

INTRODUCTION

This monitoring report presents selected statistics for the 2008 Visitor Satisfaction and Activity survey. The survey measures the opinions of visitors, regarding their satisfaction with Hawai'i as a visitor destination, from five major marketing areas: U.S. West, U.S. East, Japan, Canada and Europe (see Definition and Survey Methodology). The report highlights survey respondents' evaluation of the vacation experience, including: overall satisfaction with the most recent vacation to Hawai'i, trip expectations, likelihood to recommend Hawai'i, likelihood to revisit Hawai'i, reasons for not revisiting Hawai'i, satisfaction by island and trip planning timeline.

Statistics presented in this report supersedes any previously issued 2008 reports. All 2008 data has been revised to report the final 2008 annual data. This report is available in Adobe Acrobat form on the DBEDT website,

<http://www.hawaii.gov/dbedt/info/visitor-stats/vsat>.

For further information about obtaining visitor data and other sources, contact the DBEDT Library at (808) 586-2424, or e-mail library@dbedt.hawaii.gov or DBEDT Research & Economic Analysis Division at (808) 586-2466.

CONDITION OF VISITOR INDUSTRY

In the fourth quarter (October-December) of 2008, there were a total of 1,533,113 visitors to the state, a decrease of 15.3 percentage points from the same quarter last year. Visitor arrivals declined from U.S. West (-20.2% to 630,040), U.S. East (-15% to 348,846), Japan (-13.2% to 283,615), and Canada (3.8% to 99,159). However, visitor arrivals increased from Europe (+3.6% to 27,416). The average length of stay for all visitors to the state was slightly longer at 10.26 days compared to 9.35 days in the fourth quarter of 2007.

In the twelve months of 2008, total visitor days by air and cruise visitors declined 8.9 percent to 63.9 million days. A total of 6,822,911 visitors arrived by air or by cruise ships, a decrease of 10.6 percent from 2007. The combined length of stay by these visitors was 9.36 days, compared to 9.19 2007. Arrivals by air declined (-10.4%) to 6,713,436 visitors due to large decreases of visitors from U.S. West (-14.7%), U.S. East (-11.5%), Japan (-9.4%), Latin America (-5.2%), Other Asia (-7.1%), and Oceania (-5.3%). There were, however, increases in visitors from Canada (+7.9%), Europe (+6.6%) and other markets (+5.4%).

By island, a total of 4,193,685 air visitors went to O'ahu in 2008, a drop of 10.7 percent from 2007. Maui (-15.7%) reported 2,075,800 air visitors, while Hawai'i Island (-18.6%) hosted 1,321,277 visitors. Kaua'i saw the largest decrease in arrivals by air, down 20.7 percent from 2007 to 1,030,647 visitors.

In the fourth quarter, the percentage of first-time visitors statewide decreased 0.9 percentage points from 34.8 percent in 2007 to 33.9 percent in 2008. The share of first-time visitors among Canadians slightly increased (+1.1 percentage points) while the share among Japanese (-0.9 percentage points) and U.S. East (-0.2 percentage points) visitors were fairly similar. On the other hand, U.S. West first-timers experienced a modest decline of 2.3 percentage points.

RESULTS

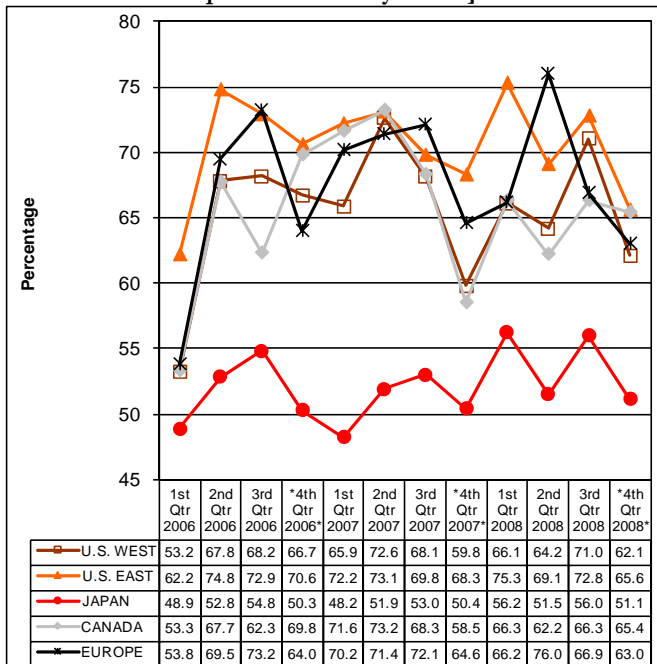
Visitor Satisfaction Ratings

Visitor satisfaction is an important indicator of industry performance. This measure provides vital feedback on how well services are delivered and how well the industry meets expectations. High satisfaction is also a leading-indicator of customer retention and loyalty. Satisfying visitors' needs and expectations encourages return trips to Hawai'i. Satisfied customers also develop a fondness for the destination which results in a higher likelihood to recommend Hawai'i to others.

Vacation to Hawai'i Was Rated Excellent

Generally, more than half of visitors from any major marketing area continued to rate their most recent trip to Hawai'i as *excellent* (see Figure 1).

