



Second Quarter 2017

Visitor Satisfaction
Monitoring Report

HAWAII TOURISM
AUTHORITY

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INTRODUCTION

This quarterly monitoring report presents selected preliminary statistics from the second quarter of the 2017 Visitor Satisfaction and Activity (VSAT) Survey. The survey measures the opinions of visitors from eight visitor groups: U.S. West, U.S. East, Japan, Canada, Europe, Oceania, China and Korea regarding their satisfaction with Hawai'i as a visitor destination.

The VSAT quarterly report highlights survey respondents' evaluation of their vacation experience, including: overall satisfaction with their most recent vacation to Hawai'i, trip expectations, likelihood to recommend Hawai'i, likelihood to revisit Hawai'i, reasons for not revisiting Hawai'i, and satisfaction by island.

Selected U.S. West, U.S. East, Japanese, Canadian, European and Oceania visitors were mailed a survey form or were contacted via email to complete the survey on-line. Beginning in January 2016, data for Chinese and Korean visitors were collected via intercept surveys at the Honolulu International Airport using iPad tablets.

Condition of Visitor Industry

Total visitor arrivals by air in the second quarter (April - June) of 2017 increased 5.7 percent, compared to the second quarter of 2016, to 2,310,954 visitors.

There were more visitors from U.S. West (+4.8% to 1,007,818 visitors), U.S. East (+10.6% to 526,081), Japan (+6.5% to 353,927) and Canada (+15.2% to 93,502) but fewer visitors from Oceania (-2.3% to 104,132), Korea (-5% to 51,474), China (-11.2% to 45,777) and Europe (-2.4% to 32,331). The average length of stay for all visitors to the state was 8.79 days, similar to second quarter 2016 (8.78 days).

VISITOR SATISFACTION RATINGS

Visitor satisfaction is an important indicator of industry performance. Because it is based on visitor evaluations, it provides vital feedback concerning how well services are delivered in Hawai'i. Satisfying visitors' needs and expectations encourages return trips to the islands. Satisfied customers also develop a fondness for the destination and tend to share their favorable assessment with others. Table 1 below, shows the percent of respondents who rated their trip as "excellent" (7 or 8, on an 8-point scale). The majority of the respondents from each visitor market gave the highest marks for their overall experience in Hawai'i.

**Table 1: Overall Rating of Trip
(Percentage of respondents who rated their most recent trip "excellent" by MMA)**

MMA	2014				2015				2016P				2017P	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
U.S. West	82	82	82	81	82	84	83	87	89	89	88	88	87	89
U.S. East	82	85	84	84	88	89	85	90	91	90	90	90	91	91
Japan	63	69	74	69	69	70	72	67	75	77	78	78	80	79
Canada	80	84	86	86	83	84	82	85	88	88	89	88	88	88
Europe	77	82	91	85	88	88	89	87	91	86	91	89	88	90
Oceania	77	79	79	73	83	77	74	75	80	81	81	82	81	81
China									76	64	76	77	82	79
Korea									78	82	73	78	79	73

P=Preliminary

- In the second quarter of 2017, close to 90 percent of U.S. West, U.S. East, Canadian and European respondents and nearly 80 percent of Japanese and Oceania respondents rated their most recent trip to Hawai'i as excellent. Ratings from these visitor groups have shown overall improvement over the last three years.
- Eight out of ten Chinese respondents in the second quarter of 2017 gave excellent ratings to their trip to Hawai'i, compared to 64 percent in second quarter 2016.
- Among Korean respondents in second quarter 2017, 73 percent rated their trip to Hawai'i as excellent, down from 82 percent in the same period last year.

Exceeded Expectations

Visitors' satisfaction is largely influenced by the level of service they received and by visitors' own needs, interests, and expectations. Visitors were asked if their Hawai'i trip "exceeded" expectations, "met" expectations or "did not meet" expectations.

In second quarter 2017, very few respondents from Korea (6%), China (5%), Oceania (5%), Canada (3%), U.S. East (3%), Japan (2%), U.S. West (2%) and Europe (1%) said that Hawai'i "did not meet" their expectations.

**Table 2: Trip Exceeds Expectations
(Percentage of visitors who said this trip “Exceeded” Expectations by MMA)**

MMA	2014				2015				2016P				2017P	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
U.S. West	33	34	38	34	35	38	37	40	42	44	42	42	40	45
U.S. East	45	53	51	46	43	51	47	53	50	53	56	53	50	54
Japan	29	31	35	36	33	34	35	35	37	39	37	39	45	41
Canada	35	46	54	39	37	45	43	40	44	50	51	46	38	48
Europe	48	40	55	52	56	53	51	48	57	54	52	53	53	53
Oceania	38	33	37	40	41	40	31	35	39	37	39	39	41	36
China									28	21	9	16	20	26
Korea									55	59	53	55	55	52

P=Preliminary

- Among U.S. East (54%), European (53%), Canadian (48%), U.S. West (45%), Japanese (41%), and Oceania (36%) respondents, ratings of “exceeded” expectations in second quarter 2017 were consistent with last year.
- Over half of Korean respondents (52%) in second quarter 2017 said Hawai‘i exceeded their expectations, down from 59 percent in second quarter 2016.
- Chinese visitors were a bit more critical about Hawai‘i. Only 26 percent of the respondents felt that Hawai‘i “exceeded” their expectations, while 69 percent said the trip “met” their expectations.
- **Very Likely to Recommend Hawai‘i**

Visitors who are satisfied with their trip are more likely to recommend their destination to friends and family. Relatively high percentages of visitors who came to Hawai‘i have reported that they would “very likely” recommend Hawai‘i to others.

