

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 news roundup includes coverage from **Hawaii**, **Japan**, **Korea** and **China**.

<u>UPDATES re COVID-19, Novel Coronavirus</u>

As of June 11, 2020

GLOBAL

Global Coronavirus cases: 7,435,727

USA

Domestic Coronavirus cases (including Hawaii): 2,011,341

Hawaii cases: 685

CHINA

China Coronavirus cases (Domestic): 84,210

JAPAN

Japan Coronavirus cases (Domestic): 17,187

S. KOREA

South Korea Coronavirus cases (Domestic): 11,947

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

- The 14-day mandatory self-quarantine for mainland and international visitors for all arrivals is extended through July 31.¹
- The 14-day mandatory self-quarantine for inter-island travelers will be lifted on June 16 with new safety procedures in place:
 - Inter-island travelers are required to undergo health screenings and temperature scans at the airports.
 - Travelers must complete a new form to gather health information and assist the state

¹ https://governor.hawaii.gov/wp-content/uploads/2020/06/2006097A-ATG_Ninth-Supplementary-Proclamation-COVID-19-distribution-signed.pdf

- in tracking and responding to COVID-19 cases.
- Travelers may be prohibited from boarding a flight if they have an elevated temperature above 100.4 degrees, they refuse to complete the mandatory form, or they are on the 14-day quarantine list prohibiting them from flying.
- Many 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.
- Short-term vacation rentals are considered non-essential and may not operate.
- Any person who is subject to a 14-day traveler quarantine order may not rent a vehicle unless an exemption is granted.

Society/Lifestyle

- Gov. Ige's ninth supplementary emergency proclamation extends the 14-day quarantine through July 31. The "Act With Care" order includes guidelines for work, permitted activities outside the home, safe practices, travel, car sharing, host responsibility and more.²
- People are encouraged to wear masks and practice social distancing in public.
- Most Oahu beaches are open for small gatherings, sunbathing, and other activities.³
 - Limited to members from the same household
 - o Groups must be 10 people or less
 - Social distancing is required for people who are not part of the household
- Hawaii State Parks will reopen in phases by July 1. This will include camping and lodging facilities. Most Oahu and Kauai parks are open, but areas prone to crowding, such as Nu'uanu Pali State Wayside and Diamond Head crater interior and summit trail, remain closed.⁴
- Oahu hair salons, barber shops and tattoo parlors reopened on May 29.
- Dine-in services at restaurants began to open starting June 5⁵.
 - Groups must be 10 people or less
 - Restaurants must follow social distancing rules
 - Self-service buffets and self-service drink stations are prohibited
- Oahu theaters, museums, fitness centers, bowling alleys and bars will open starting June 19⁶ with new safety measures.
- Outdoor organized sports can reopen in phases. Phase 1 on June 19 with baseball, soccer, outdoor volleyball, and similar sports. Phase 2 will include competitive team play.
- On Maui, bars can reopen and outdoor team sports can resume on June 15.
- Out-of-state productions are allowed to film on Oahu, beginning June 5. Crews are are subject to a modified quarantine process until the mandatory quarantine is lifted.

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 Tourism Research Division, statewide RevPAR fell to \$12 (-94.5%), ADR fell to \$131 (-51.8%), and occupancy declined to 8.9 percent (-69% points) in April.

² https://governor.hawaii.gov/wp-content/uploads/2020/06/2006097A-ATG Ninth-Supplementary-Proclamation-COVID-19-distribution-signed.pdf

³ https://www.hawaiinewsnow.com/2020/05/15/oahu-beaches-open-sunbathing-small-family-gatherings/

⁴ https://www.hawaiinewsnow.com/2020/06/09/list-hawaii-state-parks-reopen-phases-by-july/

⁵ https://www.hawaiinewsnow.com/2020/05/16/city-says-come-june-restaurants-can-open-dine-in-service/

⁶ https://www.hawaiinewsnow.com/2020/06/04/bars-movie-theaters-gyms-oahu-given-date-reopening/

Hawaii Hotel Performance Info:

For the week of May 24 – May 30, 2020

	Occupancy	ADR	RevPAR
State of Hawaii	14.3%	\$ 136.26	\$ 19.43
Oahu	12.5%	\$ 143.42	\$ 17.97
Maui County	12.4%	\$ 152.42	\$ 18.84
Kauai County	20.8%	\$ 126.31	\$ 26.29
Island of Hawaii	19.3%	\$ 109.99	\$ 21.18

AIRLINE INDUSTRY:

The 14-day self-quarantine has been extended for all incoming travel through July 31.