Figure 1: Overall Rating of Trip
[Percentage of visitors who rated most recent trip "Excellent" by MMA]



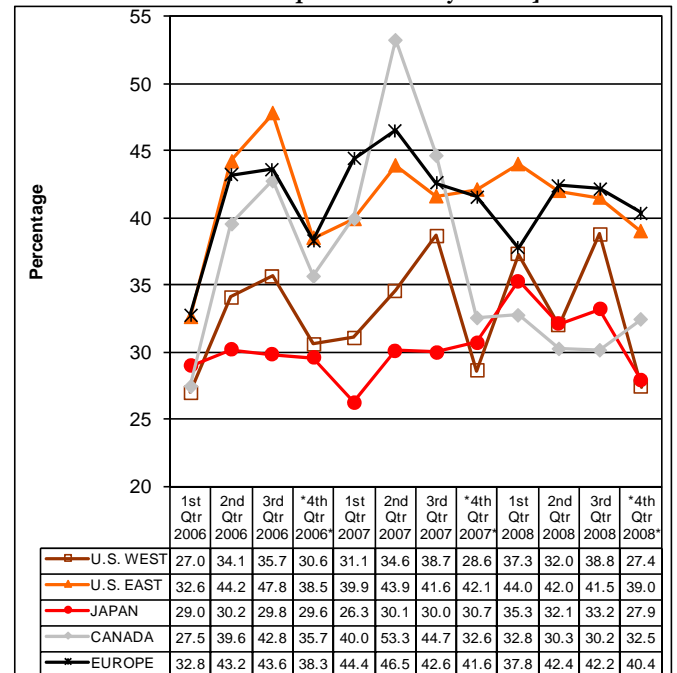
- In the fourth quarter of 2008, the proportion of U.S. West visitors (62.1%) who rated their trip to Hawai'i excellent was moderately higher than the fourth quarter of 2007 (59.8%).
- At the same time, the proportion of U.S. East visitors who rated Hawai'i excellent (65.6%) was modestly lower than the fourth quarter of 2007 (68.3%), but significantly lower than the fourth quarter of 2006 (70.6%).
- Japanese visitor ratings in the fourth quarter of 2008 (51.1%) was comparable to the fourth quarter of 2006 (50.3%) or 2007 (50.4%).
- Canadian visitors rated their fourth quarter of 2008 (65.4%) distinctively higher than the fourth quarter of 2007 (58.5%).

- Fourth quarter 2008 European visitor ratings (63%) was slightly lower than the ratings of the same period in 2006 (64%) or 2007 (64.6%).

Exceeded Expectations

The visitors' evaluation of the trip is influenced not only by the attributes and characteristics of the service but also by the needs, motivations and interests of the visitors. Therefore, it is important to measure how well the destination was able to provide the experience that was expected. Overall, Hawai'i's ability to *exceed expectations* continues to be quite strong (see Figure 2).

Figure 2: Trip Exceeds Expectations
[Percentage of visitors who said this trip "Exceeded Expectations" by MMA]



- The proportion of U.S. West (27.4%, -1.2 percentage points) and European (40.4%, -1.2 percentage points) visitors who said their recent trip to Hawai'i exceeded expectations in the fourth quarter of 2008 was slightly lower than the fourth quarter of 2007.
- U.S. East (39%, -3.1 percentage points) and Japanese (27.9%, -2.8 percentage points) visitor ratings in the fourth quarter of 2008

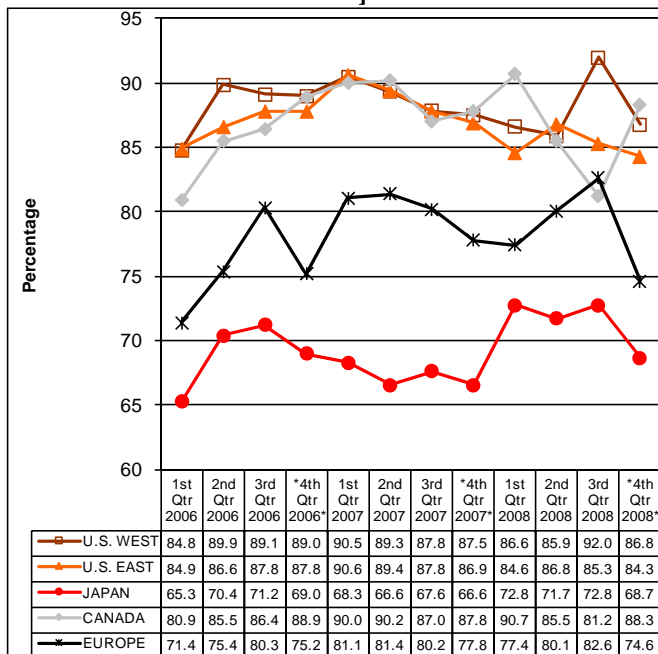
were moderately lower than the fourth quarter of 2007 (see Figure 2).

- Canadian visitor ratings (32.5%) were similar to the fourth quarter of 2007 (32.6%).

Very Likely to Recommend Hawai'i

When visitors are highly satisfied with their trip, they are more likely to recommend the destination to friends and family. Many Hawai'i visitors reported to be *very likely to recommend* this destination to others. Word-of-mouth advertising is important in marketing Hawai'i. These referrals, in time, may develop more first time visitors to Hawai'i and encourage previous visitors to return. At least two-thirds of visitors in any MMA stated that they would be very likely to recommend Hawai'i (see Figure 3).

Figure 3: Very Likely to Recommend Hawai'i to Friends and Relatives
[Percentage of visitors who are "Very Likely" to recommend Hawai'i as a vacation place by MMA]



- The proportion of U.S. West (86.8%) visitors who were very likely to recommend Hawai'i in the fourth quarter of 2008 was comparable to

the fourth quarter of the previous year (87.5%).