In second quarter 2017, only a small percentage of Korean (6%), Oceania (4%), U.S. East (2%), Japanese (2%), Canadian (2%), European (2%), Chinese (2%) and U.S. West (1%) visitors said that they would “not too likely” or “not at all likely” recommend Hawai‘i to their friends and relatives.

**Table 3: Very Likely to Recommend Hawai‘i to Friends and Relatives
(Percentage of visitors who are “Very Likely” to recommend Hawai‘i by MMA)**

MMA	2014				2015				2016P				2017P	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
U.S. West	90	87	88	88	89	91	90	90	90	91	88	90	90	87
U.S. East	87	87	88	87	90	90	86	88	88	87	88	88	90	89
Japan	74	73	78	74	76	74	79	74	74	80	81	78	78	75
Canada	88	89	93	90	90	89	87	88	91	91	89	90	88	88
Europe	78	77	87	84	85	82	83	83	86	81	87	84	82	83
Oceania	81	82	85	79	82	82	78	78	76	81	80	81	82	76
China									81	66	72	66	76	79
Korea									84	84	83	83	83	77

P=Preliminary

- Nine out of ten U.S. West, U.S. East and Canadian respondents in second quarter 2017 would very likely recommend Hawai'i to friends and relatives. These ratings have been relatively consistent over the last three years.
- Japanese visitors' ratings have been hovering near 80 percent. Ratings for second quarter 2017 of 75 percent was 5 points lower than the same quarter last year.
- Ratings from European (83%) and Oceania (76%) respondents were similar to second quarter 2016.
- Eight out of ten Chinese respondents in second quarter 2017 would very likely recommend Hawai'i to their friends and relatives, up from 66 percent a year ago.
- Ratings from Korean respondents of 77 percent was down 7 points compared to second quarter 2016.

Likelihood to Revisit Hawai'i in the Next Five Years

A visitor's decision to return to Hawai'i is influenced by positive experiences on the most recent trip and other factors such as curiosity for new experiences, available time, financial situation, and other commitments. Likelihood to revisit Hawai'i as an indicator, helps estimate future demand and changes in desires.

**Table 4: Very Likely to Revisit Hawai'i in the Next Five Years
(Percentage of visitors who are "Very Likely" to revisit Hawai'i in the next five years by MMA)**

MMA	2014				2015				2016P				2017P	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
U.S. West	78	72	74	79	79	77	75	81	82	82	76	79	78	72
U.S. East	55	48	52	54	62	54	53	61	61	55	60	59	61	54
Japan	47	52	57	47	52	52	55	51	48	54	60	54	54	54
Canada	64	61	55	66	66	60	55	64	68	67	63	67	67	61
Europe	34	34	37	40	51	40	38	49	54	39	42	45	47	44
Oceania	51	47	53	51	62	54	48	53	59	58	60	60	59	51
China									60	54	52	52	60	60
Korea									79	78	82	80	75	72

P=Preliminary

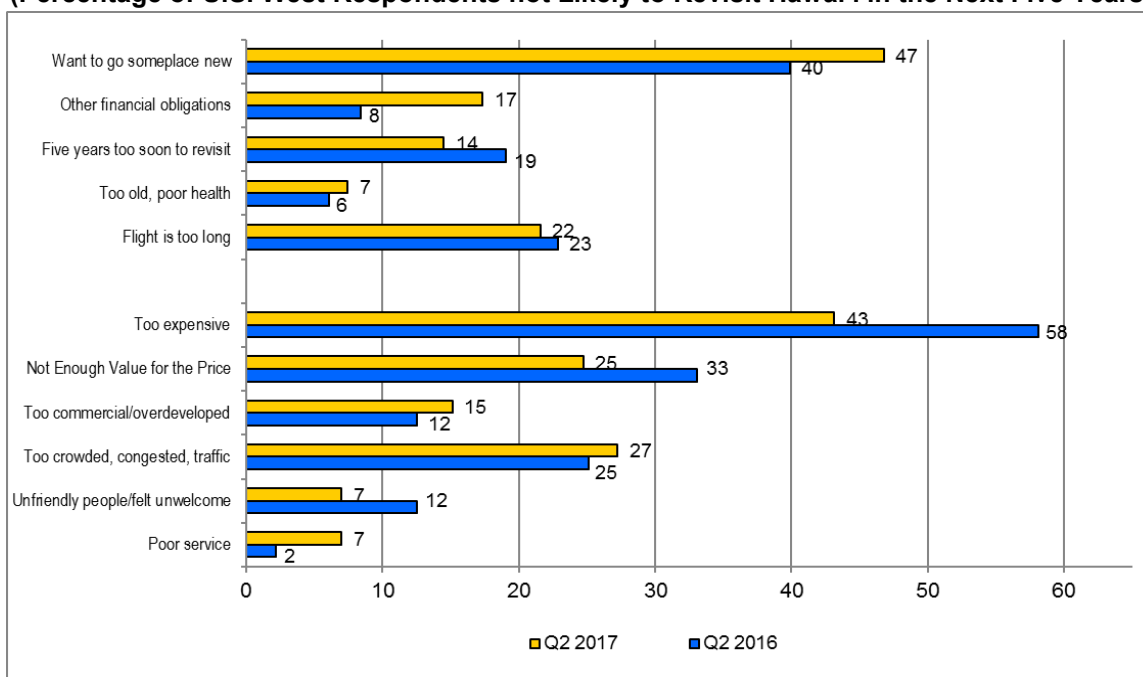
- Among U.S. West respondents in second quarter 2017, 72 percent said that they would very likely revisit Hawai'i in the next 5 years, down from 82 percent a year ago.
- Ratings by Korean (-6 points to 72%), Canadian (-6 points to 61%) and Oceania (-7 points to 51%) also declined compared to second quarter 2016.
- With the long distance and no direct flights to Hawai'i, European visitors continued to show the lowest percentage of likelihood to return. Second quarter 2017 ratings of 44 percent were similar to last year.
- Ratings by Chinese respondents improved 6 points to 60 percent who indicated that they will very likely return.

