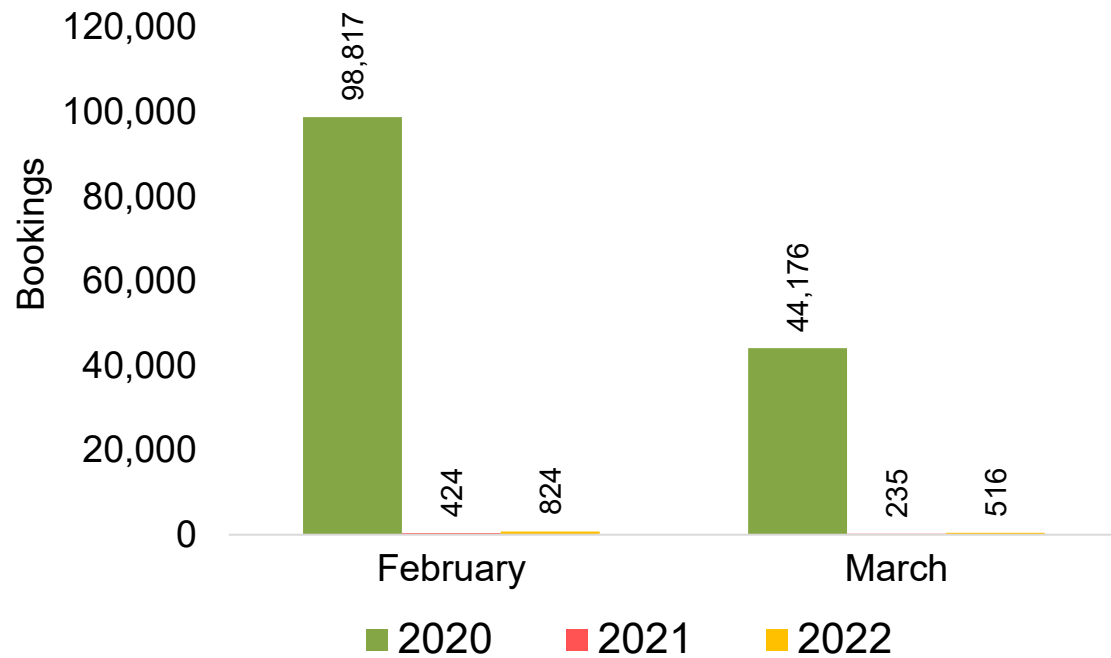
Travel Agency Booking Pace for Future Arrivals, by Quarter



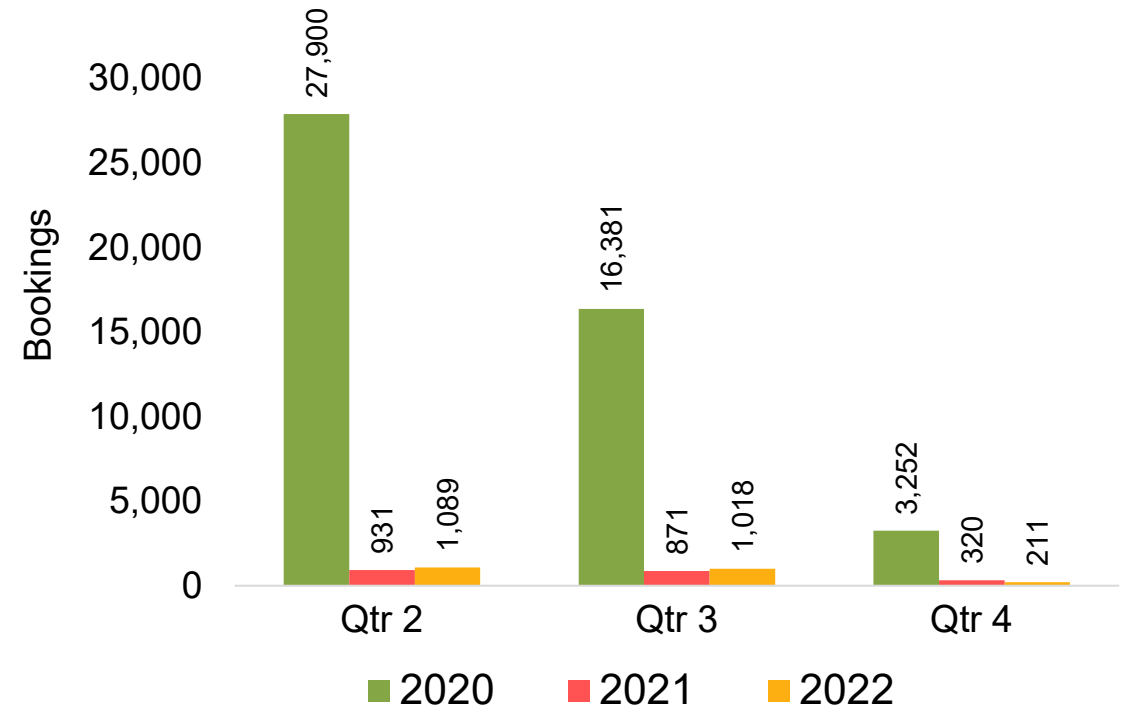
Source: Global Agency Pro as of 02/12/22

JAPAN

Travel Agency Booking Pace for Future Arrivals, by Month



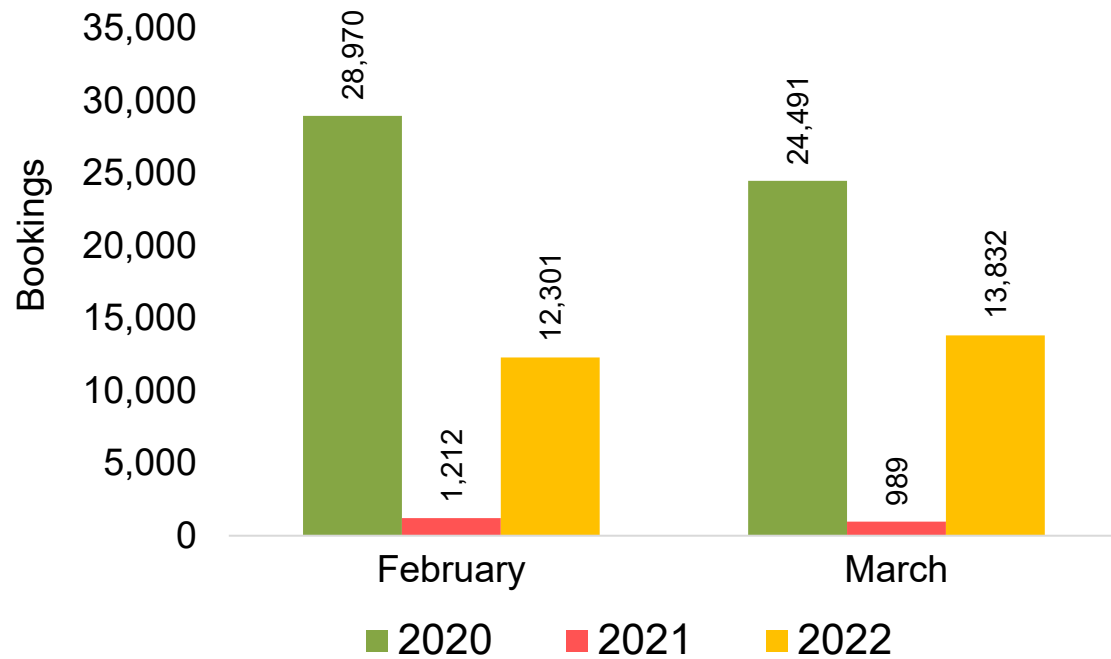
Travel Agency Booking Pace for Future Arrivals, by Quarter



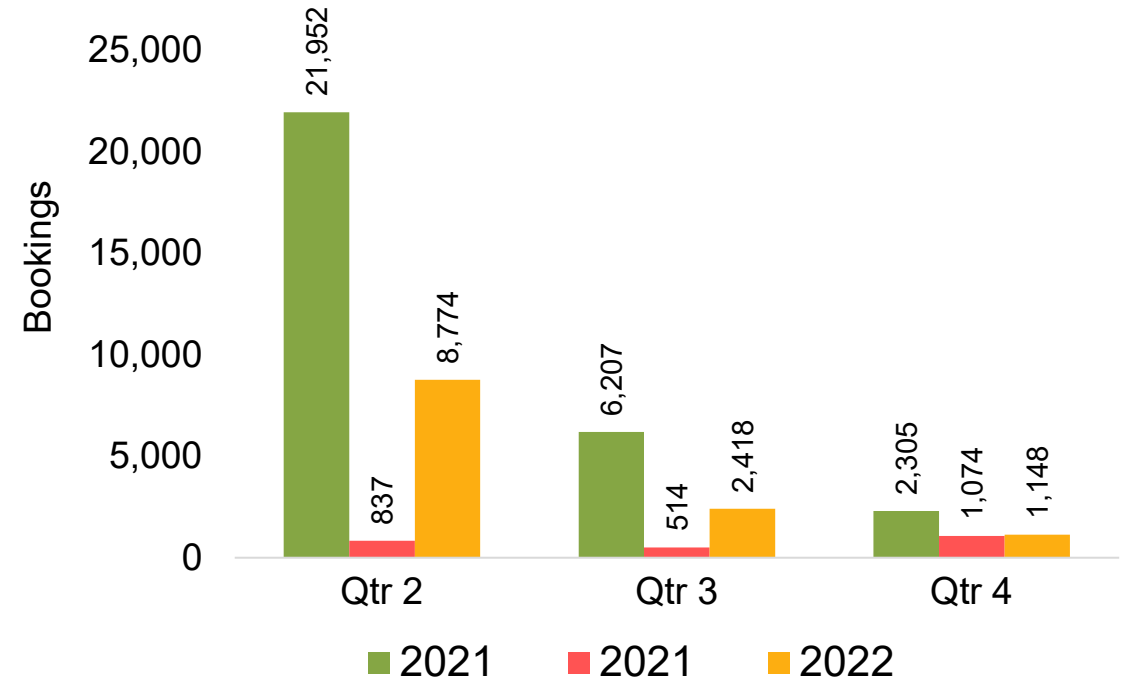
Source: Global Agency Pro as of 02/12/22

CANADA

Travel Agency Booking Pace for Future Arrivals, by Month



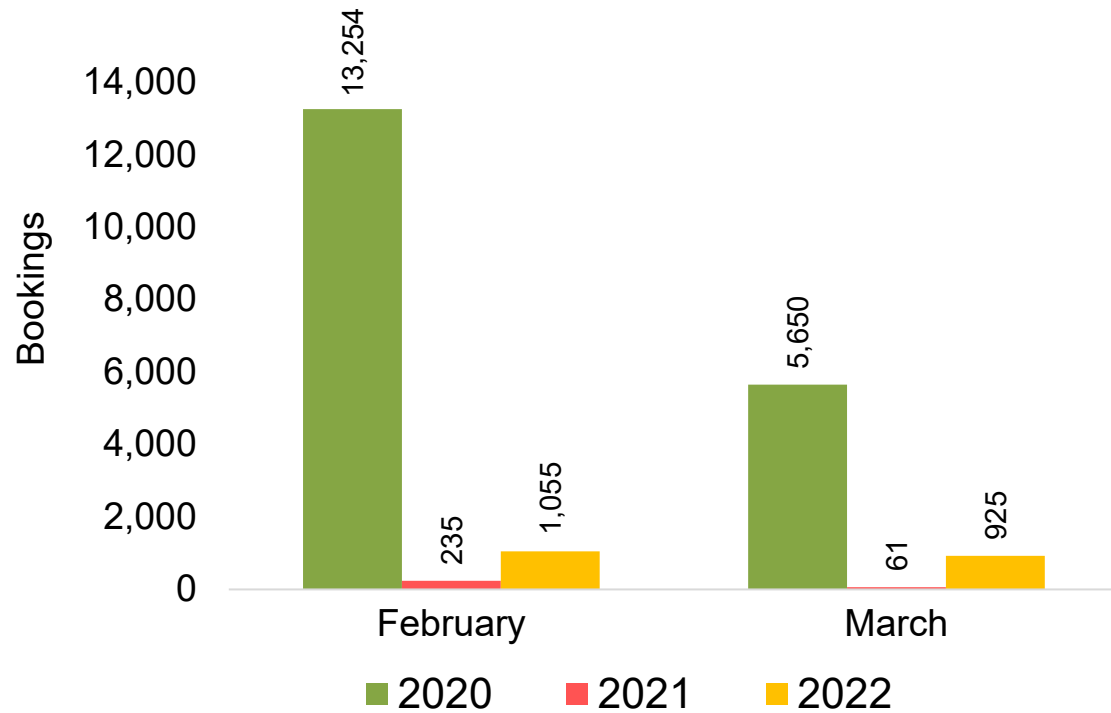
Travel Agency Booking Pace for Future Arrivals, by Quarter



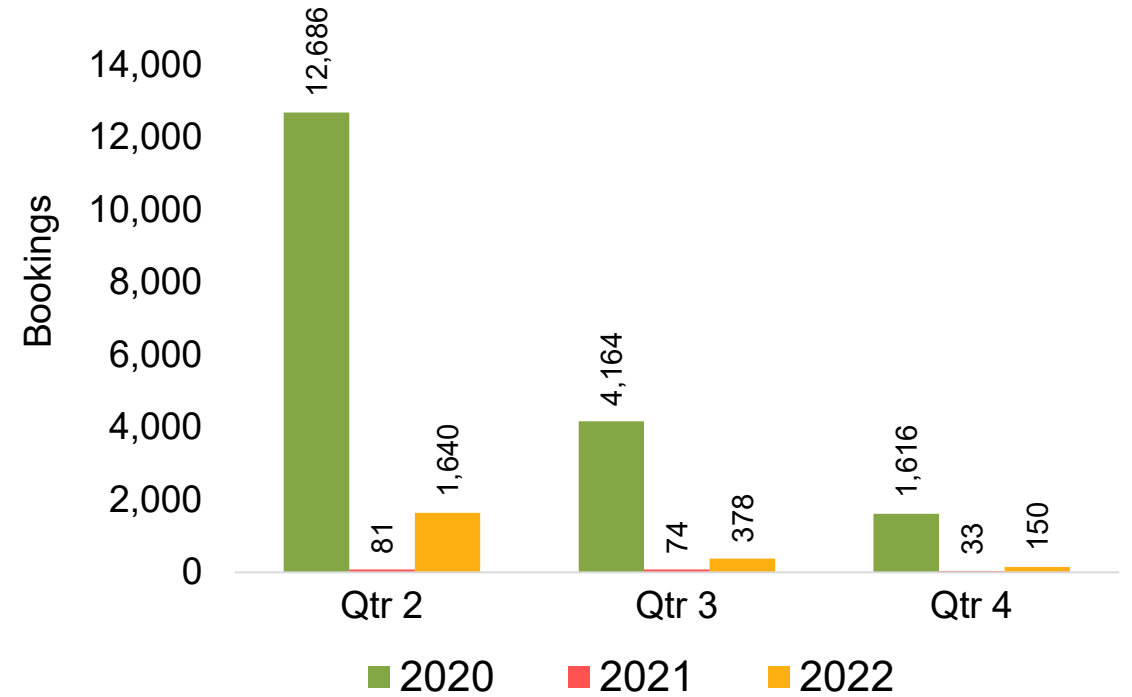
Source: Global Agency Pro as of 02/12/22