- Hawaii Japan
 - JAL: All services between Hawaii Japan are suspended through 7/31
 - ANA: Honolulu Haneda (HND) & Narita (NRT) flights suspension extended until
 7/31
 - Hawaiian Airlines
 - HND HNL (HA855 & HA856): suspended through 7/14
 - HND KONA: suspended through 7/14
 - NRT HNL: suspended through 7/14
 - FUK HNL: suspended through 7/14
 - CTS (Sapporo) HNL: suspended through 7/20
 - Delta: suspended until 10/24
 - United: suspended until 9/30⁷
- Hawaii Korea
 - Hawaiian Airlines (ICN HNL): Suspended till 7/14
 - Korean Air (ICN HNL / ICN NRT HNL): Suspended until 8/318
 - Asiana Airlines (ICN HNL): Suspended until 7/31

GUAM

- Guam will accept visitors from Japan, South Korea and Taiwan starting 7/1, lifting any self-quarantine rules for visitors from these countries.
 - While this may encourage the Japanese to consider Guam travel, Japan still requires travelers from the U.S. including Guam to self-quarantine for 14 days upon entry, so unless an exception is made for Guam on the Japan side, the number of travelers to visit Guam may be limited.

JAPAN

Society/Economy:

- The Government continues to monitor the spread of COVID-19 globally to gradually restart the economy.
- PM Shinzo Abe lifted the state of emergency for all prefectures including Tokyo and Hokkaido⁹ on 5/25.

⁷ https://www.khon2.com/coronavirus/us-dot-approves-united-american-request-to-temporarily-suspend-neighbor-island-travel/

⁸ https://www.koreanair.com/global/en/about/news/travel info/2020 01 CN.html

⁹ https://www.npr.org/sections/coronavirus-live-updates/2020/05/25/861843337/japans-shinzo-abe-lifts-coronavirus-state-of-emergency-as-critics-swarm

- During reopening "Phase 1," businesses such as libraries, museums and athletic fields will be reopened. If conditions worsen again, these businesses will close 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
- The Tokyo Metropolitan Government issued the alarm after 34 new cases were confirmed in Tokyo after it eased business closure requests.
 - Number of people going outdoors in the city is at 50 70% compared to pre COVID-19
- New reported cases of COVID-19 positive have been around 30 to 50 per day recently, including around 10-30 per day in Tokyo.
- Government to release a contact-tracing app in mid-June to notify users if they have been in contact with someone who tested positive for COVID-19.¹⁰.
 - Available via Google Play and App Store
 - At least 60% of the population must use the app for it to be effective
- Cashless payment
 - Japan to introduce the universal barcode system (JPQR) for smartphone payments, which can be used for 18 payment services starting in late July.
 - The government is encouraging the use of cashless payment methods to help prevent the spread of COVID-19.
- Protests against racial prejudice and police brutality took place in Tokyo and Osaka, drawing more than 500 people at each location.¹¹

Travel/Hospitality:

- Travelers to Japan drop 99.9% to 2,900 compared to the previous year.¹²
- Entry restrictions are extended through the end of June but will gradually ease through 3 phases.
 - 1st phase: business travelers and researchers
 - 2nd phase: exchange students
 - o 3rd phase: tourists/leisure visitors it will take a while from now
 - Currently 111 countries/regions are banned from entering
- 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 within 72 hours before departure and again test negative upon arrival. ¹³
- All returning citizens will undergo PCR testing.
- Domestic travel between prefectures will gradually be allowed starting 6/19¹⁴.
- Government to reevaluate the "Go To campaign," aimed to boost inbound travel¹⁵.