Reasons for Not Revisiting Hawai'i in the Next Five Years

Visitors who said that they would not likely revisit Hawai'i in the next five years cited many reasons for that decision. Understanding those reasons allows us to distinguish dissatisfied visitors (i.e., those who are unwilling to return) from those who are unable to return due to health, financial, or other constraints.

In Figures 1 to 8, visitors' reasons for not returning were separated into two groups: "barriers to returning" and "performance issues." Barriers appear at the top of each figure and performance issues are at the bottom. "Not enough value for the price" is similar to "too expensive," but is a complaint about the quality of the product rather than its price tag. Note that the statistic reported for each reason for not revisiting Hawai'i is a percentage of those who were not likely to revisit Hawai'i.

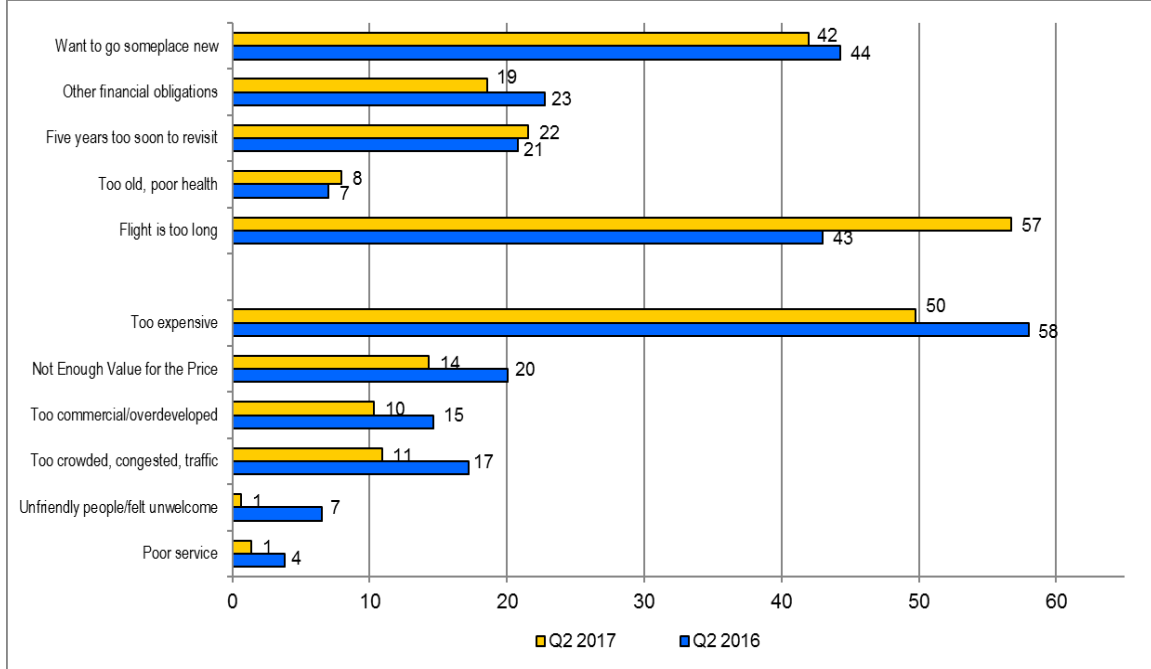
Figure 1: U.S. West Visitors' Reasons for Not Revisiting Hawai'i
(Percentage of U.S. West Respondents not Likely to Revisit Hawai'i in the Next Five Years)



In second quarter 2017, the desire to go someplace new was the main barrier to revisiting the islands among 47 percent of U.S. West respondents, up from 40 percent last year. Some cited the long flight (22%), other financial obligations (17%) and five years is too soon to revisit (14%).

In terms of performance-related issues, fewer U.S. West respondents mentioned the high cost (-15 points to 43%) or not enough value for the price (-8 points to 25%) compared to second quarter 2016. For some respondents, Hawai'i is too crowded/congested (27%) was a reason for not returning.