KOREA

Travel Agency Booking Pace for Future Arrivals, by Month



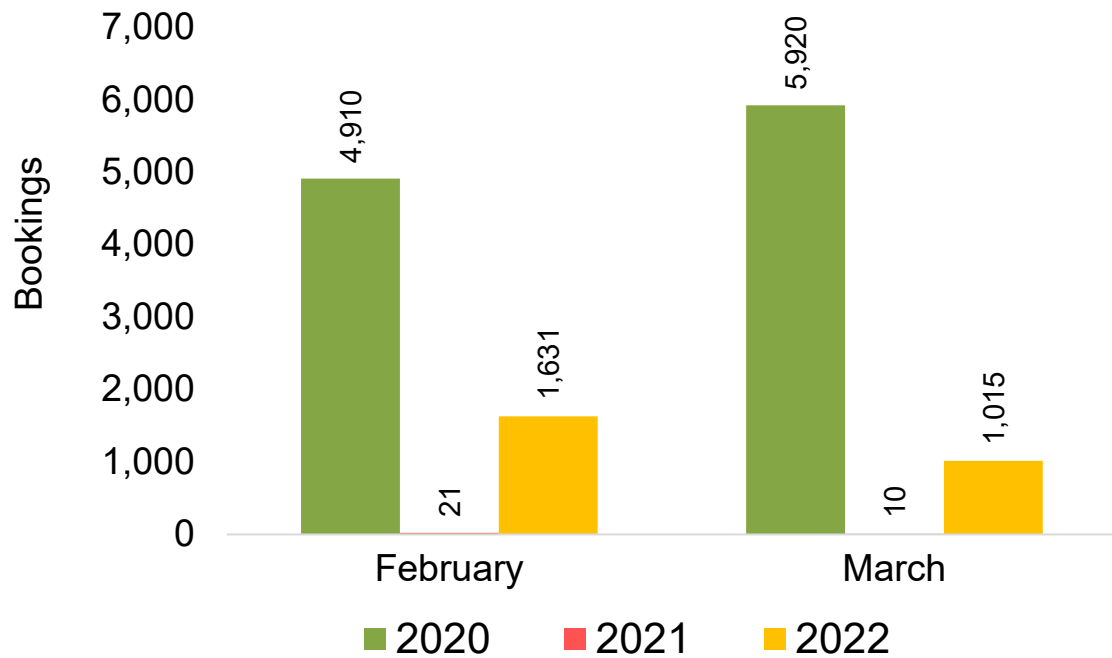
Travel Agency Booking Pace for Future Arrivals, by Quarter



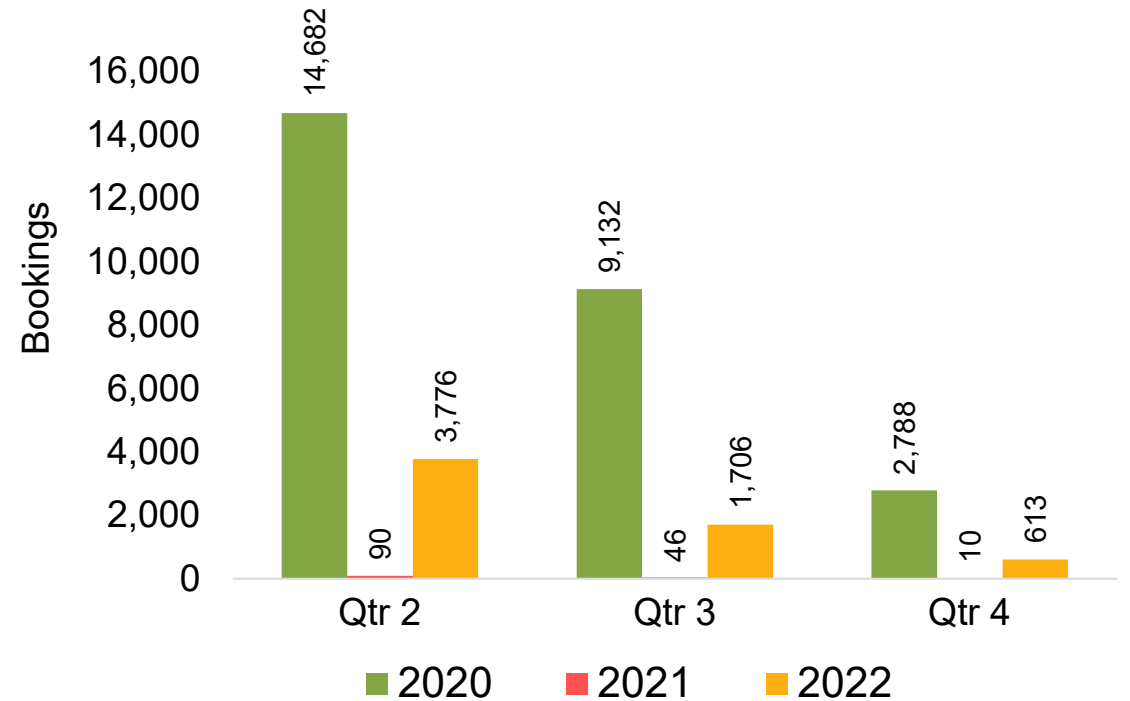
Source: Global Agency Pro as of 02/12/22

AUSTRALIA

Travel Agency Booking Pace for Future Arrivals, by Month



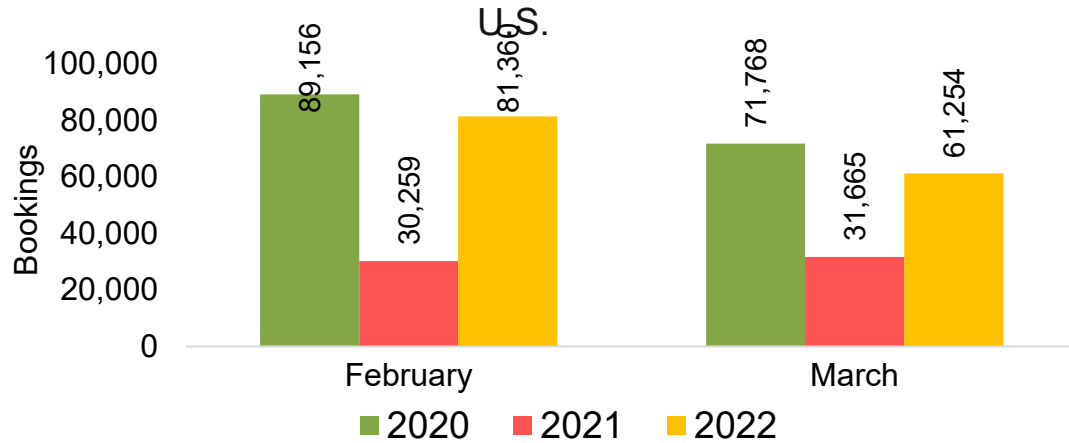
Travel Agency Booking Pace for Future Arrivals, by Quarter



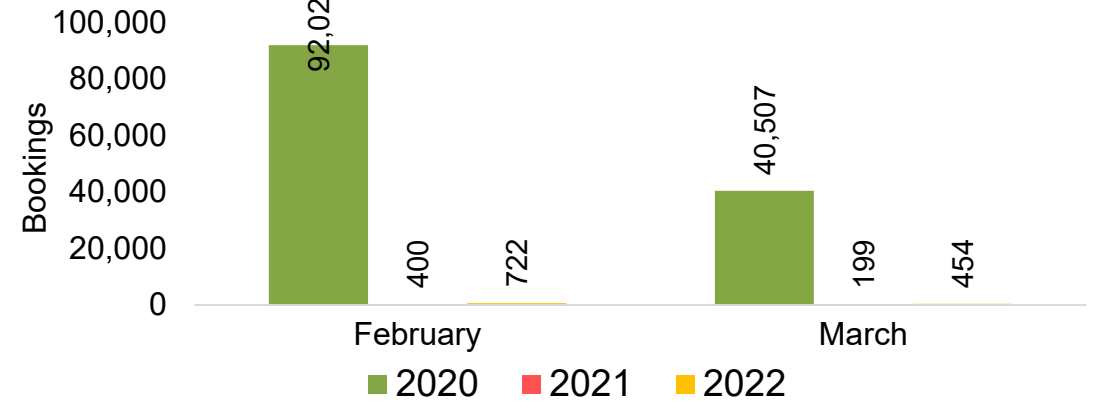
Source: Global Agency Pro as of 02/12/22

O'ahu by Month 2022

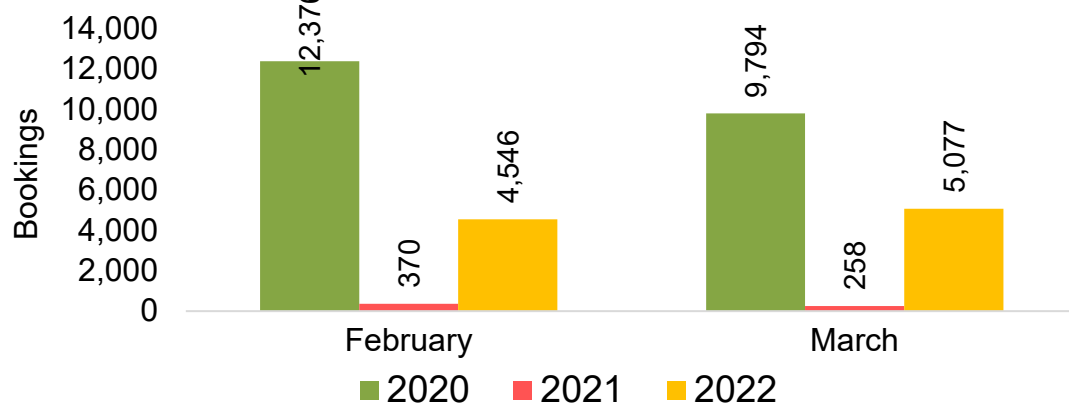
Travel Agency Booking Pace for Future Arrivals



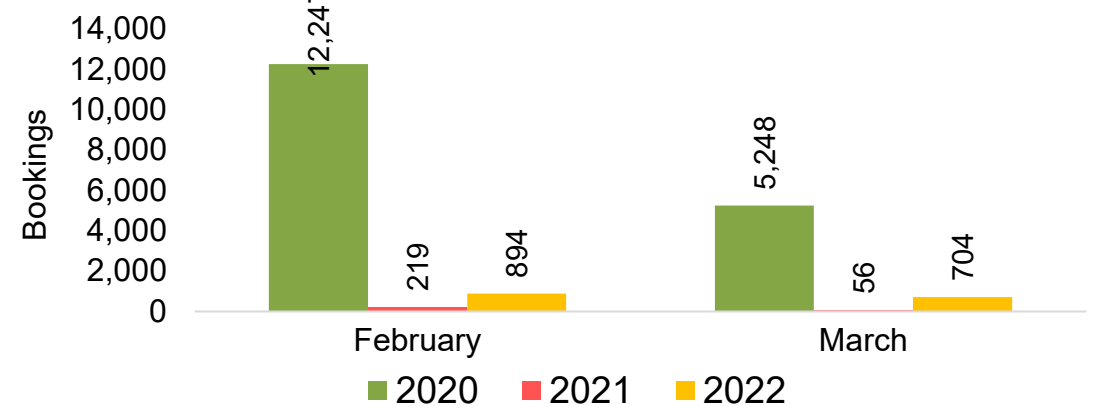
Travel Agency Booking Pace for Future Arrivals Japan



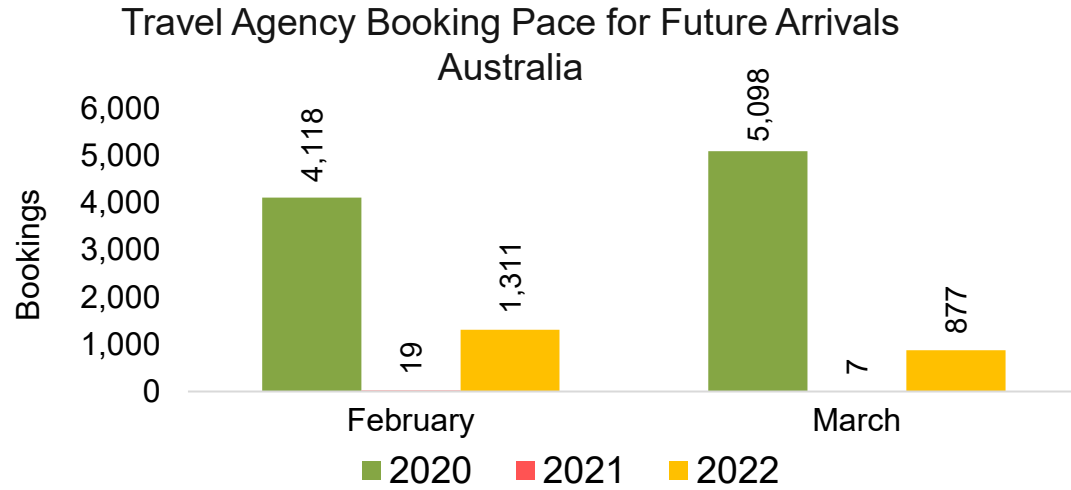
Travel Agency Booking Pace for Future Arrivals Canada



Travel Agency Booking Pace for Future Arrivals Korea



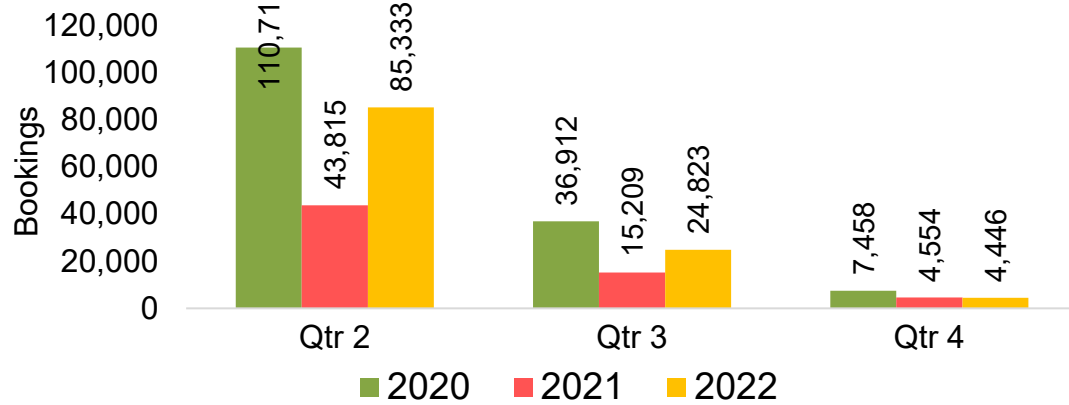
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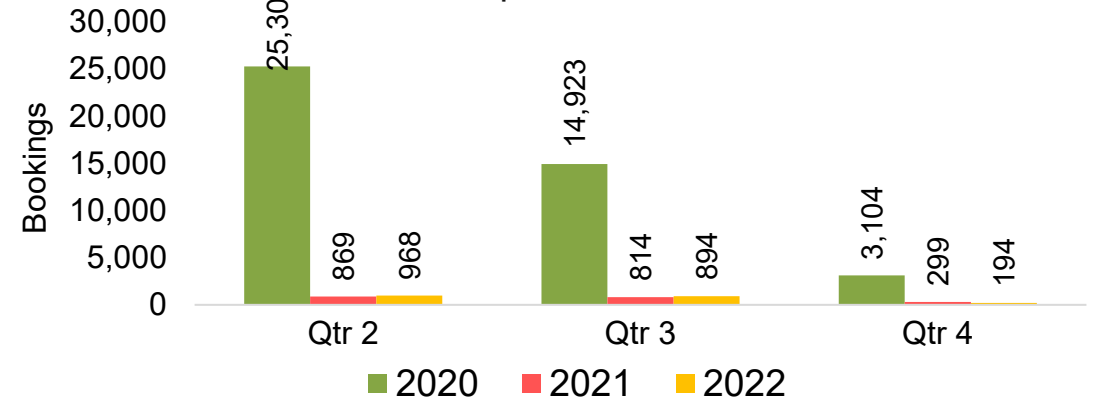
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O'ahu by Quarter 2022

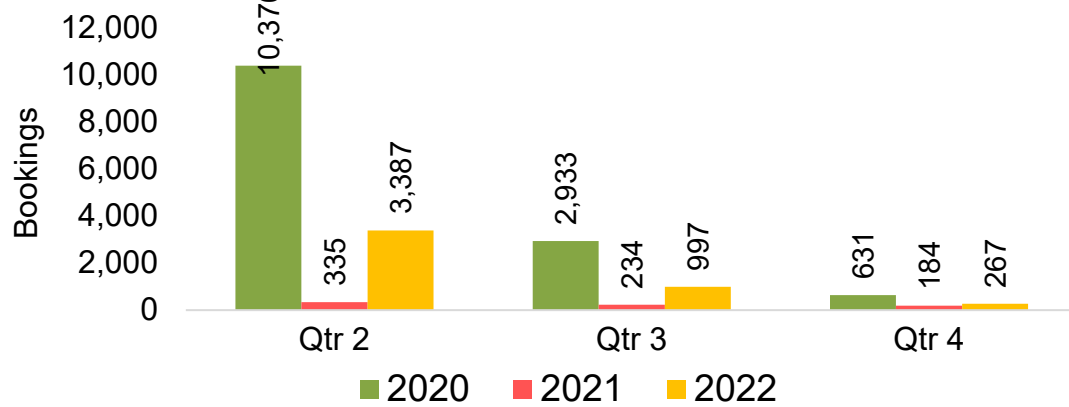
Travel Agency Booking Pace for Future Arrivals
U.S.