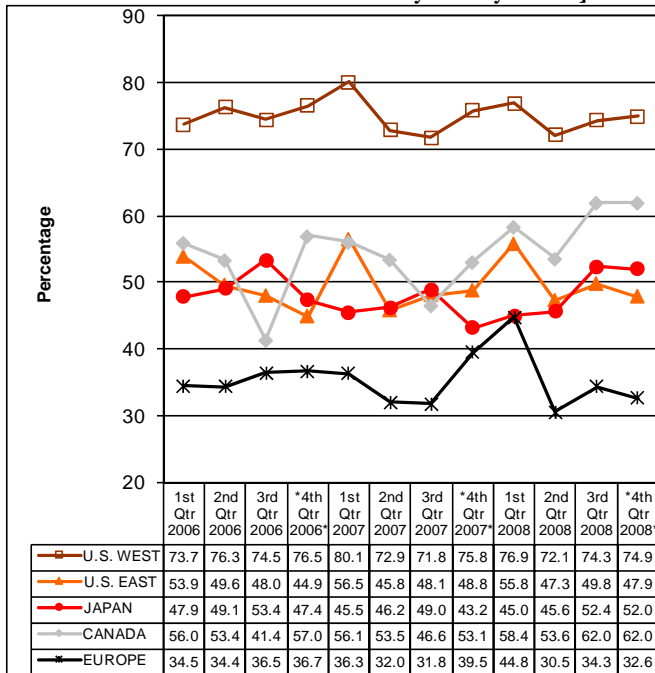
- U.S. East visitors in the fourth quarter of 2008 (84.3%) were modestly less likely to recommend Hawai'i compared to the fourth quarter of 2006 (87.8%) or 2007 (86.9%).
- Moreover, ratings among U.S. East visitors in all four quarters of 2008 were 2.5 to 6 percentage points lower compared to all four quarters of 2007.
- Japanese visitors were moderately more likely to recommend Hawai'i in the fourth quarter of 2008 (68.7%) compared to the fourth quarter of 2007 (66.6%).
- More Japanese visitors (2.1 to 5.2 percentage points higher) were very likely to recommend Hawai'i in all four quarters of 2008 over all four quarters of 2007.
- Canadian visitor ratings in the fourth quarter of 2008 (88.3%) were similar to the fourth quarter of 2006 (88.9%) or 2007 (87.8%).
- Fourth quarter 2008 ratings among European visitors (74.6%) were moderately lower than the same period in 2007 (77.8%).

Likelihood to Revisit Hawai'i

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 to estimate future demand and changes in desires. Visitors appeared to be satisfied with their vacations and their sentiments toward returning in the near future seemed positive (see Figure 4).

- After a low rating in the fourth quarter of 2007 (43.2%), the share of Japanese visitors' who were very likely to return exhibited a rising trend through the fourth quarter of 2008 (52%).

Figure 4: Very Likely to Revisit Hawai'i
 [Percentage of visitors who are "Very Likely" to revisit Hawai'i in the next five years by MMA]



- In the fourth quarter of 2008, the proportion of U.S. West visitors who were very likely to revisit Hawai'i (74.9%) was comparable to the fourth quarter of 2007 (75.8%).
- In the fourth quarter of 2008, the proportion of U.S. East visitors who were very likely to revisit (47.9%) was similar to the fourth quarter of 2007 (48.8%), yet moderately higher than the fourth quarter of 2006 (44.9%).
- Noticeably more Japanese (52%, +8.8 percentage points) and Canadian (62%, +8.9 percentage points) visitors in the fourth quarter of 2008 were very likely to revisit Hawai'i compared to the fourth quarter of 2007.
- Canadian visitors in the last two quarters of 2008 were significantly more likely to return to Hawai'i compared to the last two quarters of 2006 or 2007. The proportion of Canadian visitors in the third quarter of 2008 (62%) was 20.6 percentage points lower than the third

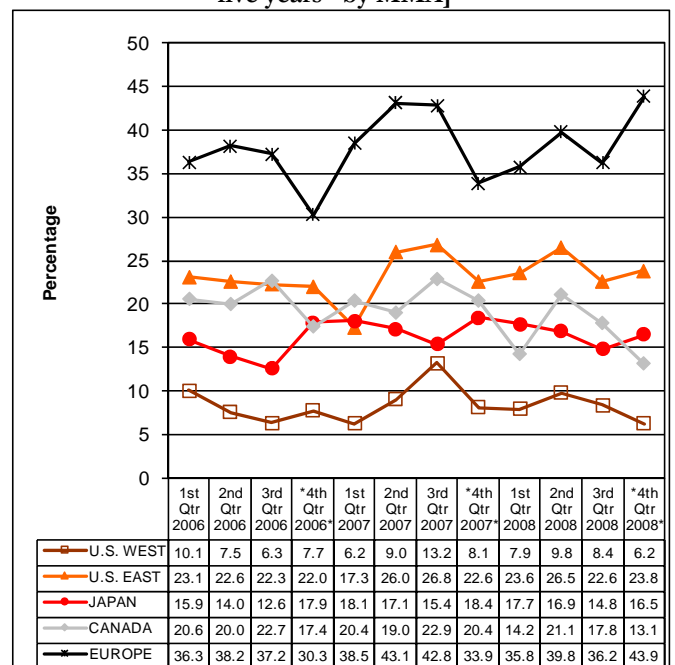
quarter of 2006 and 15.4 percentage points lower than the third quarter of 2007.

- Noticeably fewer European visitors in the fourth quarter of 2008 (32.6%, -6.9 percentage points) were very likely to revisit Hawai'i compared to the fourth quarter of 2007.

Not Likely to Revisit Hawai'i

The percentage of respondents who answered that they were "Not too likely" or "Not at all likely" to visit Hawai'i in the next five years continued to be fairly low among U.S. West visitors, moderately higher for Japan, Canada and U.S. East, while highest for European visitors.

Figure 5: Not Likely to Revisit Hawai'i
 [Percentage of visitors who are "Not too likely" or "Not at all likely" to visit Hawai'i in the next five years" by MMA]



- In the fourth quarter of 2008, the proportion of U.S. West (6.2%, -1.9 percentage points) and Japanese (16.5%, -1.9 percentage points) visitors who were not likely to return in the next five years were slightly lower than the fourth quarter of 2007.

- In the fourth quarter of 2008, the share of U.S. East visitors who were not likely to return (23.8%) was slightly higher than the same period in 2006 (22%) or 2007 (22.6%) (see Figure 5).
- Considerably fewer Canadian visitors (13.1%, -7.3 percentage points) were not likely to return to Hawai'i compared to the fourth quarter of 2007.
- Fewer Canadian visitors in the last two quarters of 2008 were not likely to return compared to the last two quarters of 2006 or 2007. The proportion of Canadian visitors in the third quarter of 2008 (17.8%) was 4.9 percentage points lower than the third quarter of 2006 and 5.1 percentage points lower than the third quarter of 2007.
- The proportion of European visitors (43.9%) who were not likely to revisit significantly increased 10 percentage points compared to the fourth quarter of 2007 and 13.6 percentage points compared to the fourth quarter of 2006.