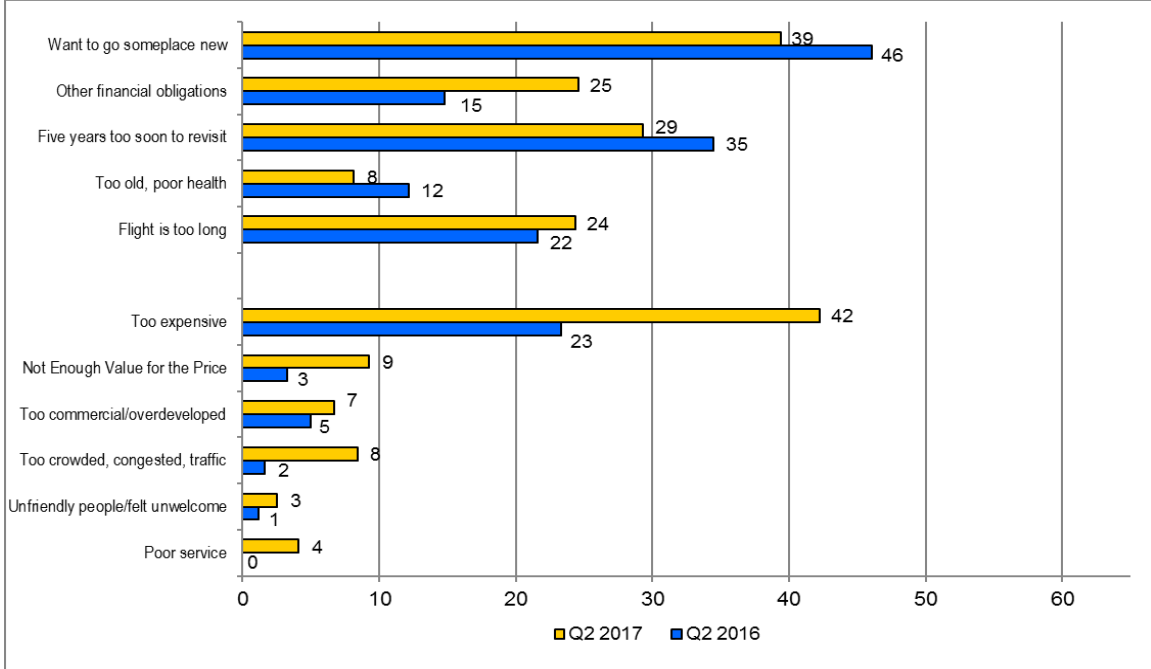
**Figure 2: U.S. East Visitors' Reasons for Not Revisiting Hawai'i
(Percentage of U.S. East Respondents not Likely to Revisit Hawai'i in the Next Five Years)**



More U.S. East respondents cited the long flight (+14 points 57%) as a barrier to revisiting Hawai'i compared to second quarter 2016. Four out of ten respondents mentioned the desire to go someplace new, and 22 percent said five years is too soon to revisit.

Half of the respondents cited the high cost (50%) as the main performance issue and a reason for not returning, down from 58 percent in second quarter 2016. Fewer respondents said there is not enough value for the price (-6 points to 14%) and Hawai'i is too crowded/congested (-6 points to 11%) compared to last year.

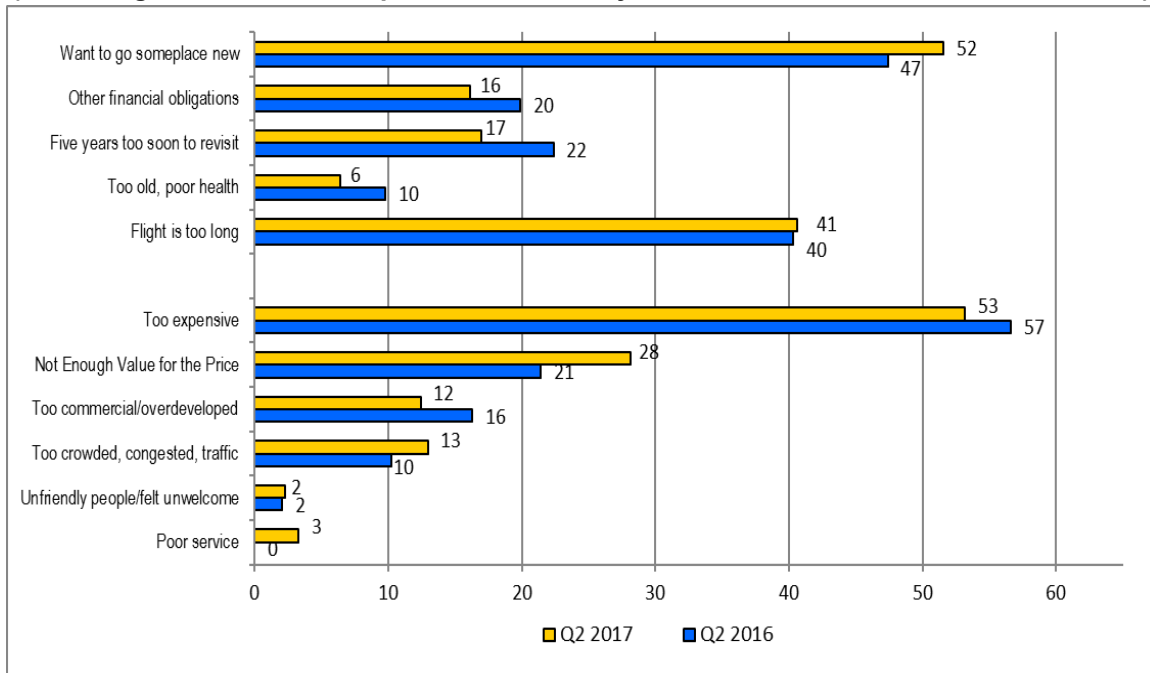
**Figure 3: Japanese Visitors' Reasons for Not Revisiting Hawai'i
(Percentage of Japanese Respondents not Likely to Revisit Hawai'i in the Next Five Years)**



Japanese respondents in second quarter 2017 continued to cite more barriers than performance-related issues. Four out of ten respondents indicated that they want to go to a new destination (-7 points to 39%). A quarter of the respondents said five years is too soon to revisit (29%) or the flight is too long (24%). More respondents said that they will not return because of other financial obligations (+10 points to 25%).