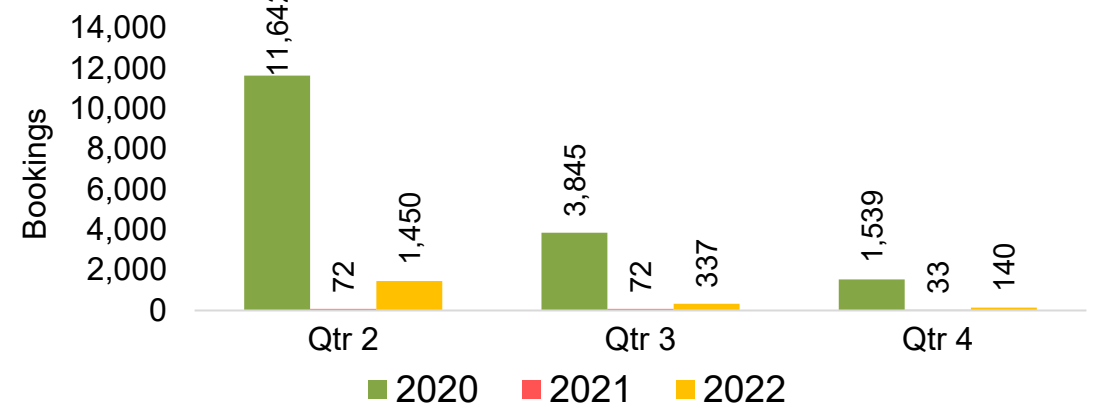
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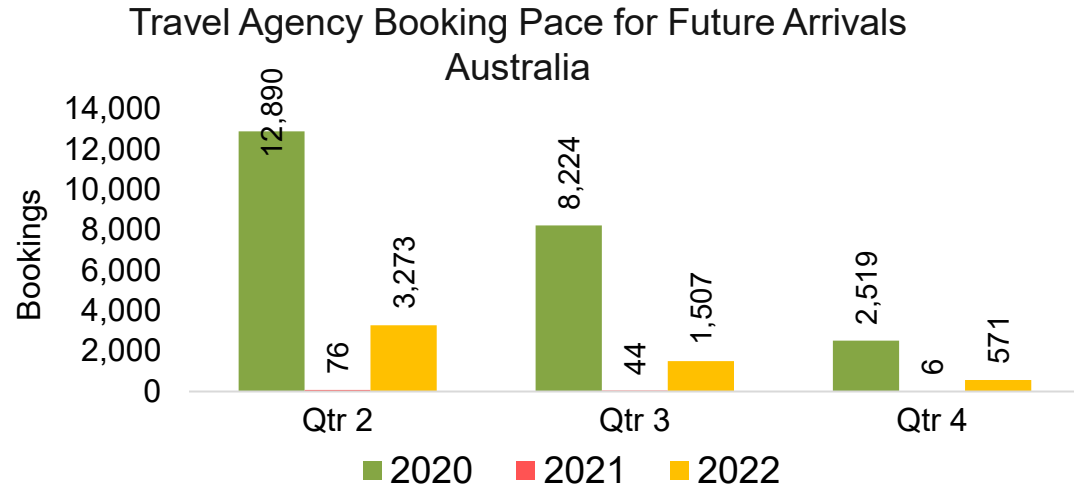
Travel Agency Booking Pace for Future Arrivals
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Travel Agency Booking Pace for Future Arrivals
Korea



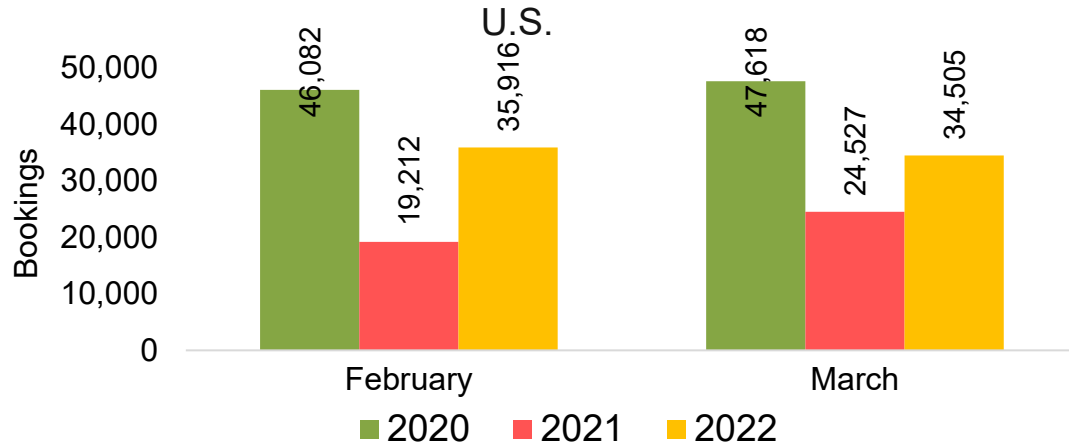
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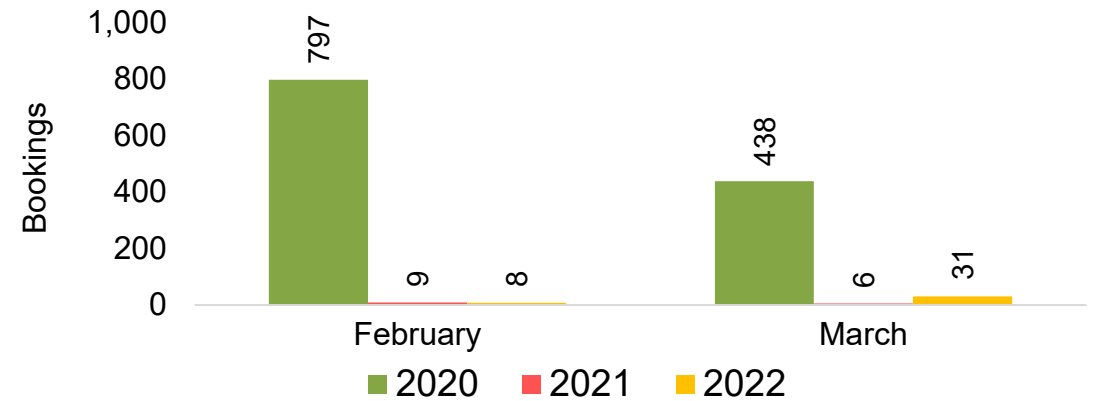
Source: Global Agency Pro as of 02/12/22

Maui by Month 2022

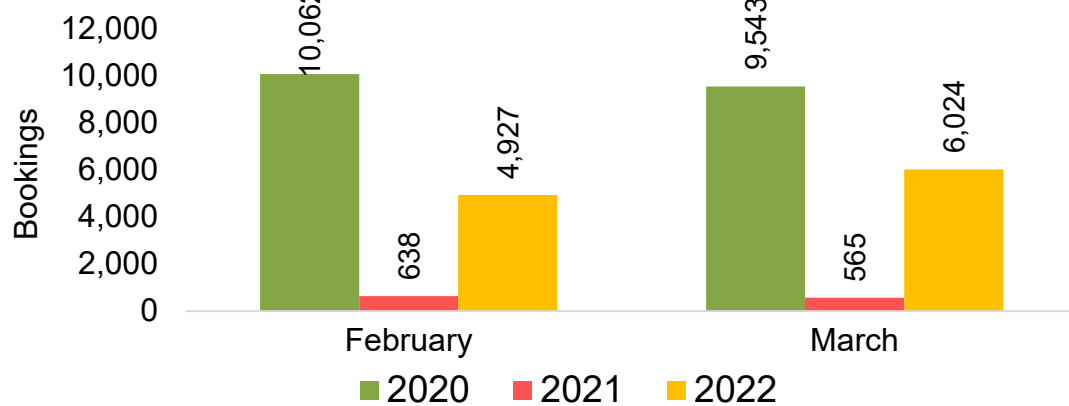
Travel Agency Booking Pace for Future Arrivals



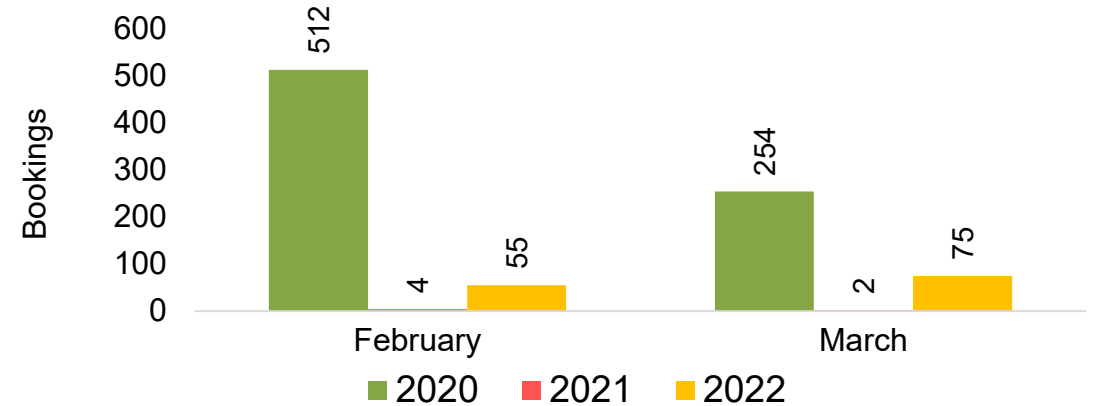
Travel Agency Booking Pace for Future Arrivals
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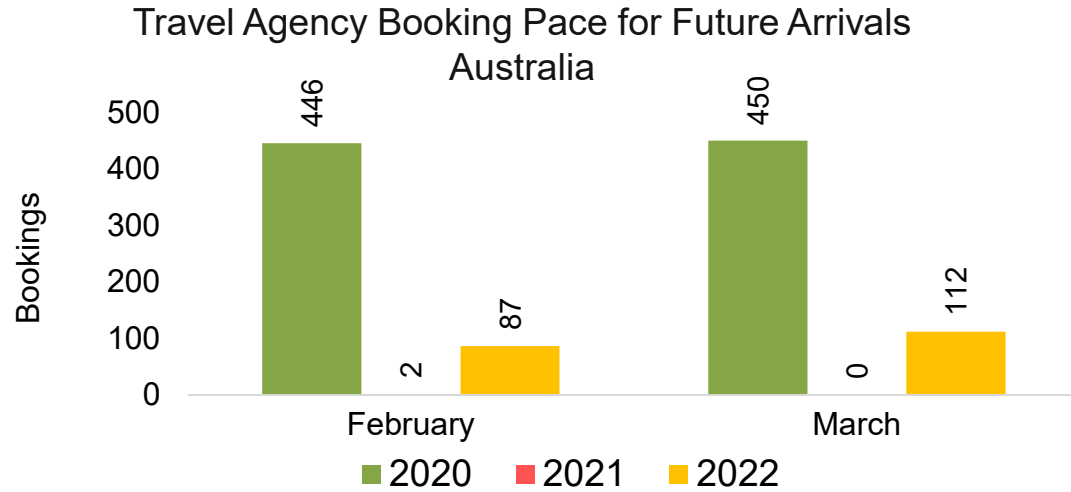
Travel Agency Booking Pace for Future Arrivals
Canada



Travel Agency Booking Pace for Future Arrivals
Korea



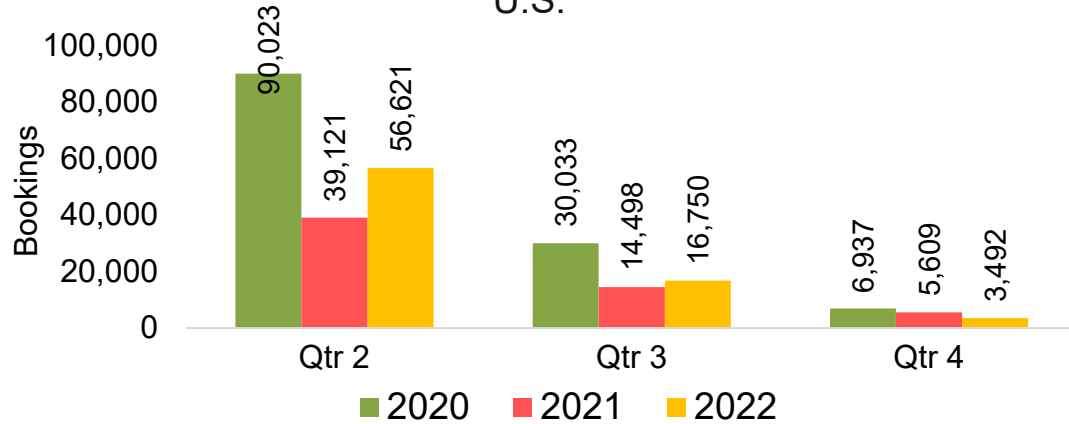
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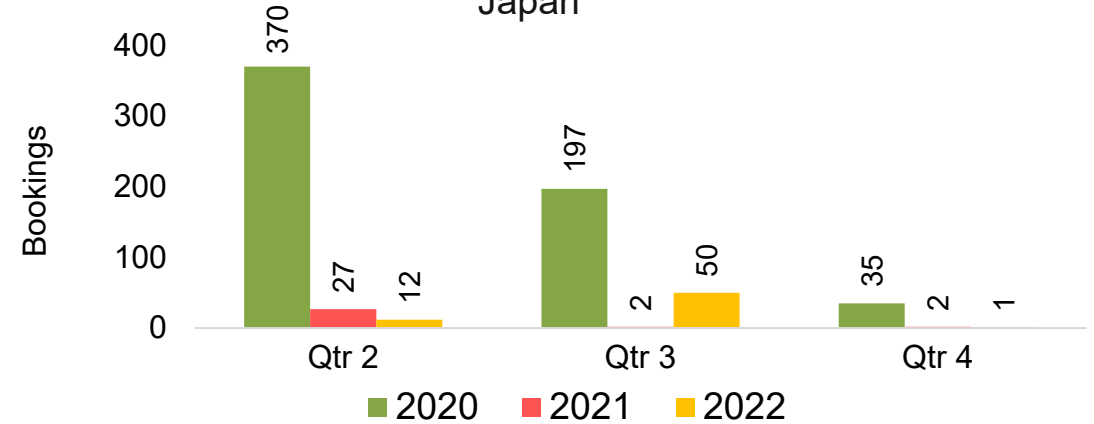
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Maui by Quarter 2022

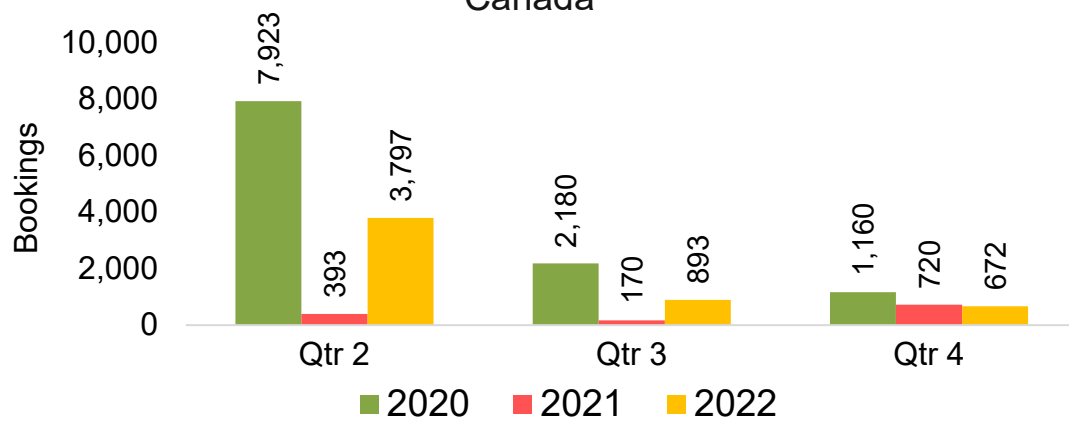
Travel Agency Booking Pace for Future Arrivals
U.S.