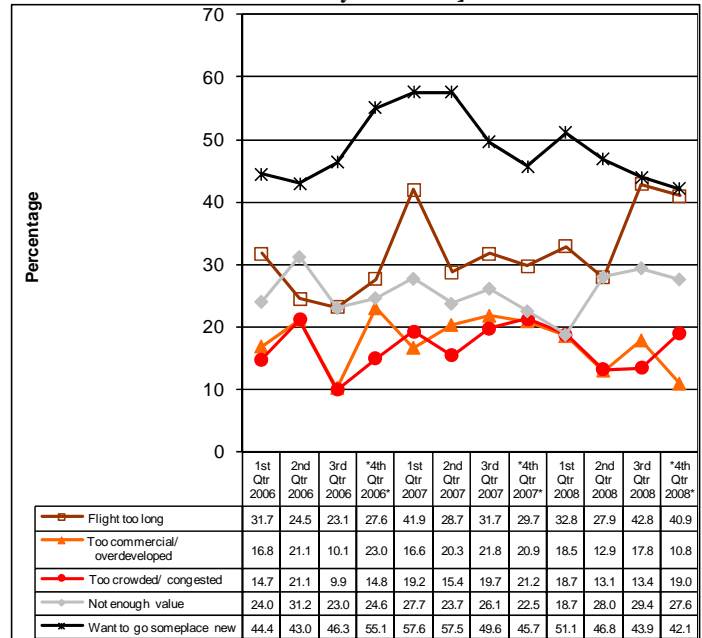
Reasons for Not Revisiting Hawai'i

Repeatedly, many of the visitors not planning to return in the next five years tell us that it is because they want to go someplace new (Figure 6 and Figure 7). Note that the statistic reported for each reason for not revisiting Hawai'i is the percentage of those who were *Not Likely to Revisit Hawai'i* (from previous section).

- Since the beginning of 2008, the share of U.S. visitors that wanted to visit someplace new were lower than the previous time periods the year before (Figure 6).
- In the fourth quarter of 2008, 42.1 percent of U.S. visitors (5.6% of all U.S. visitors) wanted to visit someplace new, a modest decrease compared to 45.7 percent (6% of all U.S. visitors) in the fourth quarter of 2007, but a significant decrease compared to 55.1 percent

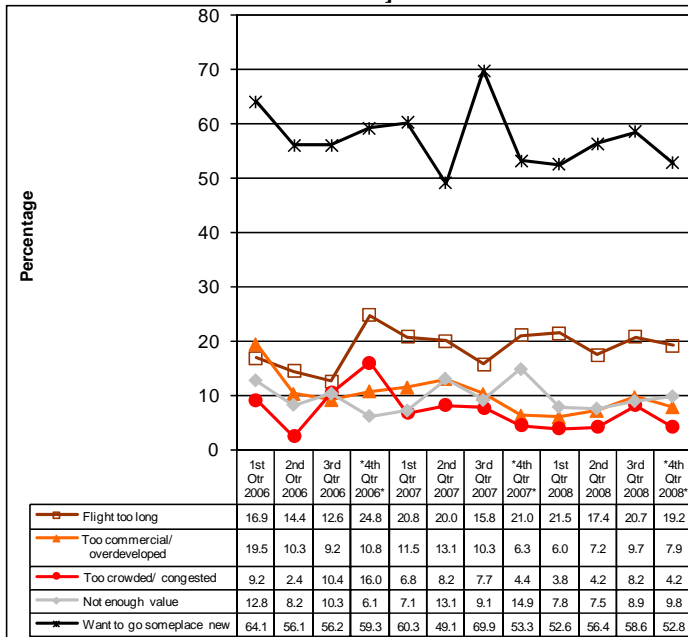
(7% of all U.S. visitors) in the fourth quarter of 2006.

Figure 6: Reasons for Not Revisiting Hawai'i - U.S. [Percentage of visitors who were not likely to revisit]



- Among the share of U.S. visitors who were not likely to revisit in the fourth quarter of 2008, noticeably more said that the flight was too long (40.9% or 5.4% of all U.S. visitors) compared to the fourth quarter of 2006 (27.6% or 3.5% of all U.S. visitors) or 2007 (29.7% or 3.9% of all U.S. visitors) (see Figure 6).
- At the same time, the proportion of U.S. visitors that felt Hawai'i was too commercial/overdeveloped (10.8% or 1.4% of all U.S. visitors) was significantly less than the fourth quarter of 2006 (23% or 2.9% of all U.S. visitors) or 2007 (20.9% or 2.7% of all U.S. visitors). This attribute continued to be the least likely reason for visitors not wanting to return.

Figure 7: Reasons for Not Revisiting Hawai'i - Japan [Percentage of visitors who were not likely to revisit]

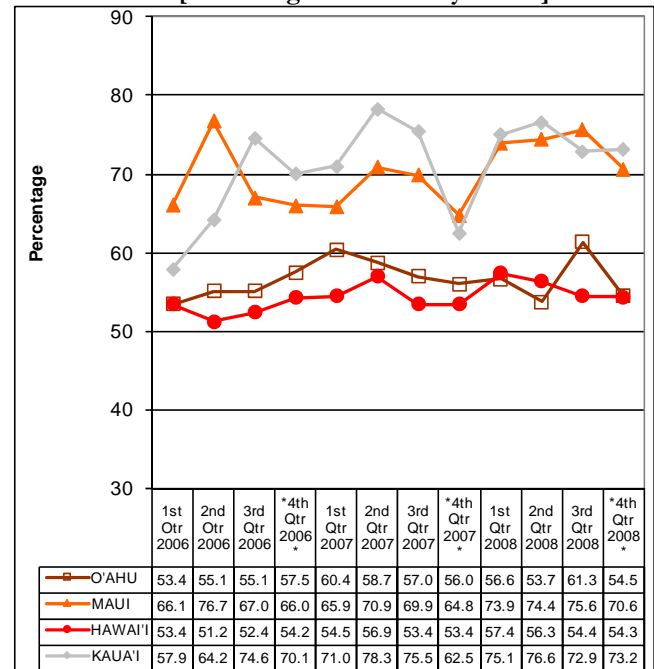


- Of the 16.5 percent of Japanese visitors in the fourth quarter of 2008 who were not likely to return, 9.8 percent (1.6% of all Japanese visitors) said that Hawai'i did not provide enough value, lower than the same period in 2007 (14.9% or 2.7% of all Japanese visitors) (see Figure 7).