Significantly more Japanese visitors in second quarter 2017 said that Hawai'i is too expensive (+19 points to 42%) compared to those who came last year.

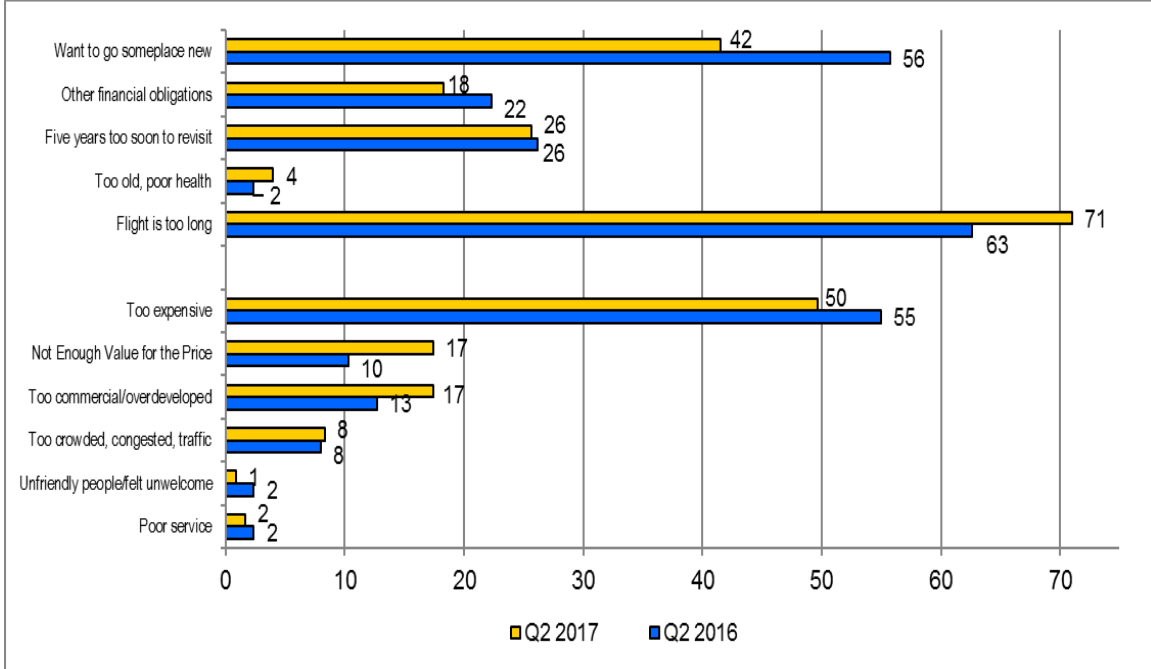
**Figure 4: Canadian Visitors' Reasons for Not Revisiting Hawai'i
(Percentage of Canadian Respondents not Likely to Revisit Hawai'i in the Next Five Years)**



Among Canadian respondents in the second quarter of 2017, the desire to go someplace new (52%) continued to be the main barrier to revisiting Hawai'i. Other reasons for not returning were the long flight (41%), five years is too soon to revisit (17%) and other financial obligations (16%).

Over half of the respondents in second quarter 2017 said they will not revisit because Hawai'i is too expensive (53%) and 28 percent indicated that there is not enough value for the price they paid.

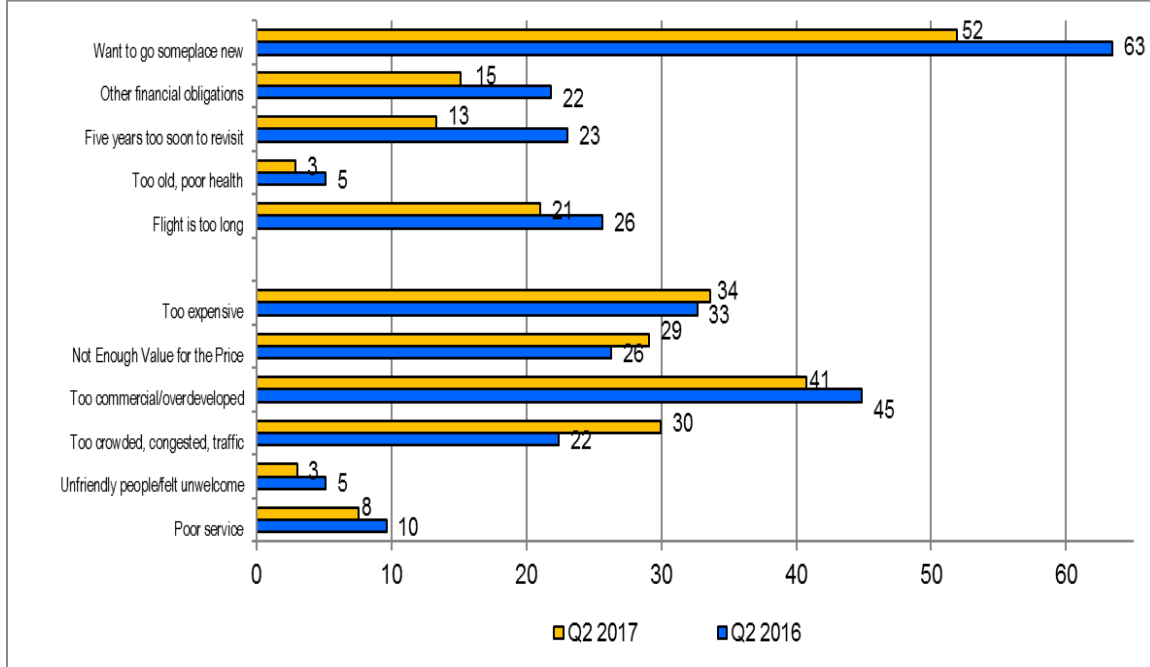
**Figure 5: European Visitors' Reasons for Not Revisiting Hawai'i
(Percentage of European Respondents not Likely to Revisit Hawai'i in the Next Five Years)**