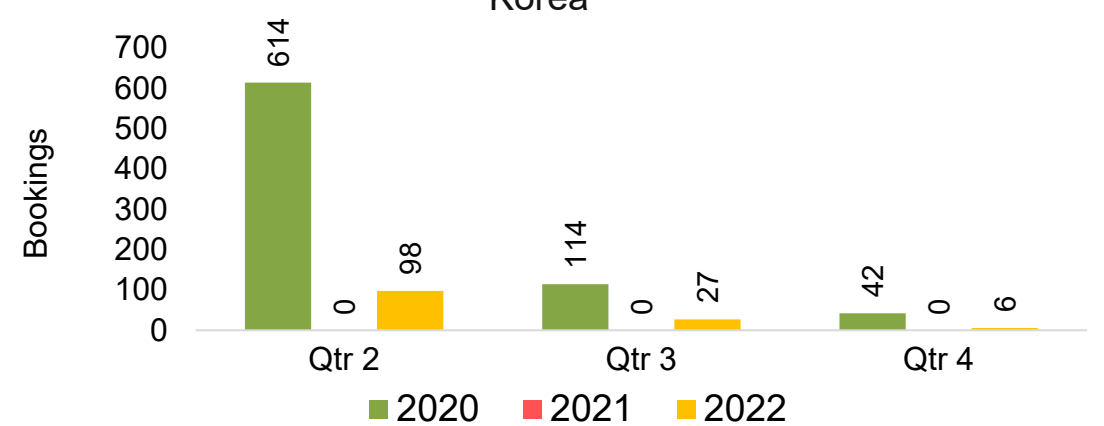
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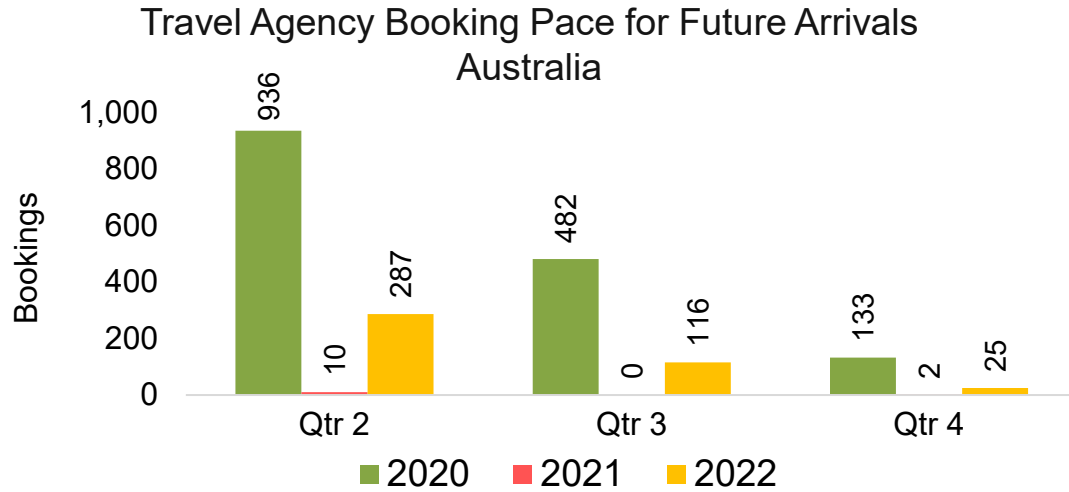
Travel Agency Booking Pace for Future Arrivals
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Travel Agency Booking Pace for Future Arrivals
Korea



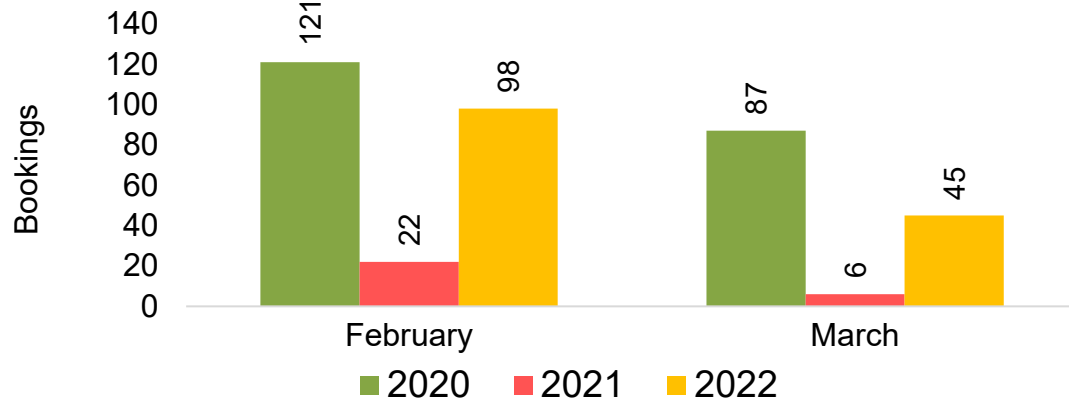
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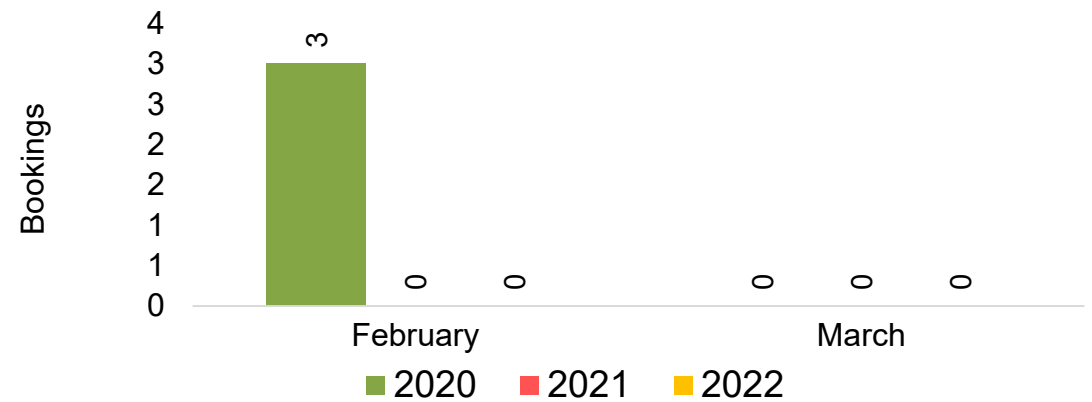
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Moloka'i by Month 2022

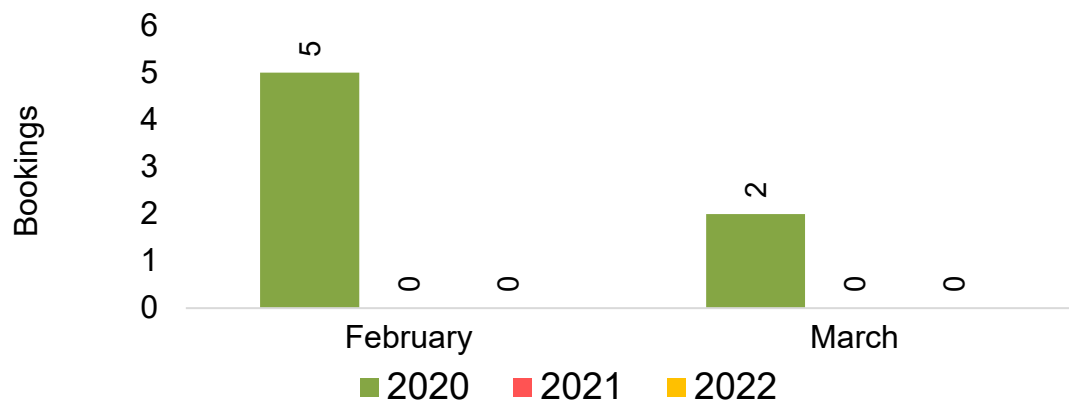
Travel Agency Booking Pace for Future Arrivals
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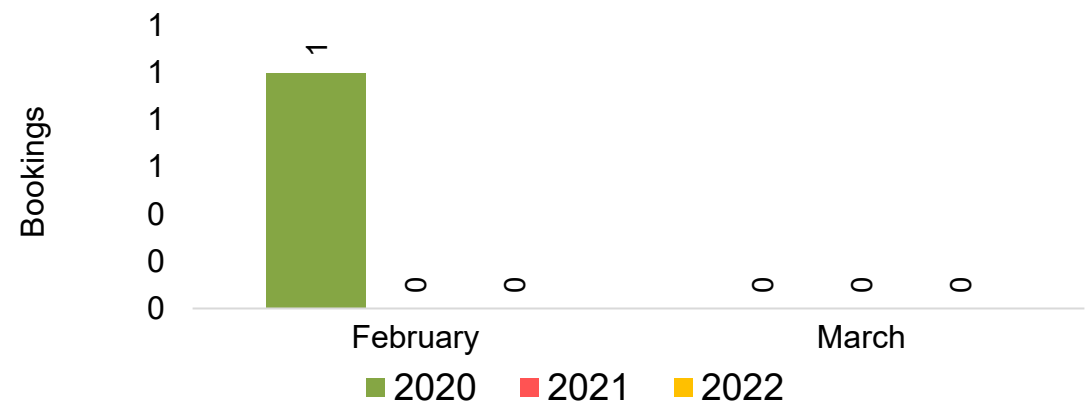
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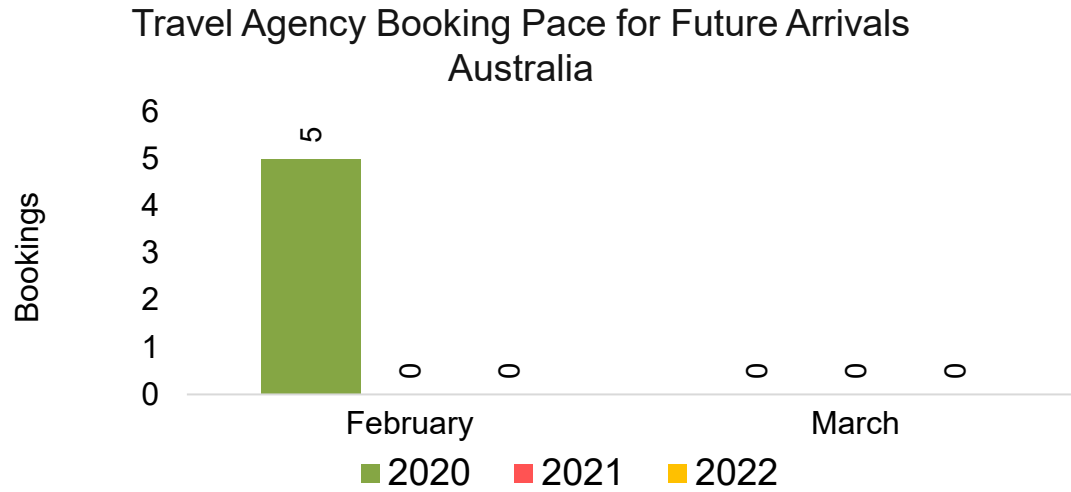
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Canada



Travel Agency Booking Pace for Future Arrivals
Korea



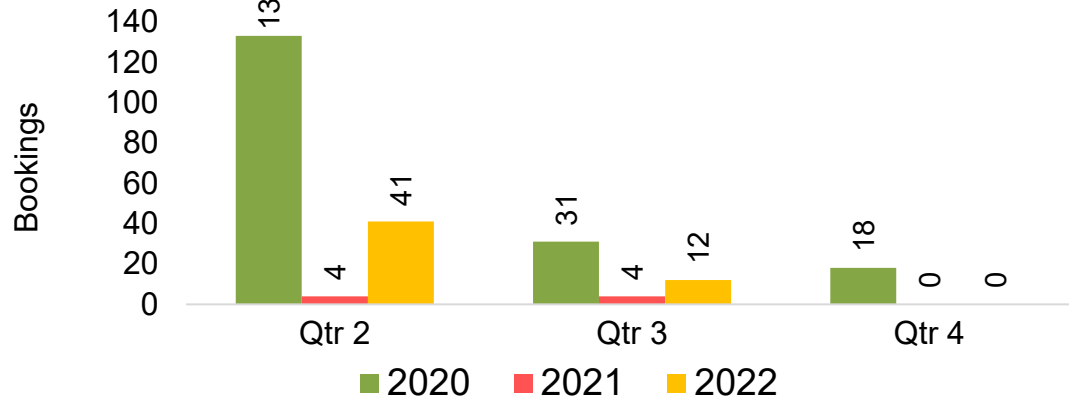
Moloka'i by Month 2022 (cont.)



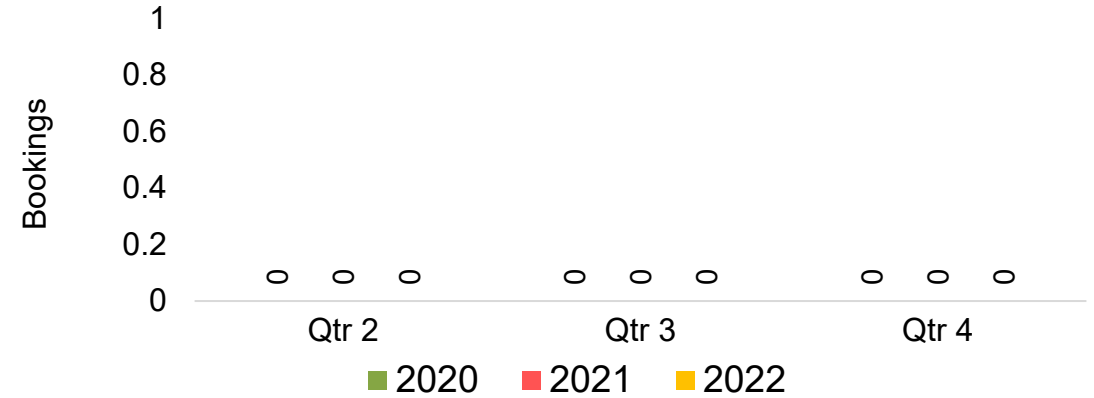
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Moloka'i by Quarter 2022

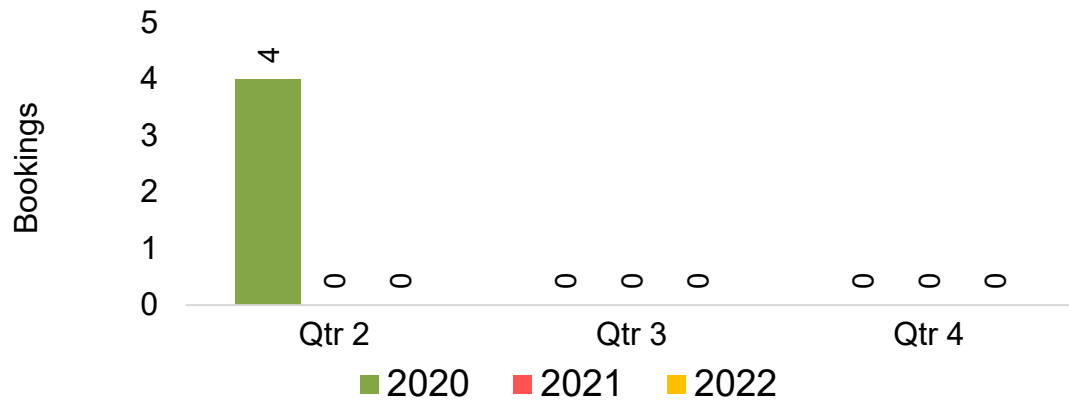
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U.S.