Individual Island Experience

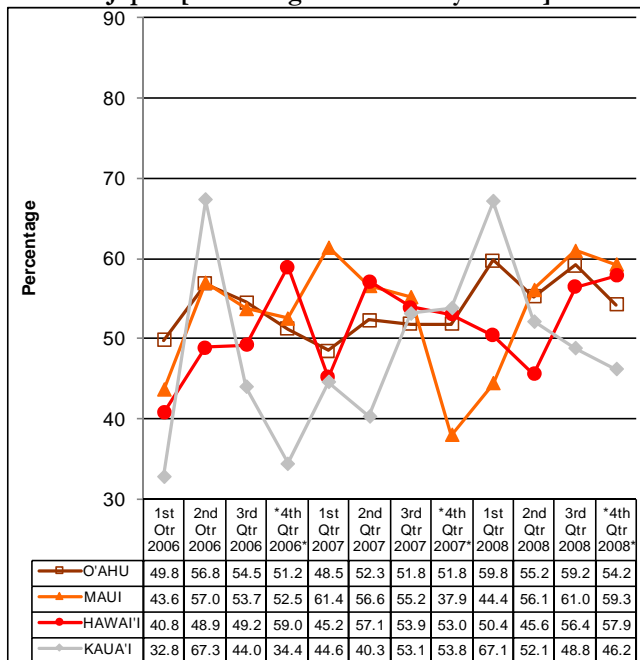
Each island has unique characteristics, activities and products which result in varied visitor experiences. Consequently, visitors were also asked to rate their experience on each island that they visited during their most recent trip.

Figure 8: Island Experience Rated as Excellent – U.S. [Percentage of visitors by Island]



- Among U.S. visitors, those who went to Maui and Kaua'i were more likely to say they had an excellent experience than visitors to O'ahu or Hawai'i Island (Figure 8).
- The proportion of U.S. visitors who rated Maui (70.6%, +5.8 percentage points) and Kaua'i (73.2%, +10.7 percentage points) excellent in the fourth quarter of 2008 were considerably higher than the fourth quarter of 2007.
- Maui ratings among U.S. visitors in all four quarters of 2008 were 3.5 to 8 percentage points higher than all four quarters of 2007.
- U.S. visitors rated Hawai'i Island (54.3%) similar to the fourth quarter of 2006 (54.2%) or 2007 (53.4%). In fact since 2006, ratings had continued to be steady.

Figure 9: Island Experience Rated as Excellent - Japan [Percentage of visitors by Island]

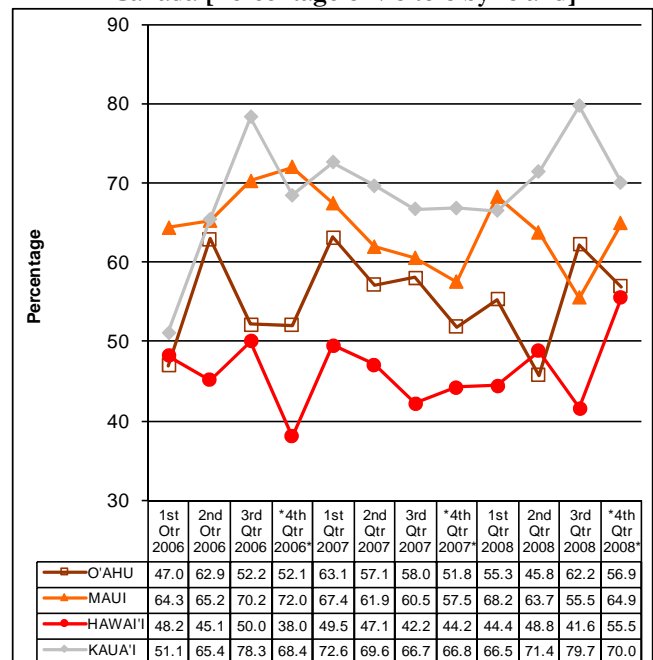


- The percentage of Japanese visitors that rated O’ahu excellent in the fourth quarter of 2008 (54.2%) showed modest improvement over the same period in 2006 (51.2%) or 2007 (51.8%) (Figure 9).
- In the last two quarters of 2008, more Japanese visitors rated their experience on O’ahu excellent than the last two quarters of 2006 or 2007. Japanese visitor ratings in the third quarter of 2008 (59.2%) were 4.7 percentage points higher than the third quarter of 2006 and 7.4 percentage points higher than the third quarter of 2007.
- Furthermore, Japanese visitors rated O’ahu 2.4 to 11.3 percentage points higher in all four quarters of 2008 than all four quarters of 2007.
- Maui ratings among Japanese visitors in the fourth quarter of 2008 (59.3%) were noticeably higher than ratings in the fourth quarter of 2006 (52.5%) or 2007 (37.9%).
- In the last two quarters of 2008, Japanese visitors rated their experience on Maui considerably higher than the last two quarters

of 2006 or 2007. In the third quarter of 2008, Japanese visitors rated Maui (61%) 7.3 percentage points higher than the third quarter of 2006 and 5.8 percentage points higher than the third quarter of 2007.