For European respondents, the long flight (+8 points to 71%) continued to be the main barrier to revisiting the islands. Fewer respondents cited the desire to go someplace new (-14 points to 42%) compared to second quarter 2016.

Half of the respondents in second quarter 2017 said they will not revisit because Hawai'i is too expensive. Some respondents indicated that there is not enough value for the price they paid (17%) and Hawai'i is too commercial/overdeveloped (17%).

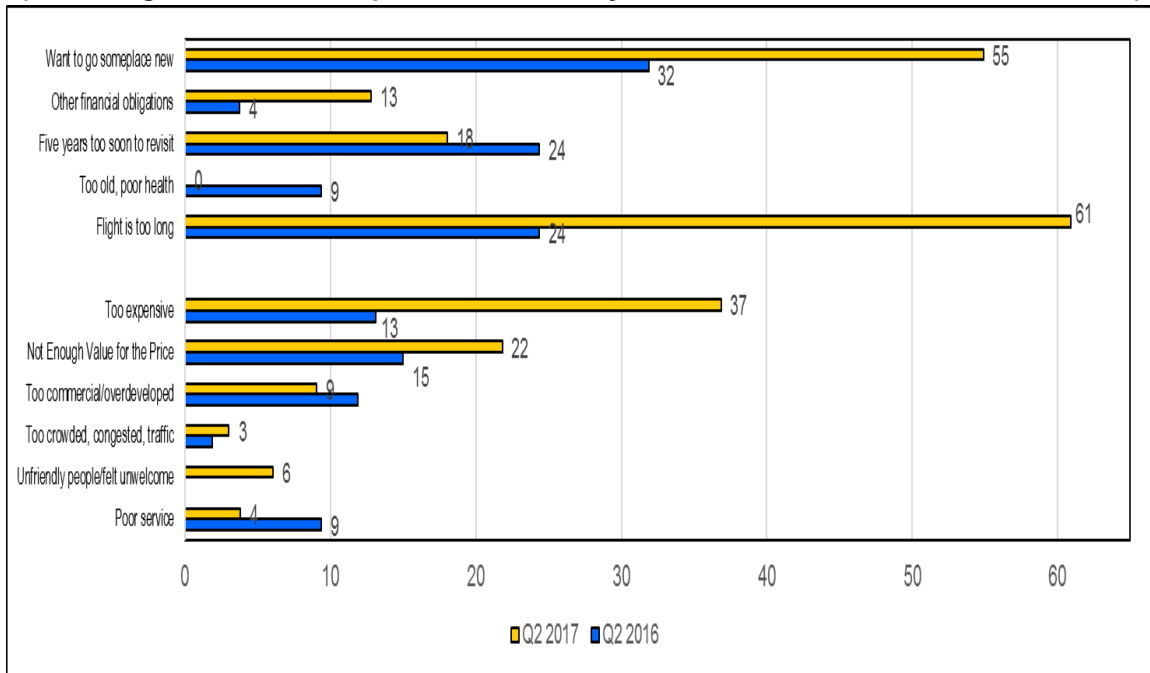
**Figure 6: Oceania Visitors' Reasons for Not Revisiting Hawai'i
(Percentage of Oceania Respondents not Likely to Revisit Hawai'i in the Next Five Years)**



Among 52 percent of Oceania respondents, a barrier to revisiting Hawai'i was the desire to go someplace new, down from 63 percent in second quarter 2016. Some other reasons provided were the long flight (21%), other financial obligations (15%) and five years is too soon to revisit (13%).

In terms of performance-related issues, four out of ten respondents felt that Hawai'i is too commercial/developed (41%). Others cited the high cost (34%), not enough value for the price (29%) and Hawai'i is too crowded/congested (30%).