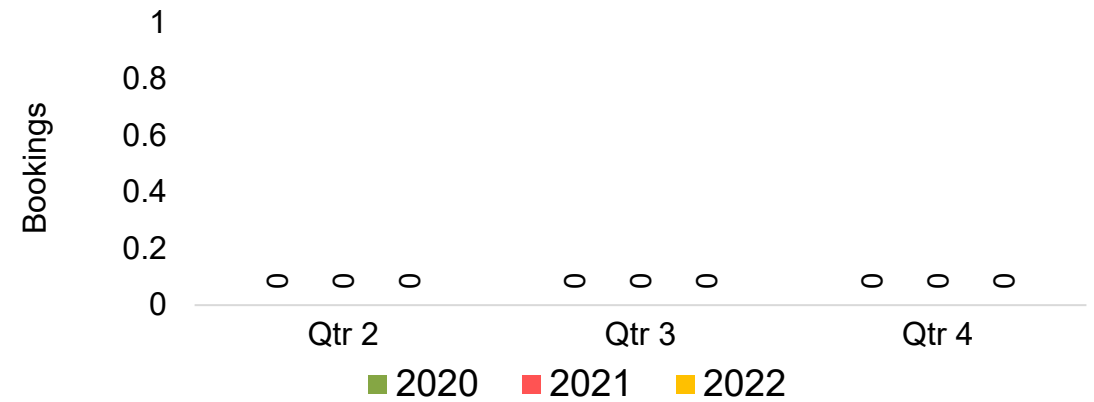
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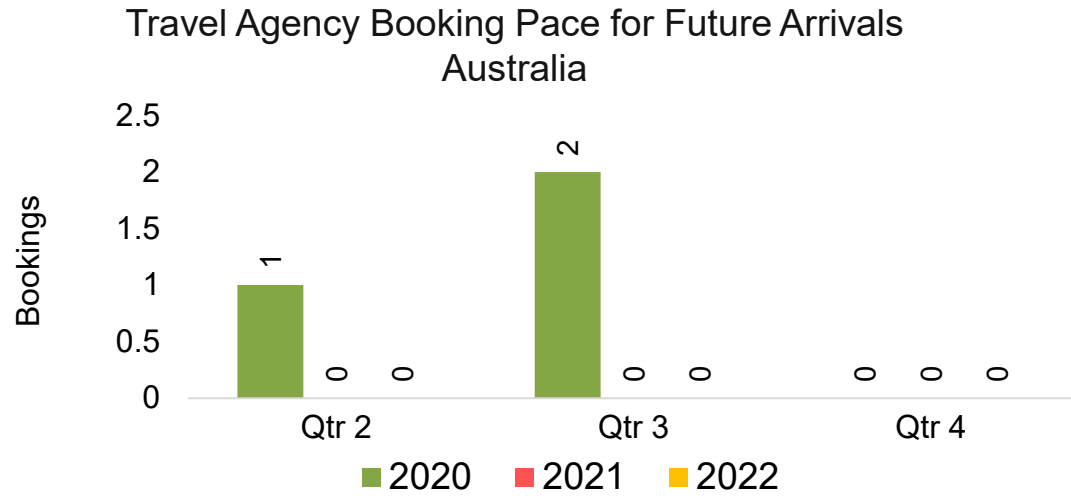
Travel Agency Booking Pace for Future Arrivals
Canada



Travel Agency Booking Pace for Future Arrivals
Korea



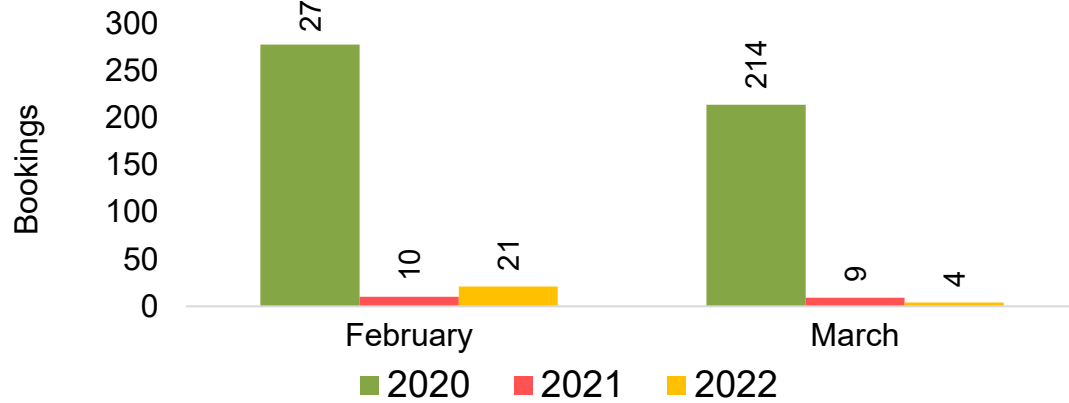
Moloka'i by Quarter 2022 (cont.)



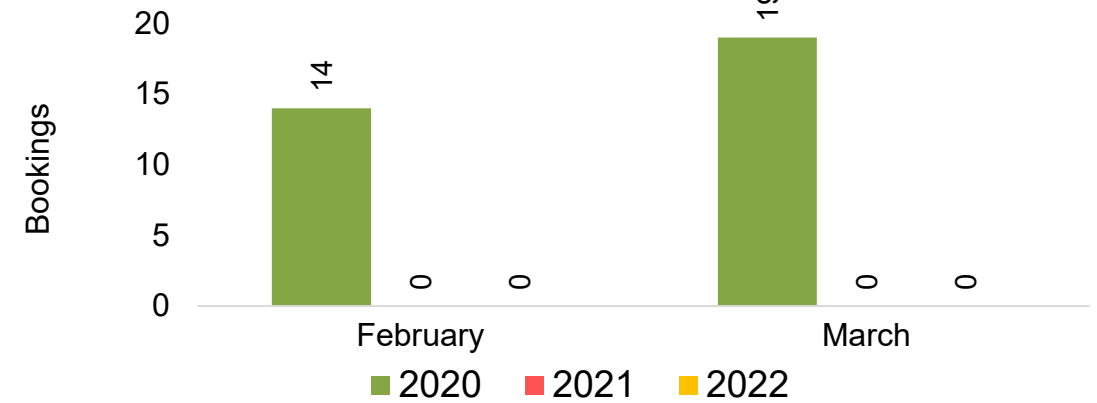
Source: Global Agency Pro as of 02/12/22

Lānaʻi by Month 2022

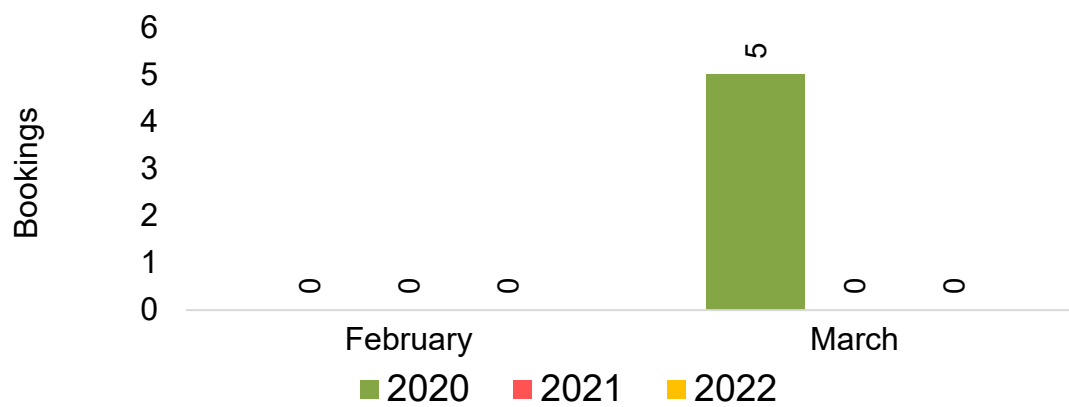
Travel Agency Booking Pace for Future Arrivals
U.S.



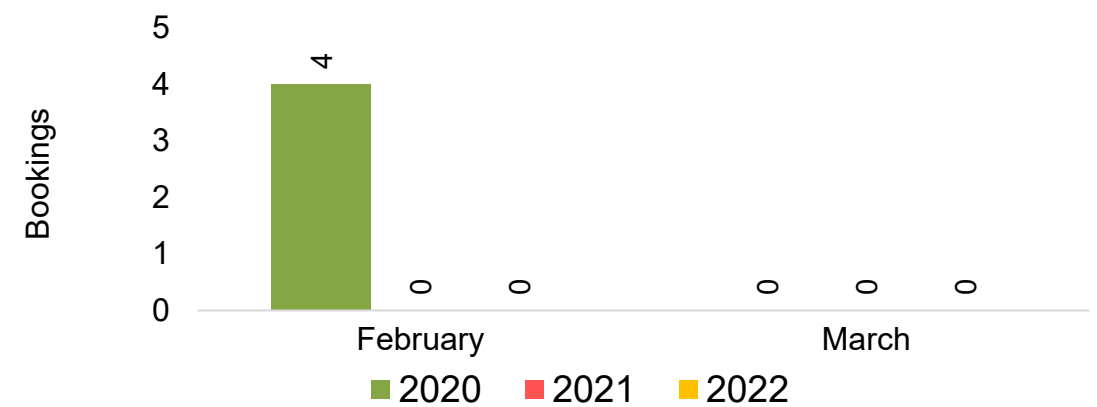
Travel Agency Booking Pace for Future Arrivals
Japan



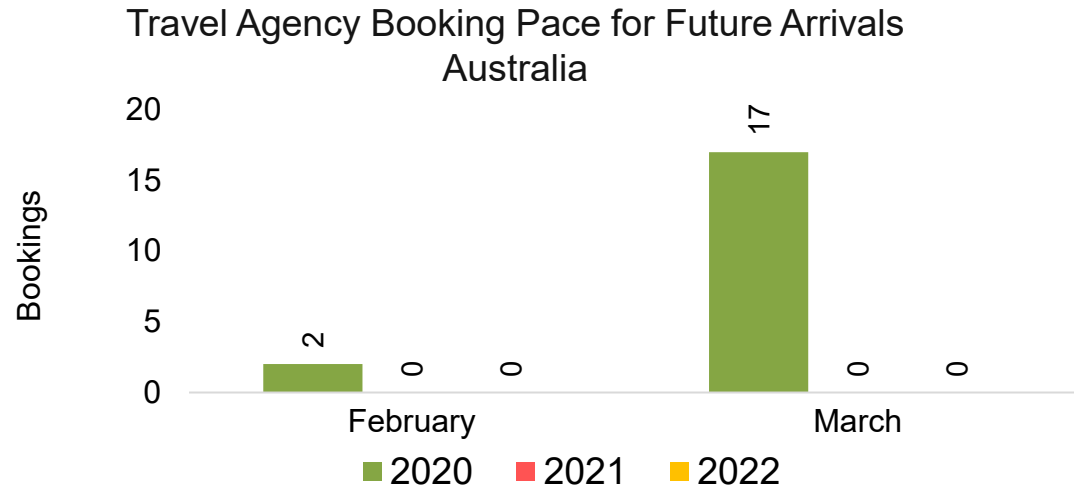
Travel Agency Booking Pace for Future Arrivals
Canada



Travel Agency Booking Pace for Future Arrivals
Korea



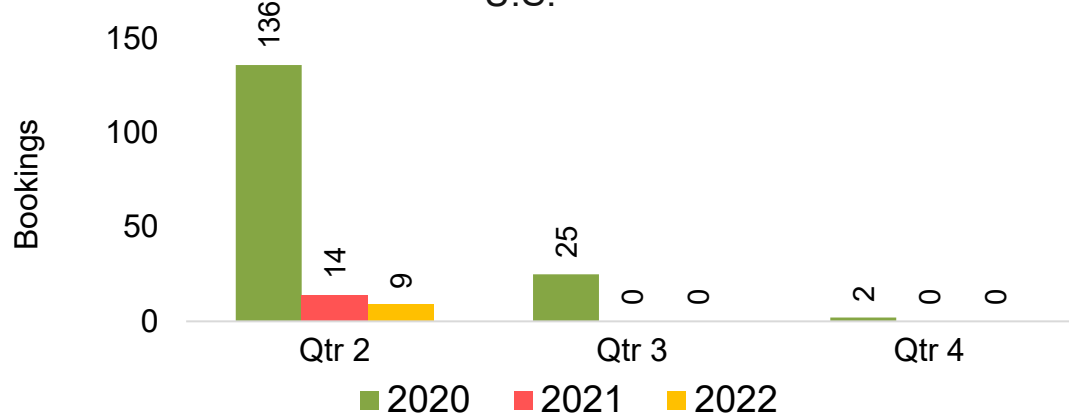
Lānaʻi by Month 2022 (cont.)



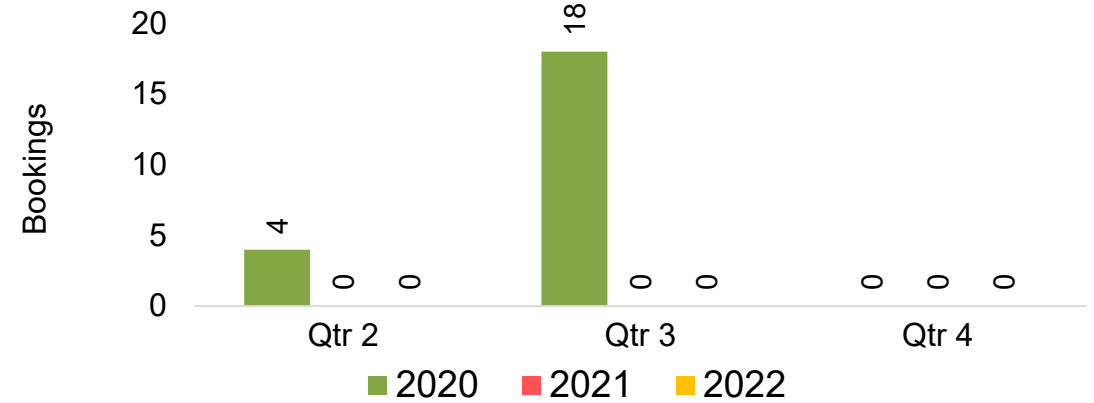
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Lānaʻi by Quarter 2022

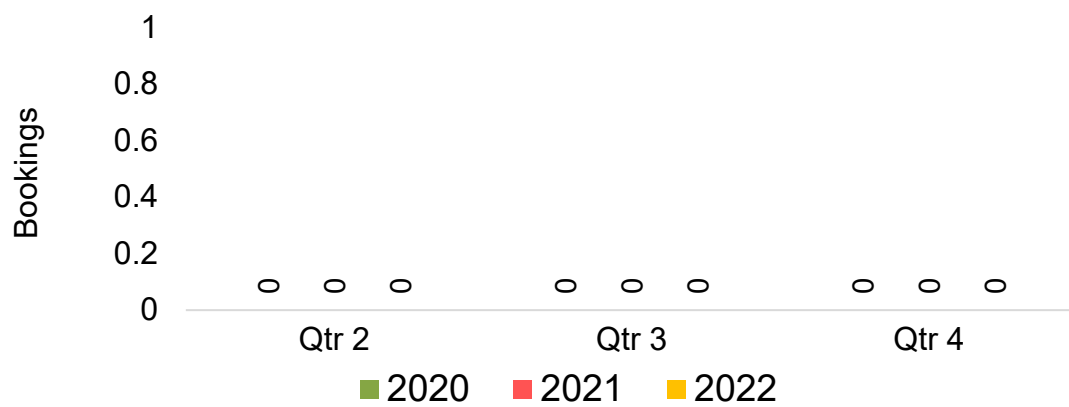
Travel Agency Booking Pace for Future Arrivals
U.S.



