

# Travel Insights Report



At PacRim Marketing Group and PR Tech the wellness of our customers, associates and the community is important to us and we are closely monitoring the COVID-19 landscape. This week's roundup of news from Hawaii and Asia has a special focus on **Korea**.

## **UPDATES re COVID-19, Novel Coronavirus**

As of May 27, 2020

### **GLOBAL**

Global Coronavirus cases: 5,651,806

### **USA**

Domestic Coronavirus cases (including Hawaii): 1,694,599  
Hawaii cases: 643

### **CHINA**

China Coronavirus cases (Domestic): 84,104

### **JAPAN**

Japan Coronavirus cases (Domestic): 16,623

### **S. KOREA**

South Korea Coronavirus cases (Domestic): 11,265

For updated figures on the disease toll in individual countries and worldwide, please visit:  
<https://gisanddata.maps.arcgis.com/apps/opsdashboard/index.html#/bda7594740fd40299423467b48e9ecf6>

### **HAWAII**

- Governor Ige extended the mandatory 14-day quarantine order for all inbound travelers to June 30. This includes domestic, international and inter-island travel
- Government, visitor industry officials and the general public have raised concerns about a lack of enforcement for the quarantine order and confusion
- Several visitors have been sent home for breaking quarantine. Leaving one's room is a criminal offense punishable by a \$5,000 fine and up to a year in prison

- Gov. Ige's seventh supplementary emergency proclamation extends the safer-at-home order through June 30. It allows state residents to leave home to shop at newly reopened "low risk" businesses, but Ige said the state expects there will be an increase in new COVID-19 cases as the local economy reopens
- People are required to wear masks and practice social distancing in public
- Most Oahu beaches are open for small gatherings, sunbathing, and other activities<sup>1</sup>
  - Limited to members from the same household
  - Groups must be 10 people or less
  - Social distancing is required for people who are not part of the household
- Dine-in services at restaurants will be allowed starting June 5<sup>2</sup>
  - Groups must be 10 people or less
  - Restaurants must follow social distancing rules
  - Self-service buffets and self-service drink stations are prohibited
  - Bars and nightclubs will remain closed
- Oahu hair salons, barber shops and tattoo parlors are expected to reopen May 29

#### Hotel Performance

- In April 2020, Hawaii hotels statewide reported dramatic declines in revenue per available room (RevPAR), average daily rate (ADR), and occupancy compared to April 2019 due to the COVID-19 pandemic
- According to the *Hawaii Hotel Performance Report* published by the Hawaii Tourism Authority's (HTA) Tourism Research Division, statewide RevPAR decreased to \$12 (-94.5%), ADR fell to \$131 (-51.8%), and occupancy declined to 8.9 percent (-69.0 percentage points) in April

#### **AIRLINE INDUSTRY:**

The 14-day self-quarantine has been extended for all incoming travel through June 30. It greatly affects all flight schedules and summer travel plans

- Hawaii – Japan
  - JAL: All services between Hawaii - Japan are suspended through 6/30
  - ANA: Honolulu to/from Haneda (HND) & Narita (NRT) flight suspension extended until 6/30
  - Hawaiian Airlines
    - HND – HNL (HA855 & HA856): suspended until 7/03
    - HND – KONA: suspended until 7/02
    - Sapporo – HNL: suspended until 7/20
  - Delta Honolulu – Japan flights suspended until 7/02
  - United – NRT– HNL resumes 9/08
- Hawaii – Korea
  - Hawaiian Airlines (ICN – HNL): Suspended till 6/15
  - Korean Air (ICN – HNL / ICN – NRT – HNL): Suspended until 7/17
  - Asiana Airlines (ICN – HNL): Suspended until 7/01

<sup>1</sup> <https://www.hawaiinewsnow.com/2020/05/15/oahu-beaches-open-sunbathing-small-family-gatherings/>

<sup>2</sup> <https://www.hawaiinewsnow.com/2020/05/16/city-says-come-june-restaurants-can-open-dine-in-service/>