- In the fourth quarter of 2008, Hawai’i Island ratings (57.9%) among Japanese visitors were significantly higher (+4.9 percentage points) than the fourth quarter of 2007.
- Kauai ratings in the fourth quarter of 2008 (46.2%) among Japanese visitors were significantly lower than the fourth quarter of 2007 (53.8%).

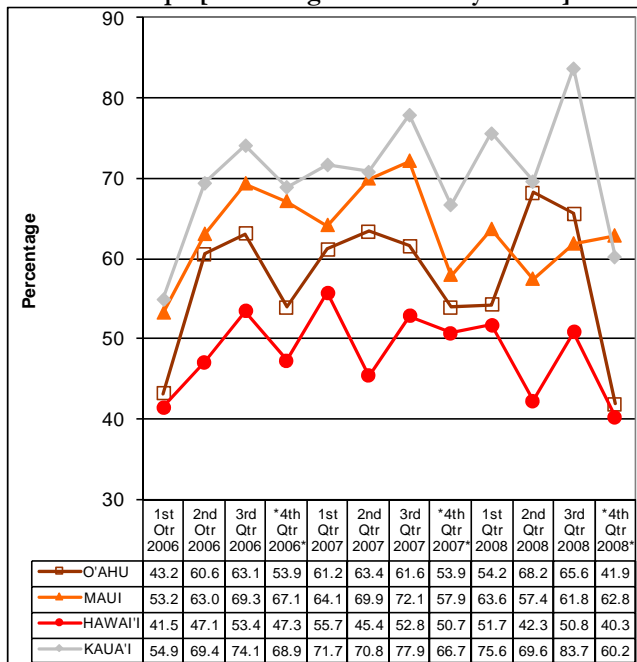
Figure 10: Island Experience Rated as Excellent – Canada [Percentage of visitors by Island]



- Canadian visitor satisfaction levels for the island of O’ahu in the fourth quarter of 2008 (56.9%) were reasonably higher than the fourth quarter of 2006 (52.1%) or 2007 (51.8%) (Figure 10).
- In addition, Canadians were more satisfied with O’ahu in the last two quarters of 2008 compared to the last two quarters of 2006 or 2007. In the third quarter of 2008 (62.2%), the share was 10 percentage points higher than the third quarter of 2006 and 4.2 percentage points higher than the third quarter of 2007.

- In the fourth quarter of 2008, Canadian satisfaction ratings (64.9%) drastically improved 7.4 percentage points for Maui compared to the fourth quarter of 2007 (see Figure 10).
- The proportion of Canadian visitors that rated Hawai'i Island excellent in the fourth quarter of 2008 (55.5%) was notably higher than the fourth quarter of 2007 (+11.3 percentage points) or 2006 (+18 percentage points).
- Canadian visitor satisfaction levels for Kaua'i (70%) was still the highest among the major islands and modestly increased 3.2 percentage points compared to the fourth quarter of 2007.

Figure 11: Island Experience Rated as Excellent – Europe [Percentage of visitors by Island]



- Hawai'i Island maintained the lowest rating compared to any major island (Figure 11).
- In the fourth quarter of 2008, significantly fewer European visitors rated O'ahu (-12 percentage points), Hawai'i Island (-10.4 percentage points) and Kaua'i (-6.5 percentage points) excellent than the fourth quarter of 2007. Moreover, European visitor ratings for O'ahu (-12 percentage

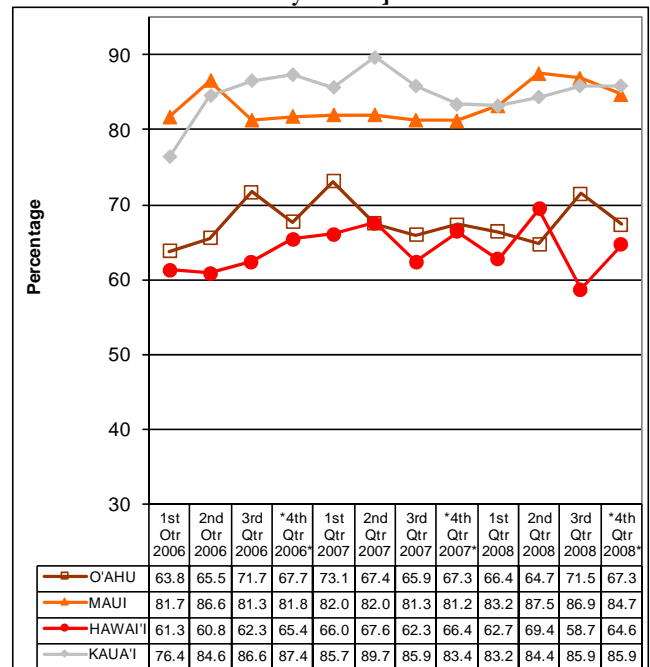
points), Hawai'i Island (-7 percentage points) and Kaua'i (-8.7 percentage points) significantly decreased compared to the fourth quarter of 2006.

- More European visitors rated Maui (62.8%, +4.9 percentage points) excellent in the fourth quarter of 2008 compared to the fourth quarter of 2007.

Individual Island Recommendation

Again, when visitors are highly satisfied with the destination they visited, they will be more likely to recommend the place to friends and family. More than half of visitors continue to be *very likely to recommend* all islands to others (see Figures 12 to 15).

Figure 12: Very Likely to Recommend Island – U.S. [Percentage of visitors who are “Very Likely” to recommend Island as a vacation place by Island]



- Similar to their rating of experiences, U.S. visitors clearly were more likely to recommend Maui and Kaua'i over O'ahu and Hawai'i Island (Figure 12).