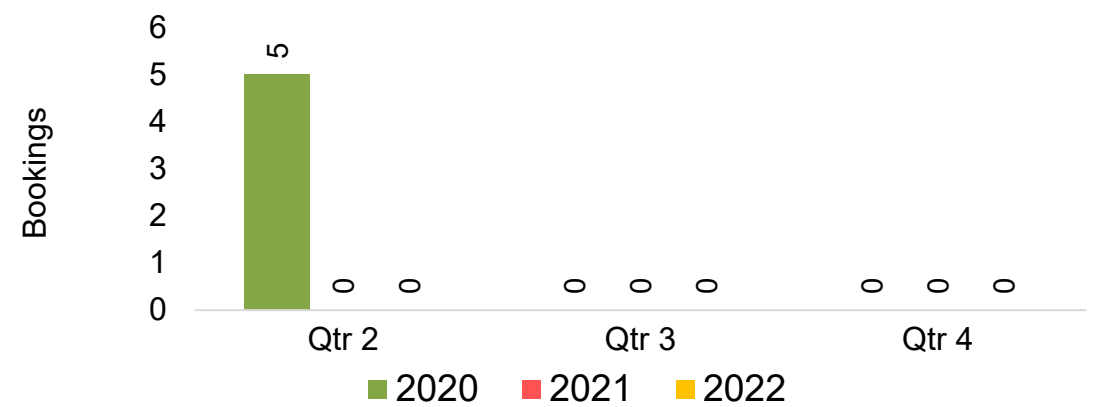
Travel Agency Booking Pace for Future Arrivals
Japan



Travel Agency Booking Pace for Future Arrivals
Canada

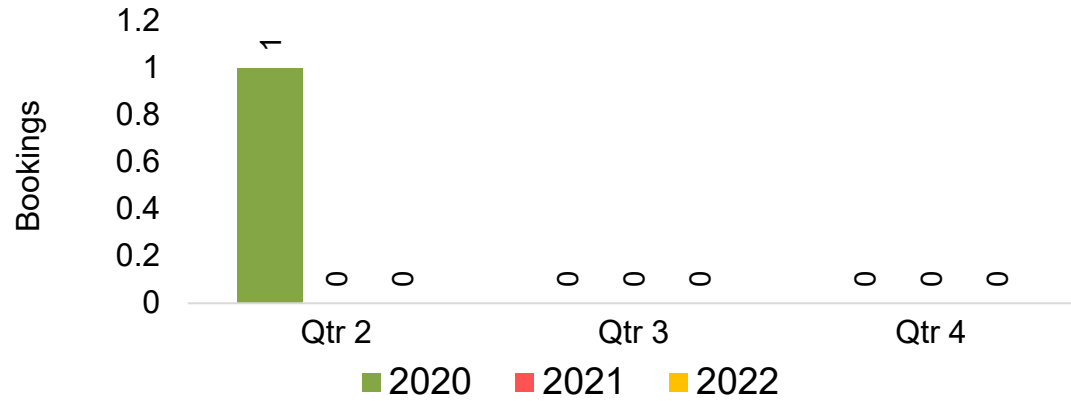


Travel Agency Booking Pace for Future Arrivals
Korea



Lānaʻi by Quarter 2022 (cont.)

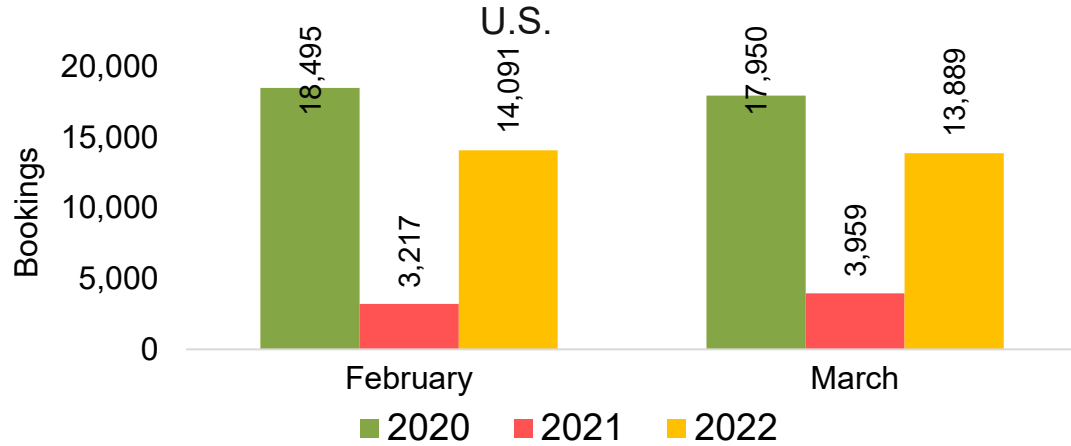
Travel Agency Booking Pace for Future Arrivals
Australia



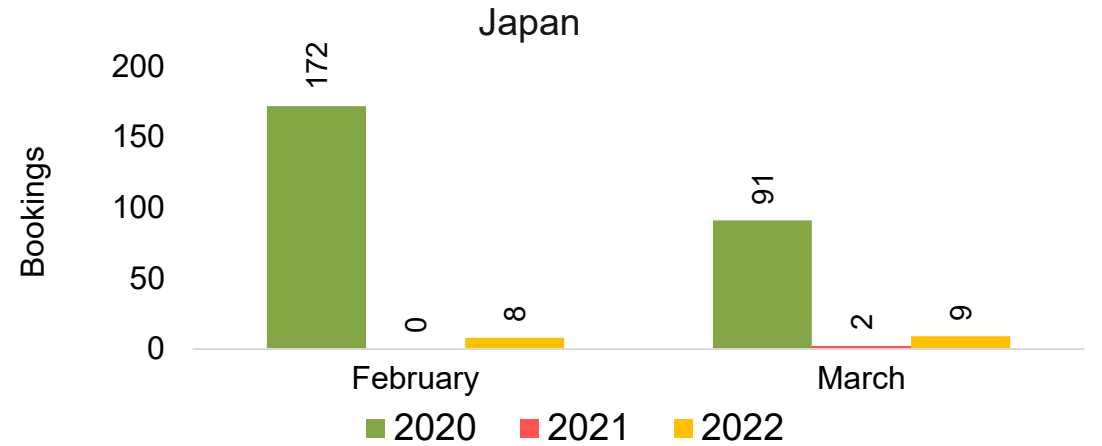
Source: Global Agency Pro as of 02/12/22

Kaua'i by Month 2022

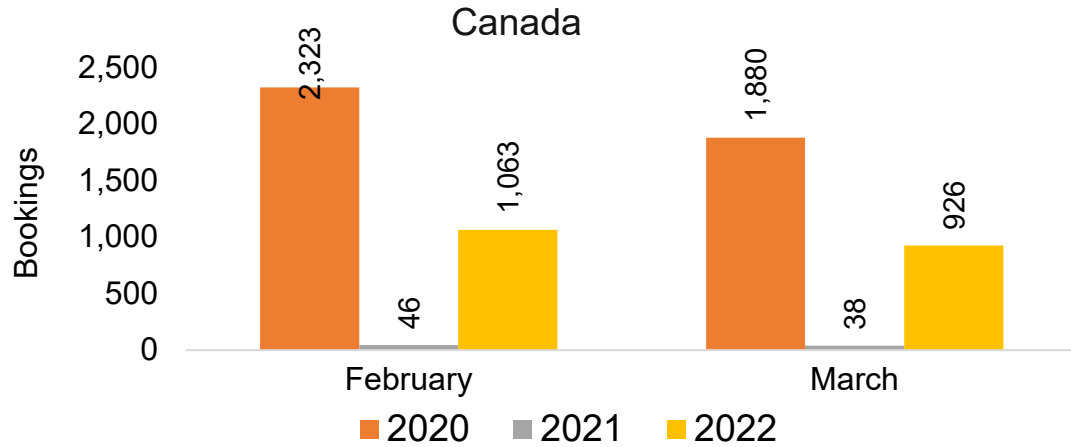
Travel Agency Booking Pace for Future Arrivals



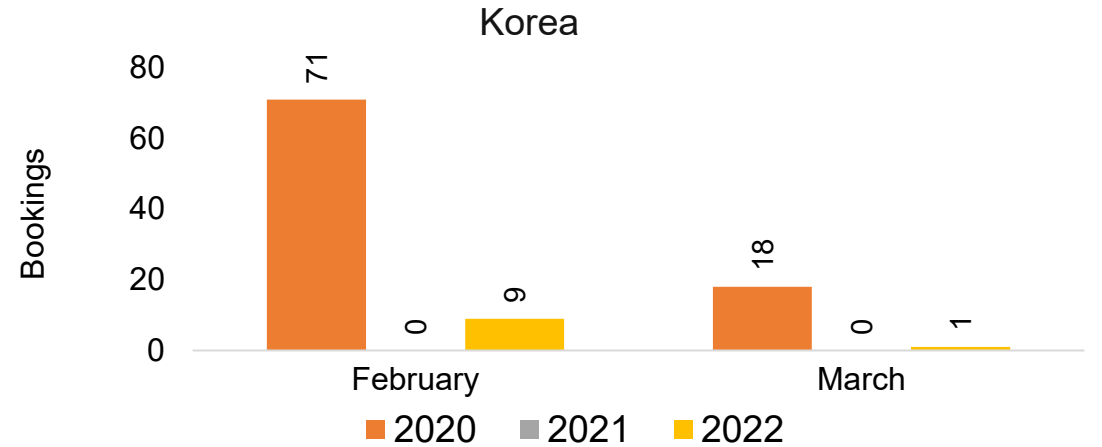
Travel Agency Booking Pace for Future Arrivals



Travel Agency Booking Pace for Future Arrivals

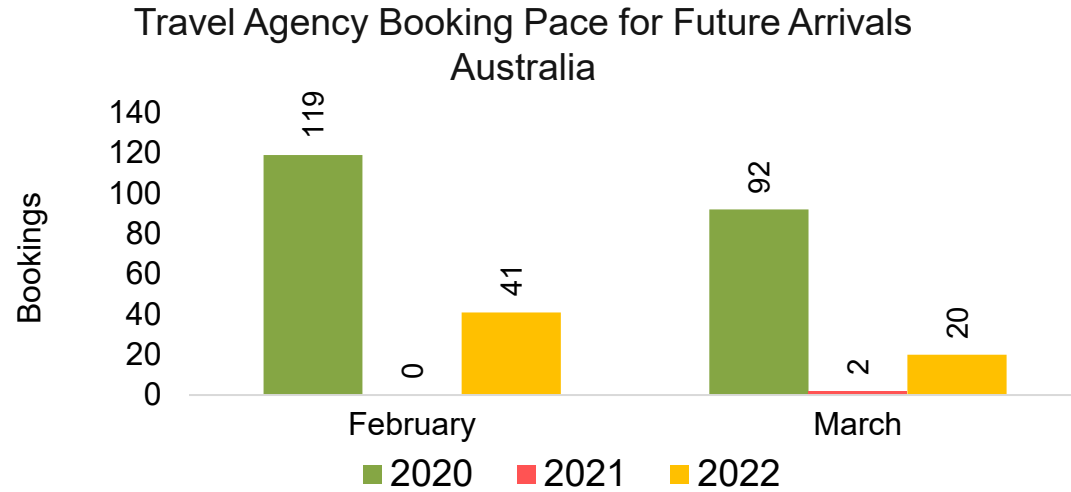


Travel Agency Booking Pace for Future Arrivals



Source: Global Agency Pro as of 02/12/22

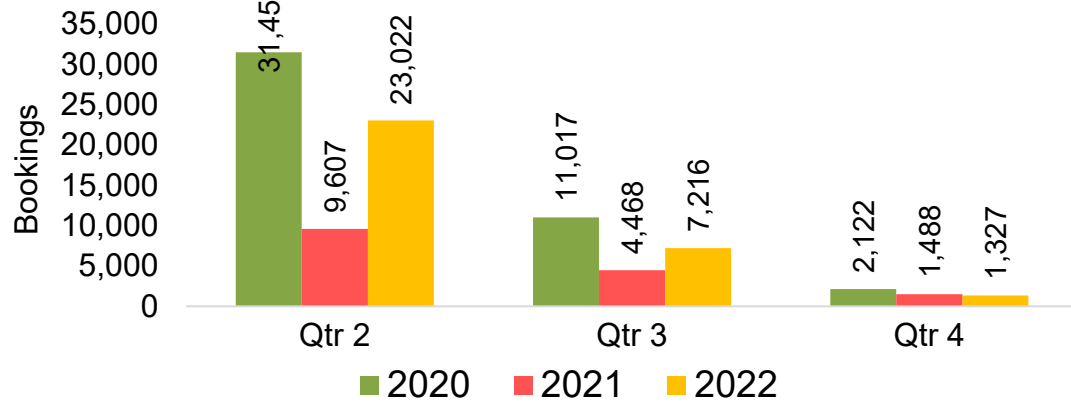
Kaua'i by Month 2022 (cont.)



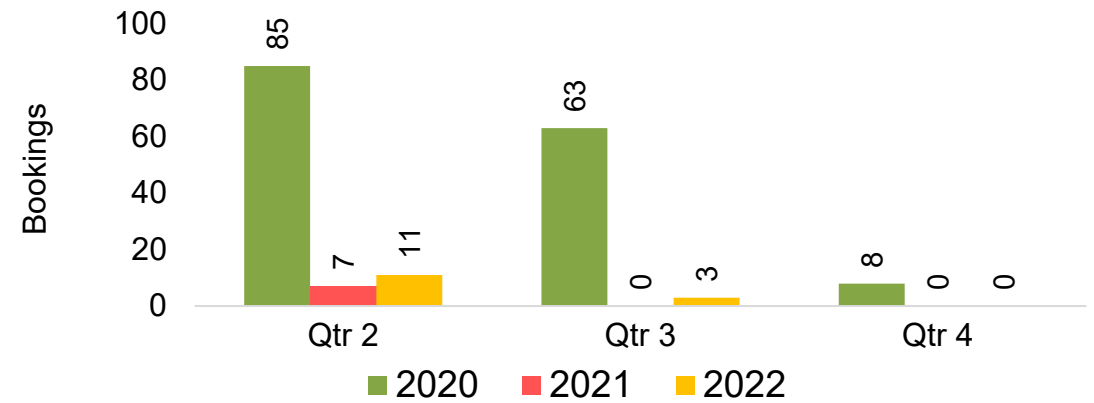
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Kaua'i by Quarter 2022

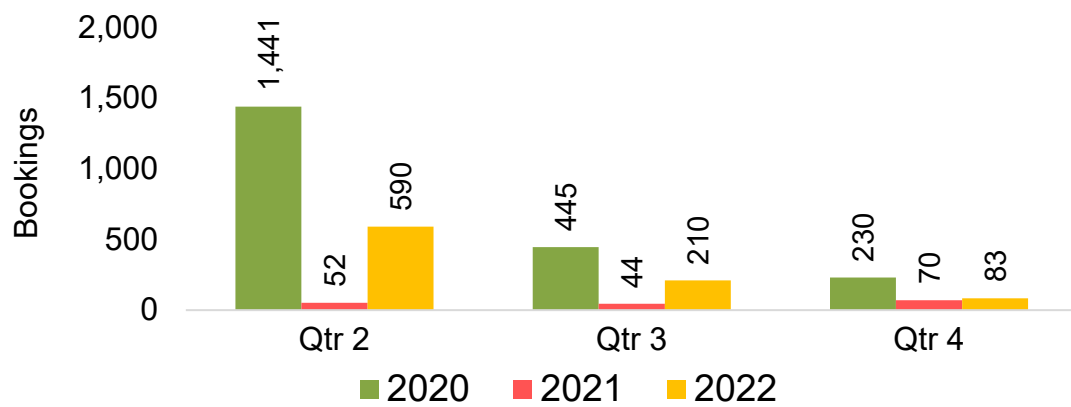
Travel Agency Booking Pace for Future Arrivals
U.S.