## **JAPAN**

### Society/Economy:

- PM Shinzo Abe lifted the state of emergency for all prefectures including Tokyo and its surrounding regions, and Hokkaido<sup>3</sup> (05/25)
  - Original planned date: 5/31
  - The government will analyze the infection situation every three weeks to determine whether to scale back restrictions on outings and holding large, crowded events
  - During reopening “Phase 1,” certain businesses such as libraries, museums and athletic fields will be reopened. If conditions worsen again, these businesses will be closed again
  - Phase 2 includes the reopening of retail businesses, movie theaters and specialized schools. Phase 3 will allow for net cafes and arcades to reopen. Restaurants, which were closing by 8 p.m. prior to 5/25, will be allowed to stay open until 10 p. m. in phase 1, followed by midnight in phase 3
- Government to release a contact-tracing app to notify users if they have been in contact with someone who tested positive for COVID-19 in mid-June<sup>4</sup>
  - Available via Google Play and App Store
  - At least 60% of the population need to use the app for it to be effective
- Government approved Remdesivir drug for COVID-19 treatment<sup>5</sup>

### Travel/Hospitality:

- Travelers to Japan drop 99.9% to 2,900 compared to the previous year<sup>6</sup>
- Japan to ban entry from additional 11 countries starting May 27<sup>7</sup>
  - 111 countries/regions total
  - Japanese nationals are urged against any trips to these areas
- Entry restrictions are extended through the end of June but will be gradually eased through 3 phases
  - 1st phase: business travelers and researchers
  - 2nd phase: exchange students
  - 3rd phase: tourists/leisure visitors - it will take a while from now
- The Government will continue to monitor spread of COVID-19 globally to gradually restart the economy
- All returning citizens will undergo PCR testing.
- The government plans to embrace the “fast-track” entry system started in China
  - Instead of requiring the 14-day self quarantine, the fact-track entry system allows foreign visitors to enter the country if they test negative for PCR test

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<sup>3</sup> <https://www.npr.org/sections/coronavirus-live-updates/2020/05/25/861843337/japans-shinzo-abe-lifts-coronavirus-state-of-emergency-as-critics-swarm>

<sup>4</sup> <https://japanese.engadget.com/covid19-104050993.html>

<sup>5</sup> <https://english.kyodonews.net/news/2020/05/a71bc1fcd3ad-update1-japan-approves-remdesivir-for-covid-19-treatment-in-expedited-review.html>

<sup>6</sup> <https://www.japantimes.co.jp/news/2020/05/21/national/foreign-travelers-japan-decline-record-low-just-2900-april/#.XswpExNKhQI>

<sup>7</sup> <https://www.japantimes.co.jp/news/2020/05/25/national/japan-expand-entry-ban-india-10-other-nations/#.XswokRNKhQI>

- within 72 hours before departure and again test negative upon arrival <sup>8</sup>
- Domestic travel between prefectures will gradually be allowed starting 6/19<sup>9</sup>
- The government aims to boost the inbound travel with the “Go To campaign” starting in late July<sup>10</sup>
  - ¥1.7 trillion monetary measure
  - When a travel product is purchased through a travel agency, a discount coupon worth 50% (up to 20,000 JPY / night) of the product price will be offered

#### Lifestyle & Fashion Trends:

- Limited edition shoes are popular among men
  - [Adidas Yeezy](#)
  - [Nike Air Max](#)
  - [Nike LeBron James](#)
  - [Nike Air Jordan](#)
- Zoom-ba-e: Zoom-worthy items/products
  - Snap camera: Photo-enhancing app by Snapchat, which beautifies people’s facial features → popular among females who want to join a meeting without wearing makeup
- Insta-bae remains strong
  - Insta-worthy pictures taken at home
  - Trending hashtags: #athomecafe #dalgonacoffee #toastarrange (decorations on the toast) #creamsoda #flowersandwich #snoopygyoza (potstikers) #handmadestrawberrycandy
- New interactions via Animal Crossing
  - Classic game created by Nintendo
  - New features include artworks from the Metropolitan Museum of Art, items from Valentino, Marc Jacobs, etc.
- Desire for “delicious food” skyrocketed<sup>11</sup>
  - Search for “I want to eat delicious food” increased on Yahoo Japan after the government announced the state of emergency across the country
  - Search words included luxury foods (i.g. eel, cod roe, beef tongue, honeydew, etc.), desserts (i.g. cake, pudding, macaron, Japanese style sweets, etc.), and “community outreach” to reduce the food waste caused by COVID-19
  