- In the fourth quarter of 2008, the percentage of U.S. visitors who were very likely to recommend O’ahu (67.3%) was similar to the fourth quarter of 2006 (67.7%) or 2007 (67.3%) (see Figure 12).
- Reasonably more U.S. visitors were very likely to recommend Maui in the fourth quarter of 2008 (84.7%) compared to the fourth quarter of 2006 (81.8%) or 2007 (81.2%).
- U.S. visitors were more likely to recommend Maui in all four quarters of 2008 (1.2 to 5.6 percentage points higher) compared to all four quarters of 2007.
- Compared to the fourth quarter of 2007, ratings on Hawai’i slightly decreased 1.8 percentage points to 64.6 percent in the fourth quarter of 2008.
- Kaua’i ratings among U.S. visitors in the fourth quarter of 2008 (85.9%) showed some improvement compared to the fourth quarter of 2007 (83.4%).

- In the fourth quarter of 2008, Japanese visitors were considerably more likely to recommend O’ahu (67.9%) compared to the fourth quarter of 2006 (63%) or 2007 (62.2%) (Figure 13).
- The share of Japanese visitors who were very likely to recommend O’ahu in all four quarters of 2008 improved over all four quarters of 2006 (1.9 to 9.9 percentage point increase) or 2007 (4.7 to 8.4 percentage point increase).
- In the fourth quarter of 2008, noticeably more Japanese visitors were very likely to recommend Maui (62.7%, +5.7 percentage points) and Hawai’i Island (60.2%, +6.3 percentage points) as a vacation place compared to the fourth quarter of 2007.
- Japanese visitors were more likely to recommend Maui in all four quarters of 2008 (3 to 13.6 percentage points higher) compared to all four quarters of 2007.
- Kaua’i satisfaction ratings among Japanese visitors in the fourth quarter of 2008 (57%) showed modest improvement of 3 percentage points over the fourth quarter of 2007 and significant improvement of 9.8 percentage points over the fourth quarter of 2006.

Figure 13: Very Likely to Recommend Island – Japan [Percentage of visitors who are “Very Likely” to recommend Island as a vacation place by Island]

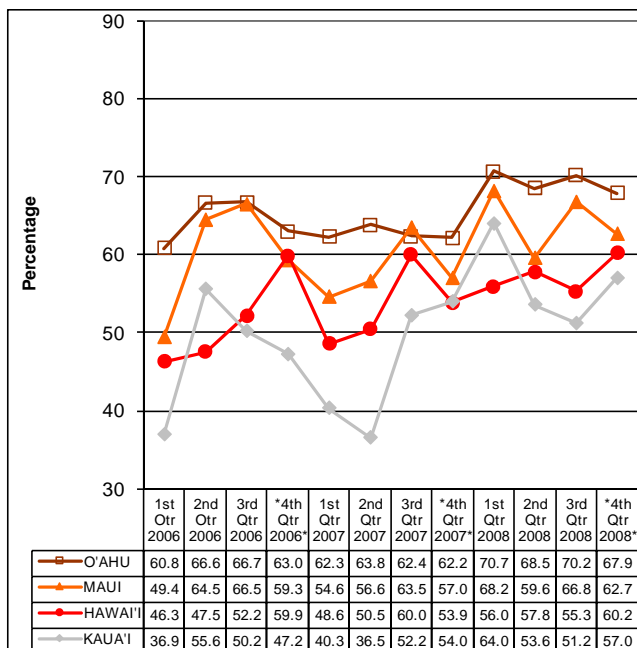


Figure 14: Very Likely to Recommend Island – Canada [Percentage of visitors who are “Very Likely” to recommend Island as a vacation place by Island]

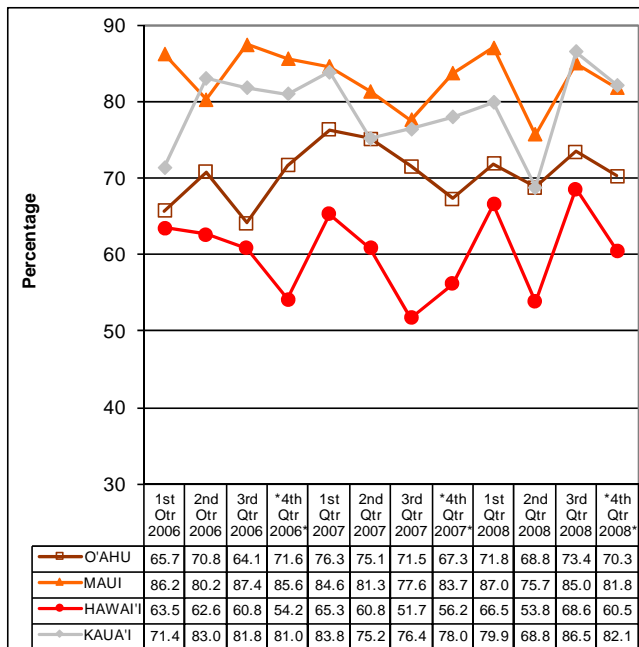
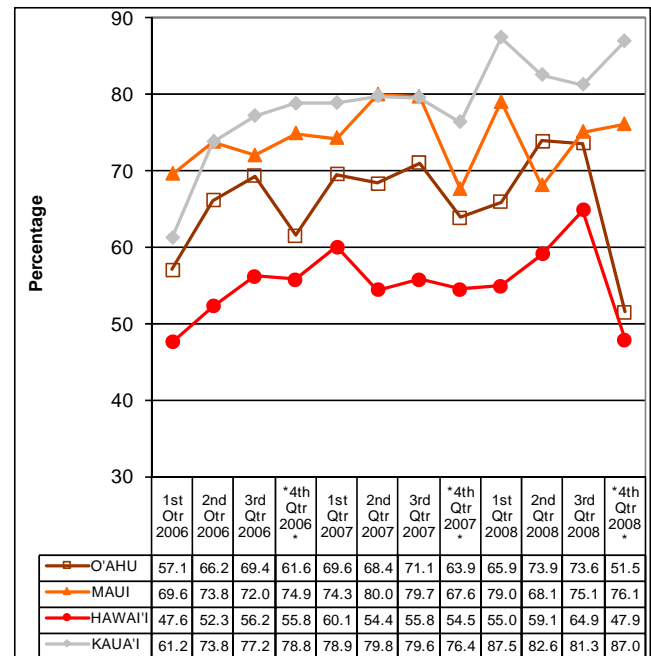