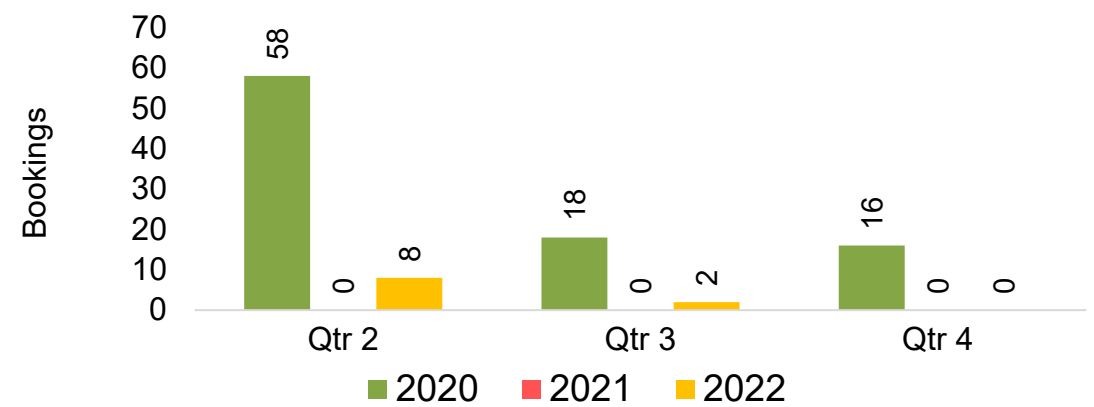
Travel Agency Booking Pace for Future Arrivals
Japan



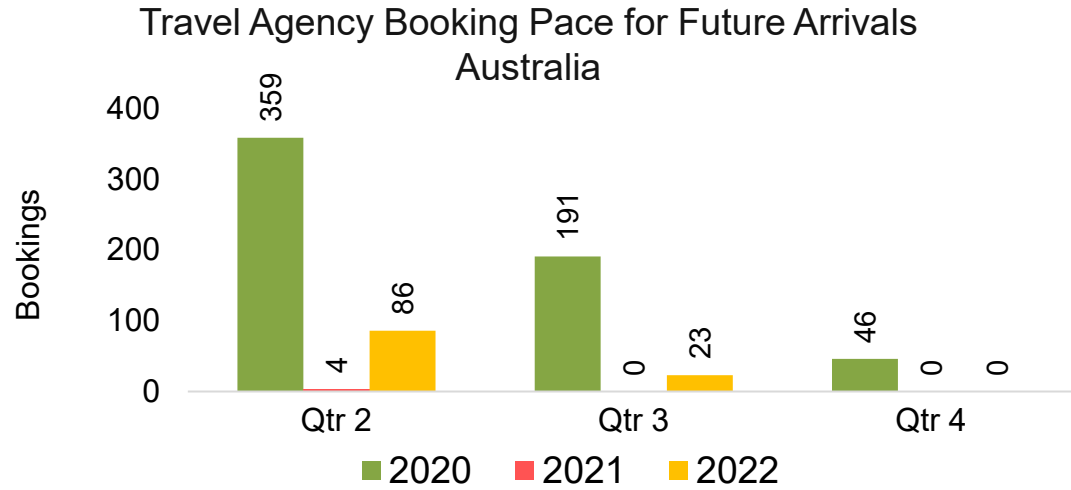
Travel Agency Booking Pace for Future Arrivals
Canada



Travel Agency Booking Pace for Future Arrivals
Korea



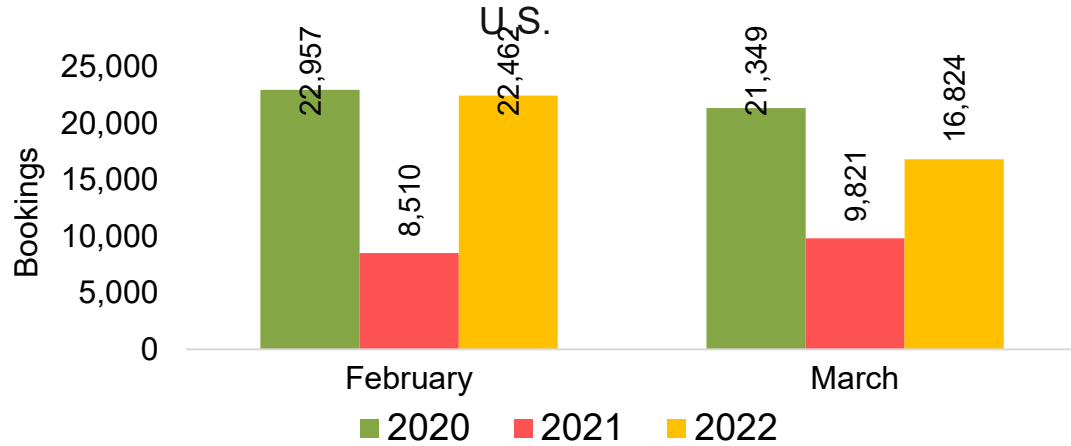
Kaua'i by Quarter 2022 (cont.)



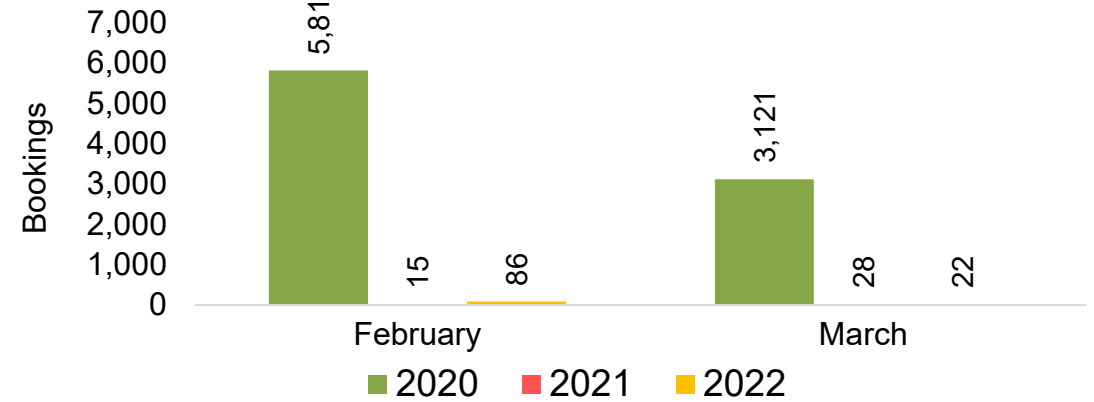
Source: Global Agency Pro as of 02/12/22

Hawai'i Island by Month 2022

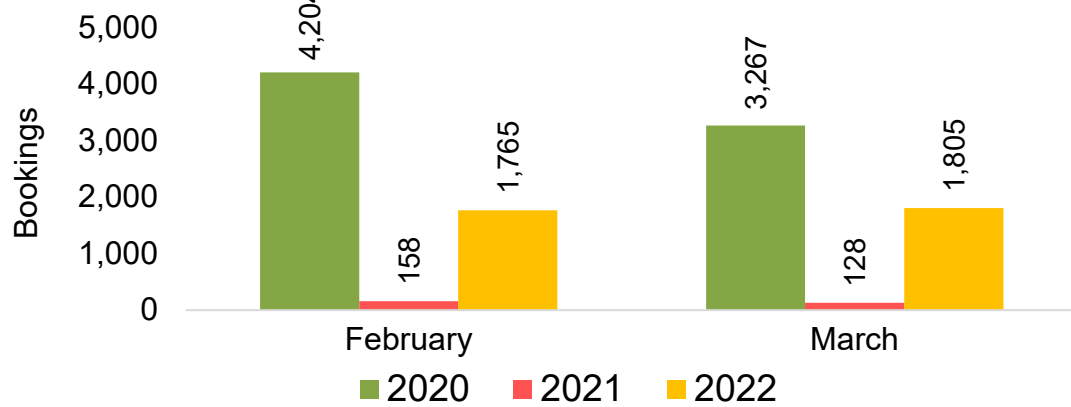
Travel Agency Booking Pace for Future Arrivals



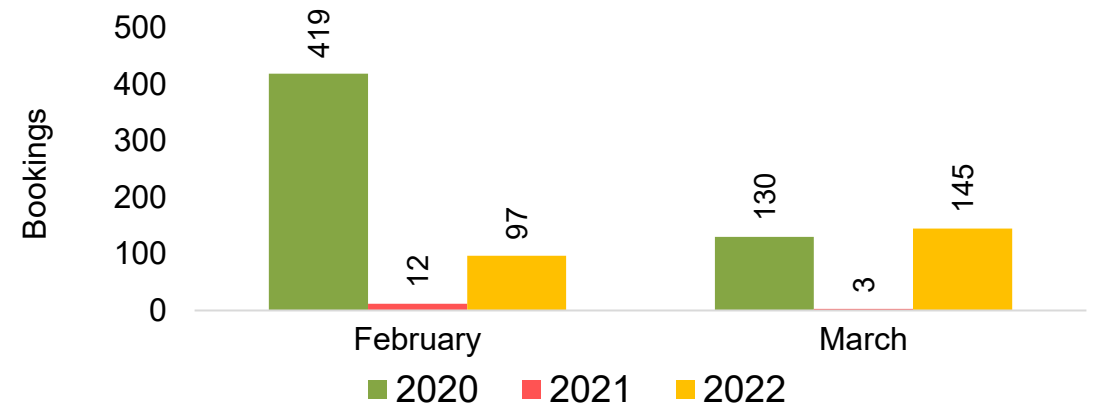
Travel Agency Booking Pace for Future Arrivals Japan



Travel Agency Booking Pace for Future Arrivals Canada

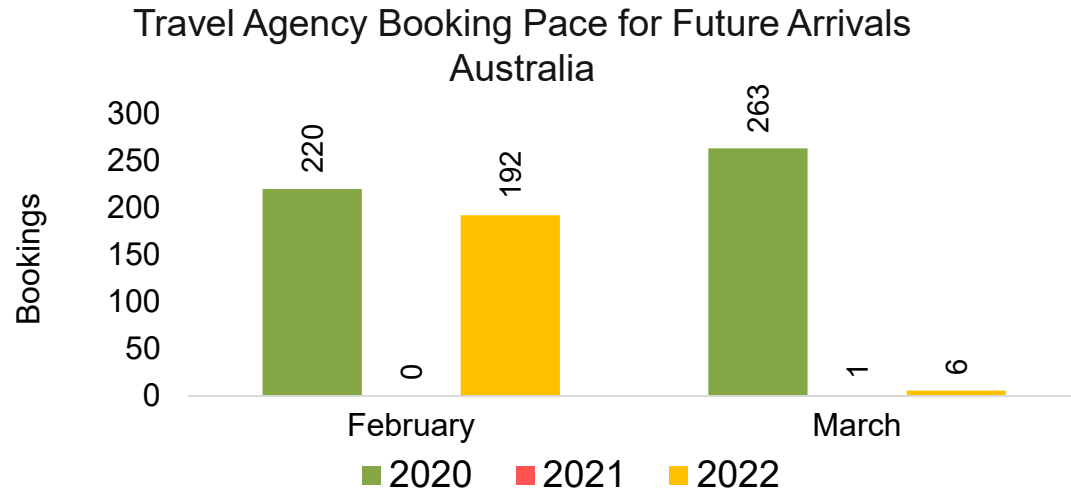


Travel Agency Booking Pace for Future Arrivals Korea



Source: Global Agency Pro as of 02/12/22

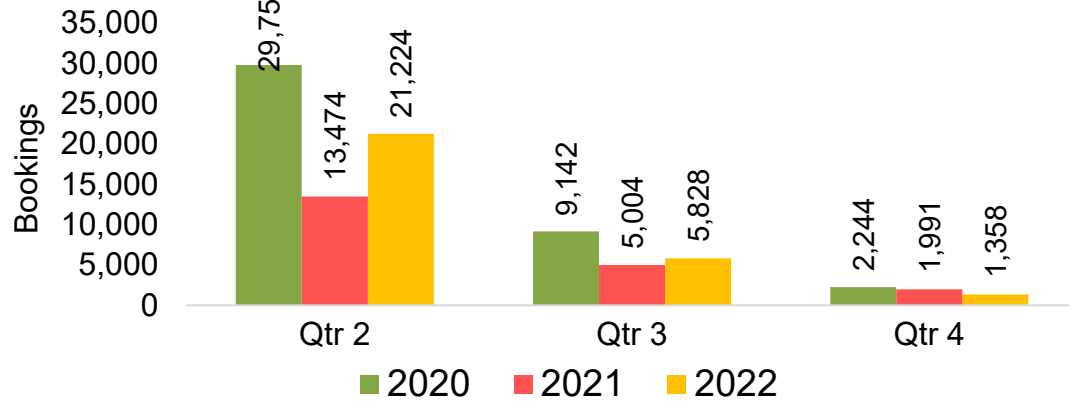
Hawai'i Island by Month 2022 (cont.)



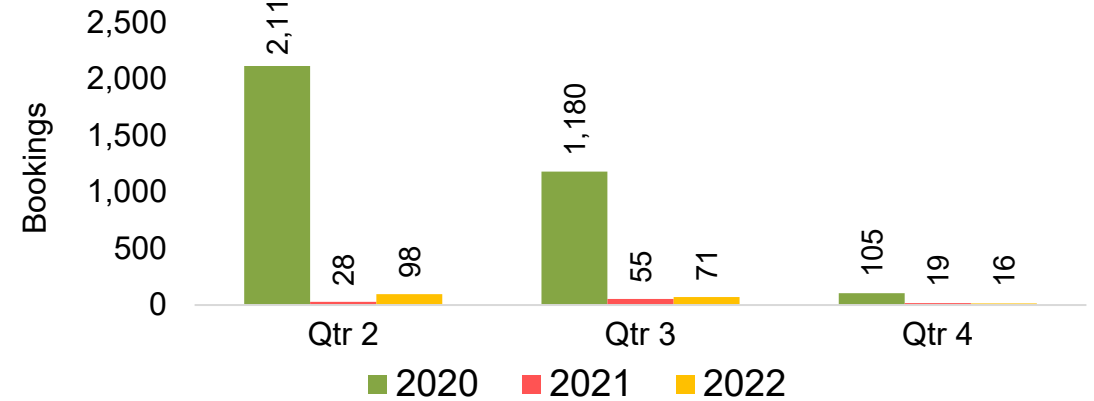
Source: Global Agency Pro as of 02/12/22

Hawai'i Island by Quarter 2022

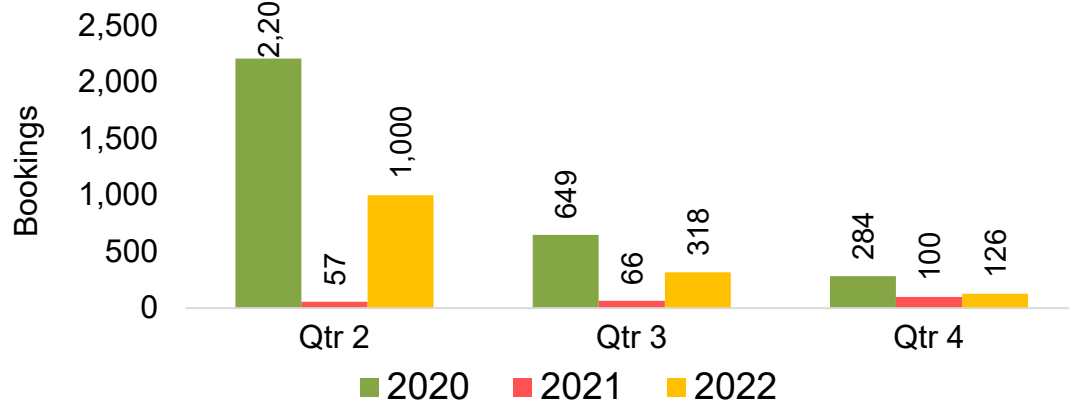
Travel Agency Booking Pace for Future Arrivals
U.S.