¹⁰ https://japanese.engadget.com/covid19-104050993.html

¹¹ https://www.japantimes.co.jp/news/2020/06/07/national/protests-rallies-race-police-brutality-tokyo-japan/?ct=t(EMAIL CAMPAIGN 08 06 2020)#.Xt6GF0VKjcs

¹² https://www.japantimes.co.jp/news/2020/05/21/national/foreign-travelers-japan-decline-record-low-just-2900-april/#.XswpExNKhQI

¹³ https://www.yamatogokoro.jp/column/corona world/38545/

¹⁴ https://www.kantei.go.jp/jp/singi/novel coronavirus/th siryou/sidai r020525.pdf

¹⁵ https://www3.nhk.or.jp/news/html/20200606/k10012460511000.html?utm_int=news_contents_news-main_002_

- ¥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
- Originally planned to roll out in late July, but it could delay
- The government plans to ease entry restrictions for business travelers/technical interns from Thailand, Vietnam, Australia, and New Zealand as early as June¹⁶.
- Guam to accept travelers from Japan starting July 1st.

Lifestyle/Fashion Trends:

- Emergence of "Parking Lot Dads"¹⁷.
 - Numbers of working dads have been seen remotely working in their cars as their children and wives occupy the house.
 - Some stay in their own parking spot while others drive to public parks.
 - They are turning their cars into their "office" by purchasing necessary items such as car phone chargers and using cardboard boxes as desks.
 - Many of their wives do not provide lunch for them, so they rely on convenience store foods and instant cup noodles.
- Although not required, almost everyone continues to wear masks when going to shops or using public transportation.
- Fabric stores and apparel retailers to release "cold face masks" for the summer season.
 - Some masks use fabrics that cool down after absorbing water, and others have pockets inside to insert ice packs.
 - Fast Retailing, parent company of Uniqlo, will release masks made from AIRism® fabric, Uniqlo's innerwear known to keep the body cool and dry.
- Retailers in Hawaii started shipping Hawaii-themed masks to Japan¹⁸.
 - Akira collection: women's swimwear brand
 - o A Line Hawaii: Maui-based women's fashion brand
 - Kahala: long-established Aloha shirt brand
- 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 (potstickers)

KOREA

Society/Economy:

- Seoul will provide free COVID-19 tests to its residents starting 6/8, even if they do not have symptoms
 - A campaign to stop the "silent" spread of the virus
- Demand for cool and easy-to-breath masks surge as the temperature rises
- Students returned to school beginning 6/8, 99 days after the original planned start date

¹⁶ https://www3.nhk.or.jp/news/html/20200606/k10012460541000.html?utm_int=word_contents_list-items_005&word_result=%E6%96%B0%E5%9E%8B%E3%82%B3%E3%83%AD%E3%83%8A%E3%82%A6%E3%82%A4%E3%83%AB%E3%82%B9

¹⁷ https://news.livedoor.com/article/detail/18375056/

¹⁸ https://news.nicovideo.jp/watch/nw7394930?news_ref=top_30

of the spring semester

- Seoul to implement its own "Green New Deal" in the post-COVID-19 period to create jobs and reduce the city's carbon emissions
 - Investment in industries that help reduce greenhouse emissions
 - Increase the number of shared city bikes, Ddareungi to 40,000 by 2022
 - Achieve 100% electric vehicle use; install charging stations throughout the city
 - Increase the number of zero-energy buildings and renovate old buildings
 - Build more resource recovery and recycling facilities to reduce waste
- Cluster infection took place in nightclubs¹⁹.
 - Total 274 confirmed cases (96 visited the clubs, 178 family and friends) as of 6/8/20.
- Community infections continue to take place at churches and distribution centers.
- Protesters rallied in Seoul wearing masks to support Black Lives Matter movement.
- Convenience stores are racing to offer delivery services.²⁰
 - Number of consumers using one of the convenience store chain operators, BGF Retail Co.'s delivery service more than tenfold in May, compared to previous year
- HMR (home meal replacement), multi-functional home (work and leisure), mental care, ontact business (untact to ontact), robot services, local business, and Kore 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.²¹
- "Thanks to" is an online cheering-relay campaign to express sincere gratitude to healthcare workers started on April 16.²²
 - 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/
 - Total # of hashtags/mentions of the campaign

■ Instagram: 39,477

■ Naver/Daum Blogs: 66,545

■ Video: 12.739

Online News: 25,930Naver Cafe: 14,254

- A survey found that half of the Korean population is experiencing anxiety and depression due to COVID-19.²³
 - 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".
- 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.