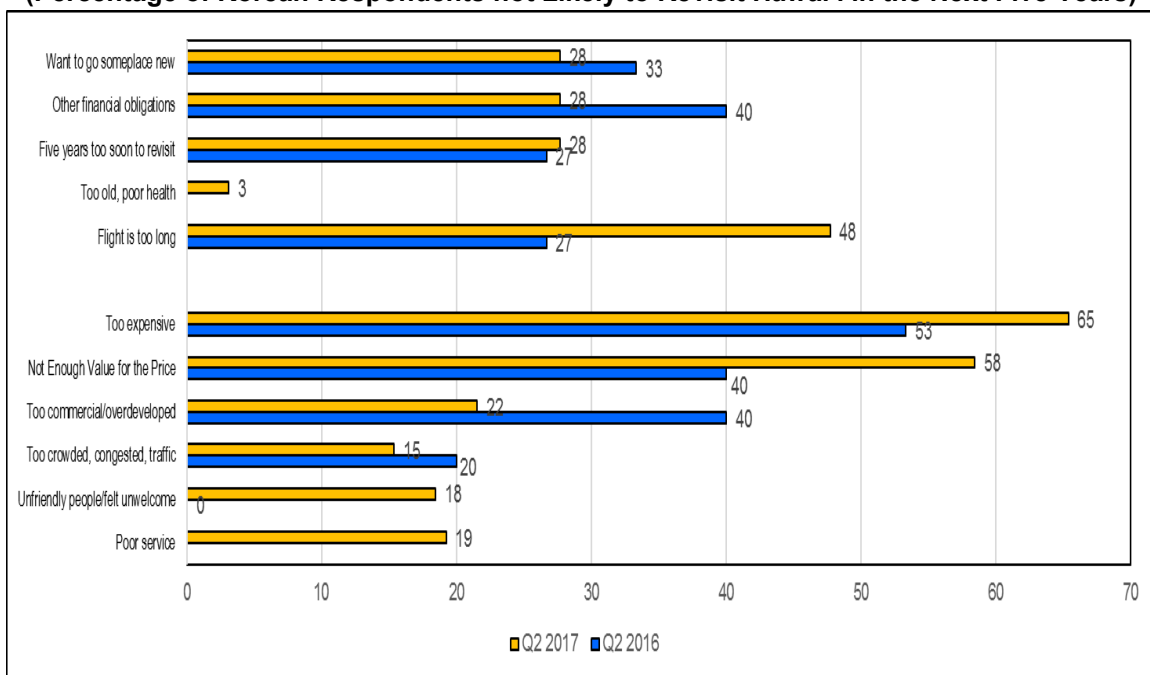
**Figure 7: Chinese Visitors' Reasons for Not Revisiting Hawai'i
(Percentage of Chinese Respondents not Likely to Revisit Hawai'i in the Next Five Years)**



Among Chinese respondents in second quarter 2017, the long flight (61%) was the main barrier to revisiting Hawai'i. The desire to go someplace new (55%), and five years is too soon to revisit (18%) were other reasons provided.

The most cited performance issues were the high cost (37%) and not enough value for the price (22%).

**Figure 8: Korean Visitors' Reasons for Not Revisiting Hawai'i
(Percentage of Korean Respondents not Likely to Revisit Hawai'i in the Next Five Years)**



For Korean respondents in second quarter 2017, the most cited barrier to returning was the long flight (48%). Other barriers were the desire to go someplace new (28%), five years is too soon to revisit (28%) and having other financial obligations (28%).

In terms of performance-related issues, two thirds of the respondents felt Hawai'i is too expensive and 58 percent said that there was not enough value for the price they paid.

Individual Island Experience

Each island in Hawai'i has unique characteristics, activities, and products that attract different kinds of visitors and produce varied visitor experiences. The VSAT survey asks Hawai'i visitors to rate their experience on each island they visited.

Beginning with the 2016 VSAT survey, response options for satisfaction by island were changed from a 4-point scale to an 8-point scale. While additional variances in the measure will enable more detailed analysis going forward, 2016 data will not be comparable to previous years. 2016 and 2017 percentages shown in Tables 5 through 12 were the sum of responses 7 and 8, divided by the total responses.

**Table 5: Island Experience Rated as Excellent – U.S. West
(Percentage of U.S. West Respondents by Island)**

Island	2014				2015				2016P				2017P	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
O'ahu	46	53	57	49	50	57	55	58	80	79	81	79	81	81
Maui	63	67	68	68	65	68	65	71	86	91	84	87	87	91
Hawai'i Island	57	58	69	62	64	65	61	66	79	82	82	79	87	81
Kaua'i	59	70	75	70	71	69	71	72	93	94	92	93	89	93

P=Preliminary.

Most U.S. West visitors in second quarter 2017 gave excellent ratings to the island they visited. Rating for all four islands were consistent with second quarter 2016.

**Table 6: Island Experience Rated as Excellent – U.S. East
(Percentage of U.S. East Respondents by Island)**

Island	2014				2015				2016P				2017P	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
O'ahu	55	59	58	57	63	60	55	59	78	78	77	78	83	83
Maui	73	79	75	70	72	77	74	76	90	90	89	91	91	90
Hawai'i Island	59	64	64	57	70	73	65	67	81	84	84	82	88	84
Kaua'i	66	81	83	76	77	83	79	80	90	94	93	93	96	96

P=Preliminary

Most U.S. East respondents who visited Kaua'i (96%) and Maui (90%) in second quarter 2017 rated their experience as excellent. The island of Hawai'i received excellent ratings from 84 percent of the respondents. O'ahu's ratings of 83 percent was up 5 points from a year ago.

**Table 7: Island Experience Rated as Excellent – Japan
(Percentage of Japanese Respondents by Island)**

Island	2014				2015				2016P				2017P	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
O'ahu	52	53	62	56	61	56	57	54	73	77	77	76	79	77
Maui	50	49	62	71	65	53	57	47	71	75	70	75	76	77
Hawai'i Island	59	63	64	56	54	58	57	46	28	66	72	74	78	75
Kaua'i	51	62	31	53	43	71	60	29	63	85	70	70	69	92

P=Preliminary. Samples of Japanese respondents on Kaua'i and Maui were limited.

In second quarter 2017, the majority of Japanese respondents who visited O'ahu (77%) and the island of Hawai'i (75%) rated their experience as excellent. Ratings the island of Hawai'i improved 9 points compared to second quarter 2016.