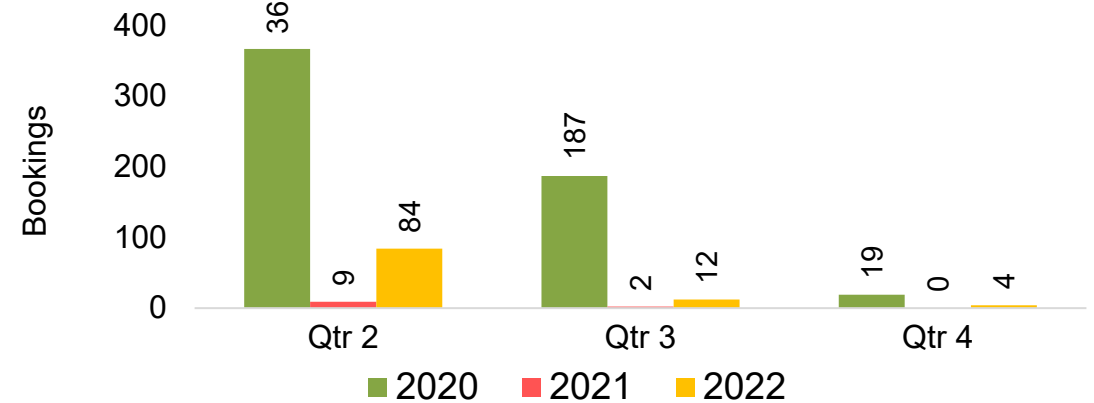
Travel Agency Booking Pace for Future Arrivals
Japan



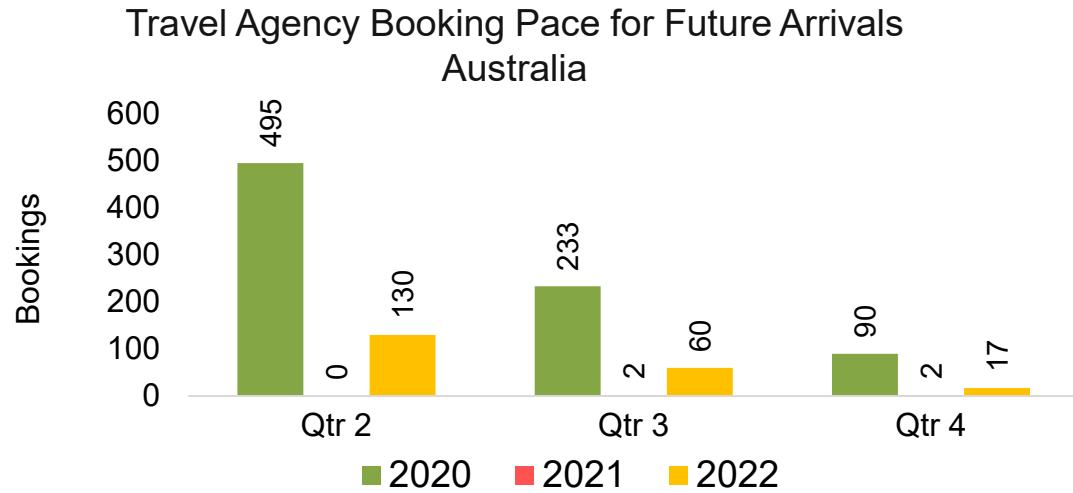
Travel Agency Booking Pace for Future Arrivals
Canada



Travel Agency Booking Pace for Future Arrivals
Korea



Hawai'i Island by Quarter 2022 (cont.)



Source: Global Agency Pro as of 02/12/22

10

Report by the ***Branding Standing Committee*** of their
Meeting held on February 22, 2022

10a

2022 Restricted Activities Branding Guidelines

2022 Restricted Activities Branding Guidelines

The purpose of these guidelines is to strategically guide the GMTs in executing brand marketing and management plans based on the changing market conditions and opportunities from each of the source markets while ensuring our resources are deployed effectively in alignment with HTA’s Strategic Plan.

Abbreviated Measures of Success

- Increase percentage for “visitors recall hearing or seeing information about safe and responsible travel” compared to the most recent study
- Improve Hawai’i’s ratings for “value” and “unique experiences” compared to the most recent study
- Improve score in perceptions of uniqueness of the destination for prospective visitors compared to the most recent study
- Increase percentage of consideration for visiting Hawai’i within the next 12 months compared to the most recent study

Ongoing Activities

- Crisis Communications (Translations)
 - COVID-19
 - Natural Disasters
- Government Relations
 - Embassy/Consulate
 - Sister City/State
 - National and Sub national agencies in market
 - Hawai’i government entities
- Website Development & Maintenance
- Social Media Campaigns
 - Organic
 - Paid/Boosted
 - Focused on Mālama Hawai’i and Kuleana Campaigns
- E-Newsletter Distribution
- Direct Consumer Education
 - General consumer inquiries
 - Travel Planner Fulfillment
 - Education focused on Mālama Hawai’i and Kuleana
- Media Support
 - Relations & Assistance
 - Press/Influencer Trips
 - Education focused on Mālama Hawai’i and Kuleana
- Travel Trade Education
 - General travel trade inquiries
 - Travel Planner Fulfillment
 - Training opportunities
 - Education focused on Mālama Hawai’i and Kuleana
- Community/Stakeholder Relations & Communication
- Digital Assets Development
 - Photoshoots
 - Video
 - Social assets
- CRM Database maintenance
- Planning & Coordination for branding campaigns, event marketing, future co-ops
 - Wholesalers
 - Airlines
 - Others
- Market Insights
- Media Clippings
- Admin Costs

Budget

MMA	Restricted 1 st Quarter Budget	Restricted 2 nd Quarter Budget	Remaining Budget to Fund Full BMMP	Current Phase
Japan	\$707,250	\$2,257,250	\$6,035,500	Red
Oceania	\$250,000		Green	
Korea	\$184,500	\$379,014	\$836,486	Red
China	\$250,000	\$433,750	\$1,116,250	Red

10a.1

2022 Japan 2nd Quarter Major Activities



HAWAII TOURISM

JAPAN



**2022 Japan
2nd Quarter Major Activities**

**HTA Branding Standing Committee Meeting
2.22.2022**

Eric Takahata
Managing Director



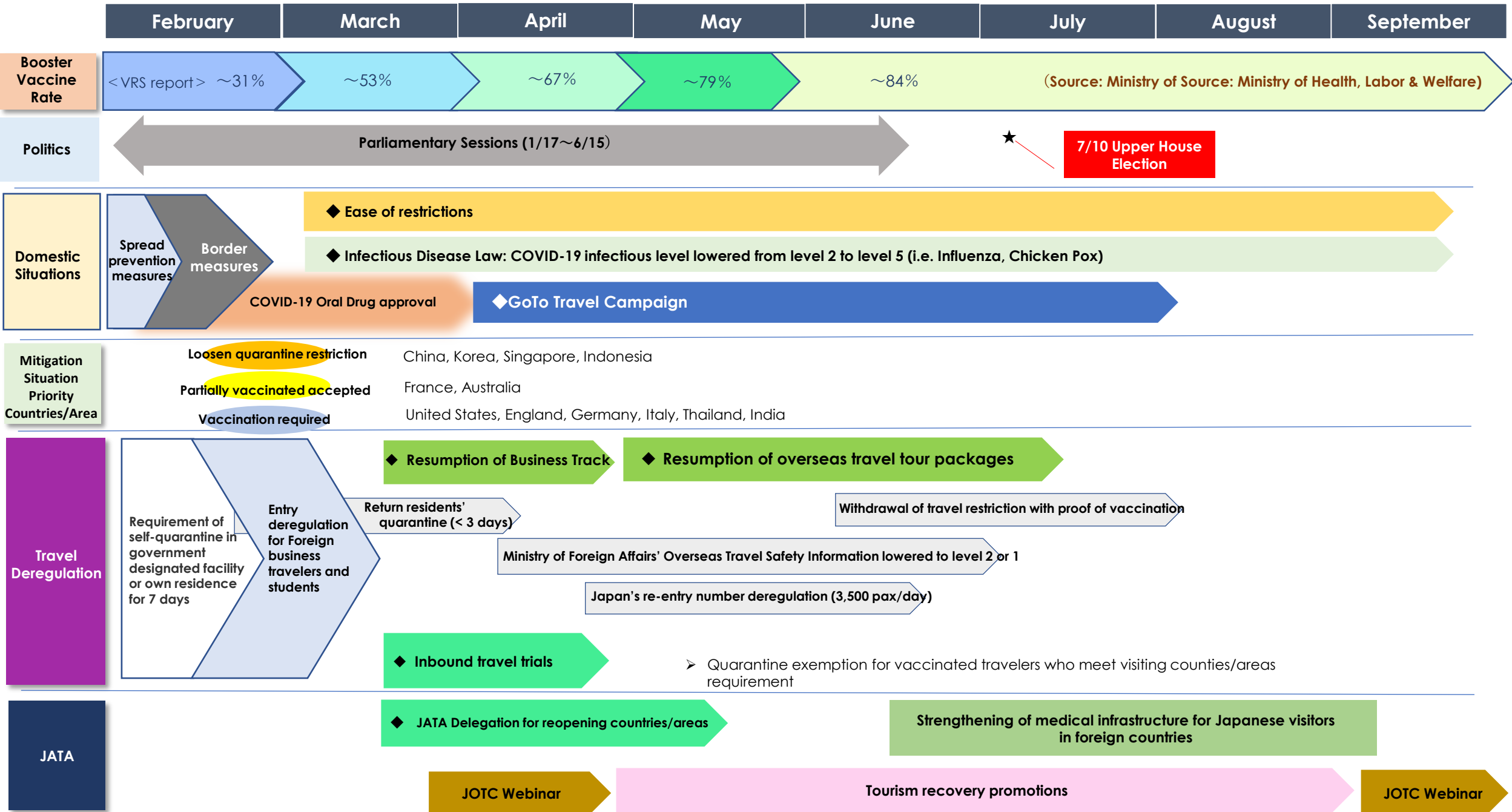
MARKET SITUATION



JAPAN MARKET UPDATE

- Japan's Omicron numbers anticipated to **subside by mid-March**
- Japanese government plans to attain booster goal of **67% in April 2022**
- Japanese government subsidized "**Go To Travel**" **campaign** to begin in April, boosting domestic travel demand
- JATA along with all wholesalers preparing to **ramp up sales promotion activities** starting late April into May
- **JATA executive team FAM to Hawai'i** between April 3 and April 6. Hawai'i will be a first outbound destination targeted for tourism recovery by Japan.
- Prime Minister Kishida announced **easing of travel restrictions** including **reduced quarantine** from 7 days to 3 days for foreign entry to Japan and **increase daily entry capacity** from 3,500 pax to 5,000 pax starting **March 1, 2022**.

JATA Roadmap for Outbound Travel Resumption (As of 2/2, 2022)





HTJ 2ND QUARTER MAJOR INITIATIVES

TRAVEL TRADE

- JATA FAM (4/3/22-4/6/22)
- Japan Summit (June)
- B2B Webinar series (April to June)
- Travel Trade Media tie-ups (April to June)
- Travel Trade FAMs (April to June)

Budget: \$500,000



Wholesalers	OTAs
Travel Trade Media	Major Airlines



EVENT MARKETING HÖKŪLE‘A PROJECT – SISTER CITY BLITZ

Budget: \$250,000



- Support Polynesian Voyaging Society’s initiative through the screening of the documentary film, “Moananuiākea” in 4 sister cities in Japan from May to June
- Promote Made in Hawai‘i products at Hawai‘i consumer events (Tokyo, Nagoya, Osaka, Yokohama)



Tokyo
Yokohama
Osaka
Nagoya

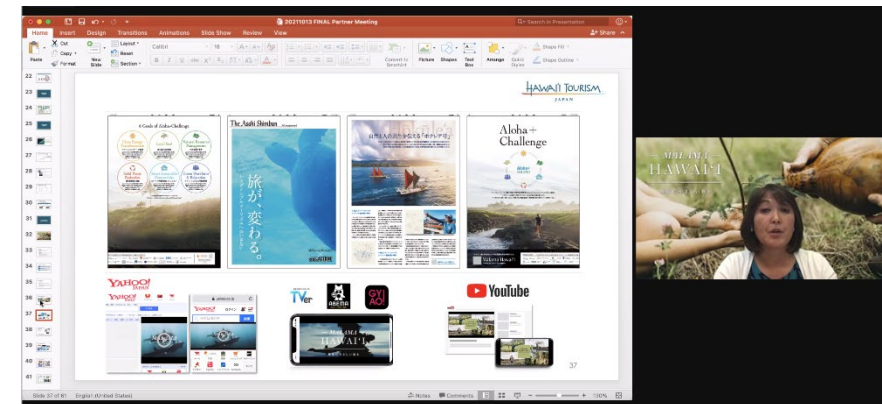


MEDIA RELATIONS

Budget: \$200,000



- Focus on target media that features Mālama Hawai'i stories through TV tie-ups, radio, online media advertorials and editorial articles
- Conduct online webinars to target editors and freelance writers and conduct press tours



MĀLAMA HAWAI'I CAMPAIGNS

Budget: \$500,000



Promote Mālama Hawai'i and Pono Traveler initiatives through advertising campaigns and conduct influencer campaigns to spread the Mālama Hawai'i message

SOMEWHERE IN The Hawaiian Islands
ハワイのとある場所

YouTube TVer AbemaTV GYAO!
Facebook Instagram Twitter LINE Google YAHOO! JAPAN

Digital

地球にやさしい旅を

自然を、大地を、人間を
思いやる心、愛する心。
Mālama - マラマ
ハワイが、そして世界が
この言葉に、この優しさに包まれたなら
この地球はもっと美しくなるはず。
この星のための合言葉。

— MĀLAMA —
HAWAI'I

ハワイ旅動員局 マラマハワイ情報サイト
<https://www.allhawaii.jp/malamahawaii>

マラマはハワイの発展を「思いやり」に、おもてなし、自然と調和したハワイの
暮らしを「心」で支えたい。自然と調和したハワイの暮らしを「心」で支えたい。自然と調和した
ハワイの暮らしを「心」で支えたい。

HAWAII TOURISM
JAPAN
ハワイ観光局

Print Advertisement

Hydro Fl

Influencer campaign

ALOHA PROGRAM

Hawaiian Culture Program



Budget: \$100,000



#1: Advanced satellite office program

#2: 'Ōlelo Hawai'i 10th anniversary

Total 393 branches



Chugoku / Shikoku
49 branches

Chubu
36 branches

Koshinetsu /
Hokuriku
19 branches

Tohoku
21 branches

Hokkaido
8 branches

Hawai'i
11 branches

Kyushu
22 branches

Kansai
62 branches

Kanto
165 branches



BUDGET

2022 2nd Quarter Budget

	April	May	June	Total
Monthly fixed amount	235,750	235,750	235,750	707,250
Advertising	160,000	270,000	270,000	700,000
PR & Promotion	0	150,000	100,000	250,000
Travel Trade	155,000	110,000	235,000	500,000
Hawaiian Culture	55,000	20,000	25,000	100,000
Total	605,750	785,750	865,750	2,257,250



MAHALO

HAWAII TOURISM
JAPAN

10b

Discussion and Action on the Recommendation by the ***Branding Standing Committee*** on the Tourism Recovery Marketing Plan's (TRMP) Brand Marketing Section as Presented at the February 22, 2022 Meeting

See Agenda #7a for TRMP

11

Discussion and Action on the
Tourism Recovery Marketing Plan (TRMP)

See Agenda #7a for TRMP