¹⁹ http://www.koreatimes.co.kr/www/nation/2020/05/113 289981.html

²⁰ http://www.koreaherald.com/view.php?ud=20200609000100

²¹ https://news.sbs.co.kr/news/endPage.do?news_id=N1005800111&plink=ORI&cooper=NAVER

²²http://ncov.mohw.go.kr/tcmBoardView.do?brdId=&brdGubun=&dataGubun=&ncvContSeq=354517&contSeq=354517&board_id=140&gubun=BDJ

²³ https://www.pressian.com/pages/articles/2020051911165549861?utm_source=naver&utm_medium=search

- 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 prior year. Consumption requiring outside activity has dropped significantly, while domestic consumption including groceries has increased.²⁴

Travel/Hospitality:

- Lotte World, Korea's largest theme park closed after health authorities confirmed that an infected patient visited the facility.²⁵
 - It plans to reopen on Tuesday, 6/9 after completing the disinfecting work.
- South Korea's Foreign Ministry extends "Special Travel Advisory" to June 19.
 - Called on citizens to cancel or postpone trips to 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.
- South Korean nationals residing overseas have been returning home. Are subject to temporary quarantine and restrictions.
- 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.²⁶
- 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.²⁷
- The government began providing emergency disaster aid on May 13. The emergency aid can be used for travel packages, which could help revive travel demand this summer.²⁸
- Hana Tour, one of Korea's largest travel agencies, will liquidate overseas corporations, change liaison offices, and close its LA, New Jersey and Hawaii offices.

²⁴ https://www.sedaily.com/NewsView/1Z2U6QW2O8

²⁵ http://www.koreaherald.com/view.php?ud=20200607000235

²⁶ https://www.koreatimes.co.kr/www/tech/2020/05/774 289744.html

²⁷ http://www.inews24.com/view/1267257

²⁸ http://www.traveltimes.co.kr/news/articleView.html?idxno=109854

²⁹ http://www.koreadaily.com/news/read.asp?art_id=8298625

CHINA

Travel/Hospitality:

- Civil Aviation Administration of China (CAAC) issued notice on adjustments to international flights³⁰
 - China's relaxed flight arrangements allow Delta and United Airlines to fly to a Chinese city of their choice starting 6/8.
 - Foreign airlines currently operating 1 flight/week will be allowed 2 flights if all passengers test negative for 3 consecutive weeks.
 - If 5 or more arriving passengers test positive, the airline will be banned from the country for 1 week. If 10 or more test positive, the airline will be banned for 4 weeks.
 - 37 cities are accepting international flights.
- May 2020 is set to be the first ever month in which Chinese airlines operate more passenger jet flights than their US counterparts. From May 1 to May 27 Chinese operators had completed nearly 200,000 flights with passenger-configured widebodies, narrowbodies and regional jets, compared to fewer than 170,000 flights for US-based carriers.³¹
- Domestic travel to resume; inter-provincial tourism for FIT travelers is allowed while group travel is still restricted.
- Travelers prefer underpopulated destinations due to COVID-19.
 - Unique/luxury hotels in the countryside are gaining popularity
- Tour operators are gradually reopening and starting to develop new business models such as selling souvenirs and agricultural products online.
- Online tourism agencies started selling long-term, refundable hotel rooms for Chinese holidays.
- Camping, picnic, and other outdoor activities are trending after the pandemic.
- Daxing Airport launched the "Discovery World" tour program for visitors.³²
 - o The tour includes about 10 scenic spots inside the Daxing Airport terminal
 - Tours are held 5 times a day
 - The reservation is limited to 3,000 people/day to control the spread of COVID-19.
- Chengdu plans to build the "Panda International Tourism Resort" as part of the Giant Panda Breeding Research Base expansion project by May 2021.³³
 - Designed to showcase the giant panda's cultural and economic value and establish a cultural tourism industry.
 - The resort will include the giant panda base with more than 200 pandas, cultural art exhibition, hotels, park, and farms.
 - Expected to attract 21.3 million visitors by 2035.