- Major magazine and guidebook publishers have been forced to change the release date, skip an issue or merge issues due to the difficulty of editing and covering due to the spread of corona virus.
  - This has affected many Hawaii magazines and guidebooks
  - Contact PacRim Marketing Group for details, as needed

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<sup>8</sup> [https://www.yamatogokoro.jp/column/corona\\_world/38545/](https://www.yamatogokoro.jp/column/corona_world/38545/)

<sup>9</sup> [https://www.kantei.go.jp/jp/singi/novel\\_coronavirus/th\\_siryou/sidai\\_r020525.pdf](https://www.kantei.go.jp/jp/singi/novel_coronavirus/th_siryou/sidai_r020525.pdf)

<sup>10</sup> <https://www.japantimes.co.jp/news/2020/05/25/business/japan-travel-go-to-campaign/#.XswqzhNKhQJ>

<sup>11</sup> <https://markezine.jp/article/detail/33376>

## KOREA

- The government is planning to operate local screening clinics in preparation for the re-emergence of COVID-19 in Fall<sup>12</sup>
- Communities are encouraging residents to avoid close contact with each other and visiting public places
  - Promoting remote working system and delay of the new school semester
- Korean Air lines to require all passengers on domestic routes to wear masks starting 5/18<sup>13</sup>
- South Korea's Foreign Ministry extends “Special Travel Advisory” to June 19
  - Called on citizens to cancel or postpone their trips to any foreign countries/regions
  - Residents are allowed to take only domestic trips
  - Between level 2 – 3 under the country's four-tier advisory system
    - First stage (blue): travel note, second stage (yellow): travel restraint, third stage (red): recommended withdrawal, fourth stage (black): immediate withdrawal/prohibition of travel
  - Aimed at preventing the inflow of viruses into Korea amid the global pandemic of COVID-19 as well as preventing Koreans from becoming infected and isolated overseas

### Society/Economy:

- “Everyday life quarantine” operation with inspections of the public transportation, private institutes, etc. will be implemented
- HMR (home meal replacement), multi-functional home (work and leisure), mental care, contact business (contact to contact), robot services, local business, and Korea Premium (new opportunities for Korean products) will be the post-COVID-19 consumption trends, according to the report “Corona Impact: Direction of Change” published by the Big Data Marketing Center of Daehong Communications.<sup>14</sup>
- “Thanks to” is an online cheering-relay campaign to express sincere gratitude to healthcare workers started on April 16.<sup>15</sup>
  - The federal and local government, media, cultural and artistic workers, religious and sports organizations are joining the campaign through various channels such as online news, community, blog, YouTube, Twitter, Instagram, Facebook, Kakao Story, etc.
  - Official campaign Instagram account:  
[https://www.instagram.com/thanks\\_challenge/](https://www.instagram.com/thanks_challenge/)
  - Total # of hashtags/mentions of the campaign
    - Instagram: 39,477

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<sup>12</sup>

[http://ncov.mohw.go.kr/tcmBoardView.do?brdId=3&brdGubun=31&dataGubun=&ncvContSeq=2425&contSeq=2425&board\\_id=311&gubun=ALL](http://ncov.mohw.go.kr/tcmBoardView.do?brdId=3&brdGubun=31&dataGubun=&ncvContSeq=2425&contSeq=2425&board_id=311&gubun=ALL)

<sup>13</sup> [https://www.koreatimes.co.kr/www/tech/2020/05/774\\_289567.html](https://www.koreatimes.co.kr/www/tech/2020/05/774_289567.html)