**Table 8: Island Experience Rated as Excellent – Canada
(Percentage of Canadian Respondents by Island)**

Island	2014				2015				2016P				2017P	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
O'ahu	49	55	59	60	55	59	51	58	76	79	78	78	80	79
Maui	63	61	72	64	60	68	70	69	86	90	86	87	88	90
Hawai'i Island	57	60	60	63	64	58	63	54	58	76	76	75	82	80
Kaua'i	56	63	69	68	64	70	72	69	89	89	91	89	88	90

P=Preliminary.

In second quarter 2017, a larger percentage of Canadian respondents continued to give excellent ratings to Kaua'i and Maui compared to O'ahu and the island of Hawai'i. Ratings for all four islands were similar to second quarter 2016.

**Table 9: Island Experience Rated as Excellent – Europe
(Percentage of European Respondents by Island)**

Island	2014				2015				2016P				2017P	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
O'ahu	51	46	61	46	59	55	54	57	80	77	78	77	77	83
Maui	65	57	71	66	67	68	70	70	90	84	88	87	86	85
Hawai'i Island	53	62	55	68	61	60	61	64	63	74	79	74	86	78
Kaua'i	81	73	87	70	78	78	81	76	93	95	94	93	93	93

P=Preliminary.

European respondents in second quarter 2017 continued to rate Kaua'i (93%) the highest among the islands. Rating for O'ahu (83%) improved 6 points from a year ago.

**Table 10: Island Experience Rated as Excellent – Oceania
(Percentage of Oceania Respondents by Island)**

Island	2014				2015				2016P				2017P	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
O'ahu	52	50	52	50	61	56	53	52	76	78	77	78	79	80
Maui	53	67	55	64	65	59	56	54	70	89	76	81	81	87
Hawai'i Island	48	62	58	66	57	52	55	59	79	83	77	81	91	78
Kaua'i	40	71	53	66	52	65	62	66	69	89	83	86	79	97

P=Preliminary. Samples of Oceania respondents on Kaua'i were limited

In second quarter 2017, Maui received excellent ratings from 87 percent of respondents from Oceania, consistent with last year. Ratings for O'ahu (80%) and the island of Hawai'i (78%) were also similar to second quarter 2016.

**Table 11: Island Experience Rated as Excellent – China
(Percentage of Chinese Respondents by Island)**

Island	2016P				2017P	
	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017
O'ahu	80	72	79	78	76	78
Maui	88	59	85	79	86	77
Hawai'i Island	86	70	81	80	72	81
Kaua'i	91	74	94	84	79	87

P=Preliminary. Samples of Chinese respondents on Kaua'i and Maui were limited.

In second quarter 2017, 78 percent of Chinese respondents gave excellent ratings to their visit to O'ahu, similar to last year. Ratings for the island of Hawai'i (81%) improved 11 points compared to second quarter 2016.

**Table 12: Island Experience Rated as Excellent – Korea
(Percentage of Korean Respondents by Island)**

Island	2016P				2017P	
	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017
O'ahu	80	82	73	78	73	71
Maui	82	82	73	80	85	82
Hawai'i Island	72	77	72	72	92	77
Kaua'i	79	93	81	83	67	91

P=Preliminary. Samples of Korean respondents on Kaua'i and the Island of Hawai'i were limited.

O'ahu received excellent ratings from 71 percent of Korean respondents in second quarter 2017, down 11 points from second quarter 2016. Excellent ratings for Maui (82%) were unchanged from a year ago.

SURVEY METHODS

The Visitor Satisfaction and Activity Survey is a survey of visitors who recently completed a trip to Hawai'i. Monthly samples of visitors who stayed for at least two days are drawn from completed Domestic In-Flight and International Departure Survey databases.

Quarterly data are reported for visitors from eight visitor groups: U.S. West (Alaska, California, Oregon, Washington, Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, and Wyoming), U.S. East (all other States in the Continental U.S.), Japan, Canada, Europe, Oceania, China and Korea.

**Table 13: Number of Surveys Collected
(Second Quarter 2017)**

MMA	Completed	Margin of Error \pm
U.S West	880	3.37
U.S East	916	3.24
Canada	727	3.63
Japan	1,052	3.02
Europe	479	4.48
Oceania	437	4.69
China	271	5.95
Korea	332	5.38
All MMAs	5,094	1.37

Selected U.S., Japanese, Canadian, European and Oceania visitors were mailed a survey form or were contacted by email to complete the survey on-line. Beginning in January 2016, data for Chinese and Korean visitors were collected via intercept surveys at the Honolulu International Airport using iPad tablets. In the second quarter (April – June) of 2017, a total of 5,094 completed forms were received with a margin of error of ± 1.37 percentage points at the 95 percent confidence level.

Data collected from the online survey and from the iPad intercept surveys were merged with mailed survey data to form a single database for analysis. Collected data were statistically adjusted to reflect the distribution of cases by island and first-time/repeat visitor status in the In-Flight and Departure Surveys. Data were statistically adjusted to be representative of the population of visitor parties entering Hawai'i during each quarter. Results are presented only for classifications (MMA, islands visited, ports of entry, types of visitors, etc.) for which sample sizes are large enough to produce statistics with sample error estimates less than 10 points. Data from all MMAs were reported as weighted data based on weights generated for 2017 data. The 2017 VSAT weighting system was developed to adjust for disproportionate sampling across MMAs.

For information, call the Hawai'i Tourism Authority (HTA) at (808) 973-2255 or email us at research@Hawaii'tourismauthority.org