Society/Economy:

 The government encourages street vendor businesses to alleviate the unemployment crisis due to COVID-19.³⁴

³⁰ https://www.cnbc.com/2020/06/04/china-to-allow-more-foreign-flights-after-us-bans-chinese-carriers.html

³¹ https://www.cirium.com/thoughtcloud/coronavirus-monitoring-passenger-jet-activity-through-the-hibernation-phase/

³² https://www.traveldaily.cn/article/138188

³³ http://travel.sina.com.cn/domestic/news/2020-06-03/detail-iirczymk5064602.shtml

³⁴ https://www.scmp.com/economy/china-economy/article/3087770/china-turns-street-vendor-economy-help-manage-

- It marks a "U-turn"; the government shut down many street vendors as part of their massive beautification campaign in 2017.
- Now vendors are considered as "important jobs and an integral part of people's normal lives."
- The Beijing municipal government and the state-run China Media Group (CMG) launched a shopping event that lasts until the National Day holiday (10/1).
 - \$1.72 billion worth of vouchers are expected to be issued to boost consumption.
 - The first \$3 million was distributed on 6/6 through e-commerce giant, JD.com to be used in sectors such as catering, travel, and digital products.
 - The coupons can be used both online and offline and are valid for 14 days after the issuance.
- DingTalk, a video-conference app developed by Tencent is the most downloaded app in Q1 2020, seconded by Tencent Meeting, and Zoom placed 6th³⁶.
 - 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).
 - o 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).
- Some Chinese residents have negative opinions on the U.S. due to the political tension between the 2 countries.
- However, they still have a favorable view on Hawaii and are willing to visit.
 - Hawaii's target Chinese audience include high income, well-educated individuals who have expensive tastes. Travelers prefer luxury chain hotels and want to have an indulgent experience.

Lifestyle/Fashion Trends:

- Live streaming shopping has become popular.
 - o Travel destinations and hotels also sell well on live streaming sessions.
- Tiktok, Kuaishou, and Little Red Book are the most trending social media.
 - Tiktok: video-sharing social networking service.
 - <u>Kuaishou</u>: video-sharing platform, similar to Tiktok but targeted to a younger group.
 - <u>Little Red Book</u> (Xiaohongshu): similar to Instagram but with its own E-commerce feature within the app.
- Consumer to Manufacturer (C2M) could be a new driver in the e-commerce landscape in China.³⁷
 - Sales reached \$2.5 million in 2018; are estimated to total \$6 billion by 2022.

35 https://news.cgtn.com/news/2020-06-07/Beijing-issues-1-7-bln-in-vouchers-to-boost-virus-hit-consumption-R7N2twfEis/index.html

unemployment?exp signup=opt-custom-sign-in

³⁶ https://asia.nikkei.com/Business/China-tech/In-China-Zoom-no-match-for-Alibaba-s-videoconference-app

³⁷ https://jingdaily.com/is-western-luxury-ready-for-chinas-c2m-model/

TAIWAN

- The Ministry of Science and Technology launched a digital tool that allows users to see which countries are safe to visit based on the number of COVID-19 cases³⁸
 - Vietnam. New Zealand. and Brunei are considered "green" while U.S. and Italy are in the "red" zone.39
- Taiwan marks 43 days of no new local cases as of 5/25/20.40
- Taiwan plans to loosen travel and transportation restrictions in three stages:
 - Stage 1 (6/1 7/31): passengers on 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.
 - 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.















Time to get ready for inbound travel?



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.

³⁸ https://www.taipeitimes.com/News/taiwan/archives/2020/06/09/2003737905

³⁹ https://covid-19.nchc.org.tw/?language=en

⁴⁰ https://www.taiwannews.com.tw/en/news/3940086