<sup>14</sup> [https://news.sbs.co.kr/news/endPage.do?news\\_id=N1005800111&plink=ORI&cooper=NAVER](https://news.sbs.co.kr/news/endPage.do?news_id=N1005800111&plink=ORI&cooper=NAVER)

<sup>15</sup>

[http://ncov.mohw.go.kr/tcmBoardView.do?brdId=&brdGubun=&dataGubun=&ncvContSeq=354517&contSeq=354517&board\\_id=140&gubun=BDJ](http://ncov.mohw.go.kr/tcmBoardView.do?brdId=&brdGubun=&dataGubun=&ncvContSeq=354517&contSeq=354517&board_id=140&gubun=BDJ)

- Naver/Daum Blogs: 66,545
  - Video: 12,739
  - Online News: 25,930
  - Naver Cafe: 14,254
- Cluster infection took place in nightclubs<sup>16</sup>
  - Total 255 confirmed cases (96 visited the clubs, 159 family and friends) as of 5/26/20
- A survey found that a half of the Korean population is experiencing anxiety and depression due to COVID-19.<sup>17</sup>
  - COVID-19 is no less damaging to the mental health of the people than to socioeconomic losses and economic crises. Need to prepare for the spread of the national trauma, "Mentaldemic"
- Schools reopened for high school seniors<sup>18</sup>
- Total exports in the first quarter of this year fell by 1.4%, but exports of 8\* new industries grew 17% YOY to \$21 billion.<sup>19</sup>
  - Next-generation semiconductors rose 22.9%, Biohealth rose 26.3% and electric vehicles rose 25.1%.
  - 8 new industries include electric vehicles, robots, biohealth, aviation and drones, new energy industries, advanced new materials, next-generation displays and next-generation semiconductors.
- Average monthly expenditure per household was 3.945 million won (about \$3,176), down 4.9% from the previous year. Consumption requiring outside activity has dropped significantly, while domestic consumption including groceries has increased.<sup>20</sup>

#### Travel:

- April domestic air travelers fell to the lowest level (1.35 million) since 1997.
- Korean Air and Asiana Airlines, the country's two biggest carriers, plan to start resuming flights on dozens of international routes in June as they prepare for increased travel demand after countries ease entry restrictions.<sup>21</sup>
- A growing number of newlyweds are choosing domestic travel instead of honeymooning abroad, which they call "Semi Honeymoon." This is due to the perception that Korea is safer than overseas, and the Honeymoon packages released by hotels have a wide range of options.<sup>22</sup>
- The government began providing emergency disaster aid on May 13. The emergency aid can be used for travel packages, which could help revive travel

<sup>16</sup> [http://www.koreatimes.co.kr/www/nation/2020/05/113\\_289981.html](http://www.koreatimes.co.kr/www/nation/2020/05/113_289981.html)

<sup>17</sup> [https://www.pressian.com/pages/articles/2020051911165549861?utm\\_source=naver&utm\\_medium=search](https://www.pressian.com/pages/articles/2020051911165549861?utm_source=naver&utm_medium=search)

<sup>18</sup>

[https://www.fnnews.com/news/202005220936085118/www.koreatimes.co.kr/www/nation/2020/05/181\\_289745.html](https://www.fnnews.com/news/202005220936085118/www.koreatimes.co.kr/www/nation/2020/05/181_289745.html)

<sup>19</sup>

<sup>20</sup> <https://www.sedaily.com/NewsView/1Z2U6QW2O8>

<sup>21</sup> [https://www.koreatimes.co.kr/www/tech/2020/05/774\\_289744.html](https://www.koreatimes.co.kr/www/tech/2020/05/774_289744.html)

<sup>22</sup> <http://www.inews24.com/view/1267257>



demand this summer.<sup>23</sup>

- Hana Tour, one of Korea's largest travel agencies, held a management committee on the 11th and decided on liquidation of overseas corporations, changes to liaison offices, and the closure of its LA, New Jersey and Hawaii offices.<sup>24</sup>
- South Korea's Foreign Ministry extends "Special Travel Advisory" to June 19
  - Called on citizens to cancel or postpone their trips to any foreign countries/regions
  - Residents are allowed to take only domestic trips
- South Korean nationals residing overseas have been returning home. Are subject to temporary quarantine and restrictions
- As the authorities expect a reemergence, these travel restrictions will likely continue

## **CHINA**

- People celebrate a version of Valentine's Day (520 Day) on 5/20<sup>25</sup>
  - 520 sounds phonetically similar to "I love you" in Chinese
  - As the country continues to fight the pandemic, companies made efforts to take advantage of this day via social media
  - e.g., Prada, Tiffany<sup>26</sup>
- Luxury brands mark up their prices<sup>27</sup>
  - Chanel ramped up their handbag price by 25%
  - Louis Vuitton increased prices in March and May
- DingTalk, a video-conference app developed by Tencent is the most downloaded app in Q1 2020, seconded by Tencent Meeting, and Zoom placed 6th<sup>28</sup>
  - Zoom and Microsoft Teams are the most used software in the U.S. and Japan
  - The divide could cause issues if Chinese professionals try to hold video conferences with American or Japanese counterparts, as Chinese companies are unwilling to embrace Teams
- Shanghai Disneyland reopened on 5/11/20
  - Capacity is restricted to 30% (24,000)
  - Pre-purchased ticket or reservations for annual pass holders required
  - They will take all guests' temperature and practice social distance (they are not allowed to hug Mickey Mouse)
- Exports increased by 3.5% compared to last year while imports decreased 14.2% in April 2020
- Robotaxi providers plan to increase the number of driverless cars on the road to accommodate people unwilling to take public transportation

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<sup>23</sup> <http://www.traveltimes.co.kr/news/articleView.html?idxno=109854>

<sup>24</sup> [http://www.koreadaily.com/news/read.asp?art\\_id=8298625](http://www.koreadaily.com/news/read.asp?art_id=8298625)

<sup>25</sup> <https://www.chinainternetwatch.com/7517/internet-valentines-day/>

<sup>26</sup> [https://www.sohu.com/a/396415403\\_114984](https://www.sohu.com/a/396415403_114984)

<sup>27</sup> <https://wwd.com/business-news/marketing-promotion/luxury-brands-brace-price-hikes-entry-level-items-in-china-rebound-1203631149/>

<sup>28</sup> <https://asia.nikkei.com/Business/China-tech/In-China-Zoom-no-match-for-Alibaba-s-videoconference-app>

## TAIWAN

- Taiwan marks 43 days of no new local cases as of 5/25/2020
- Taiwan proposes plan to loosen travel and transportation restrictions, according to Ministry of Transportation and Communications
  - The Three-stage plan
  - Stage 1 (6/1 - 7/31): passengers on the country's regular trains and high speed rail will be able to eat onboard as long as social distancing is maintained, but they will still have to wear masks during other times, it added
  - Stage 2 (8/1 - 10/31): subsidies will be given to certain group and individual travel packages, promoting domestic travel with local governments
  - Stage 3 (10/3 - 12/31): the country will start to allow overseas travel and will first encourage travel to countries where COVID-19 is under control



*Please note: The information in this memo is for informational purposes about the COVID-19 situation and is not intended for publication or public attribution.*

The advertisement features a dark blue background with a light blue banner at the top left that reads 'Promote Your Business!'. Below this, the text 'PacRim Marketing Graphic Design &amp; Creative Services' is displayed in white. A yellow hexagonal callout box contains the text 'Affordable Solutions, Quick Turnaround'. A 'LEARN MORE &gt;&gt;' button is positioned below the main text. At the bottom left, the website 'www.PacRimMarketing.com' and phone number '(808) 784-2417' are listed. On the right side, there are two overlapping promotional cards: one for 'Happy Mother's Day' and another for 'FATHER'S DAY'. The PacRim Marketing Group Inc. logo is located at the bottom right of the advertisement.

<sup>29</sup> <https://www.taiwannews.com.tw/en/news/3940086>