Figure 15: Very Likely to Recommend Island – Europe [Percentage of visitors who are “Very Likely” to recommend Island as a vacation place by Island]



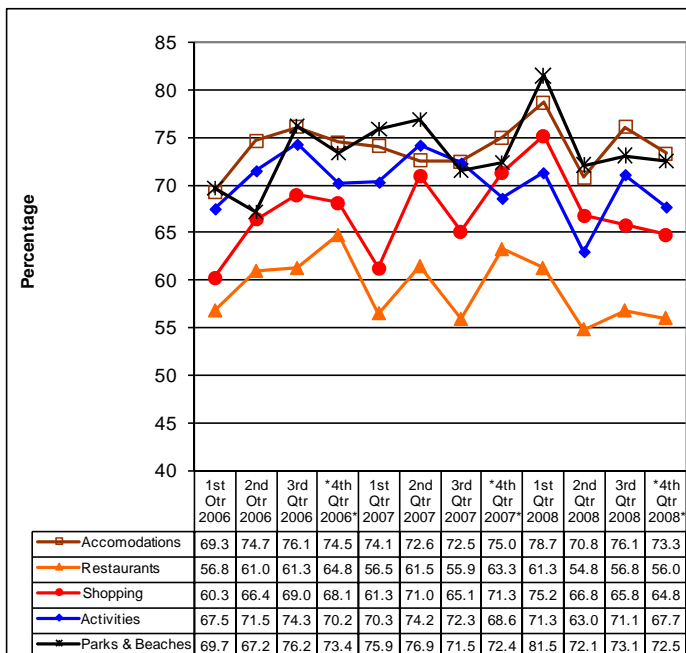
- In the fourth quarter of 2008, Canadian visitors were more likely to recommend Maui and Kaua'i over O'ahu and Hawai'i Island (Figure 14).
- Canadian visitor satisfaction ratings in the fourth quarter of 2008 showed some improvement for O'ahu (70.3%, +3 percentage points), Hawai'i Island (60.5%, +4.3 percentage points) and Kaua'i (82.1%, +4.1 percentage points) over the fourth quarter of the previous year.
- Slightly fewer Canadian visitors were very likely to recommend Maui in the fourth quarter of 2008 (81.8%) compared to the fourth quarter of 2007 (83.7%).
- The percentage of Canadians who were very likely to recommend Hawai'i Island in the fourth quarter of 2008 (60.5%) moderately improved (+4.3 percentage points) over to the same period in 2007, yet significantly improved (+6.3 percentage points) over to the same period in 2006.
- Since the fourth quarter of 2007, European visitors were more likely to recommend Kaua'i over O'ahu, Maui and Hawai'i Island (Figure 15).
- In contrast to previous quarters, O'ahu and Hawai'i Island ratings were more similar in the fourth quarter of 2008.
- Considerably fewer European visitors in the fourth quarter of 2008 were very likely to recommend O'ahu (51.5%, -12.4 percentage points) and Hawai'i Island (47.9%, -6.6 percentage points) compared to the fourth quarter of 2007. Furthermore, Europeans were considerably less likely to recommend O'ahu (-10.1 percentage points) and Hawai'i Island (-7.9 percentage points) compared to the fourth quarter of 2006.
- In the fourth quarter of 2008, Maui ratings (76.1%) were noticeably higher than the same period of 2007 (67.6%).

- Kaua'i ratings among European visitors in the fourth quarter of 2008 (87%) were significantly higher than the fourth quarter of 2006 (78.8%) or 2007 (76.4%) (see Figure 15).
- Kaua'i ratings in all four quarters of 2008 showed improvement over all four quarters of 2006 (8.2 to 26.3 percentage points higher) or 2007 (1.7 to 10.6 percentage points higher).

Attributes of Each Island*

Analysis of the visitors' satisfaction with the specific attributes, activities and products of each island may help us to identify the underlying reasons for changes in individual island experiences. Visitors were asked to rate how satisfied they were with certain attributes of their trip. The satisfaction rating was determined by the percentage of those who were **"Very Satisfied"** by an attribute.

Figure 16: Detailed Satisfaction Ratings for U.S. Visitors to O'ahu [Percentage of U.S. visitors to O'ahu who were "Very Satisfied" with Attribute]



- In the fourth quarter of 2008, accommodations on O'ahu were the highest rated attribute. Slightly fewer U.S. visitors in

the fourth quarter of 2008 were very satisfied with O'ahu's accommodations (73.3%) compared to the fourth quarter of 2006 (74.5%) or 2007 (75%) (Figure 16).

- The share of U.S. visitors who were very satisfied with O'ahu's restaurants continued to be distinctively lower than the other attributes on the island.
- The percentage of U.S. visitors who enjoyed O'ahu's restaurants (56%) was 7.3 percentage points lower than the fourth quarter of 2007 and 8.8 percentage points lower than the fourth quarter of 2006. Notably fewer U.S. visitors were very satisfied with the service and locations.
- Satisfaction ratings regarding O'ahu's shopping among U.S. visitors showed a decline from the first quarter of 2008 (75.2%) through the fourth quarter of 2008 (64.8%).
- U.S. visitors rated shopping on O'ahu considerably lower (-6.5 percentage points) compared to the fourth quarter of 2007. Significantly fewer U.S. visitors were very satisfied with the variety of merchandise, sufficient number of shopping places, service and value for their money.

* See 2008 Annual VSAT Report for detailed satisfaction ratings such as service, locations, variety, sufficient number of shopping places, value, cleanliness and comfort, facilities and security.

Figure 17: Detailed Satisfaction Ratings for U.S. Visitors to Maui [Percentage of U.S. visitors to Maui who were “Very Satisfied” with Attribute]

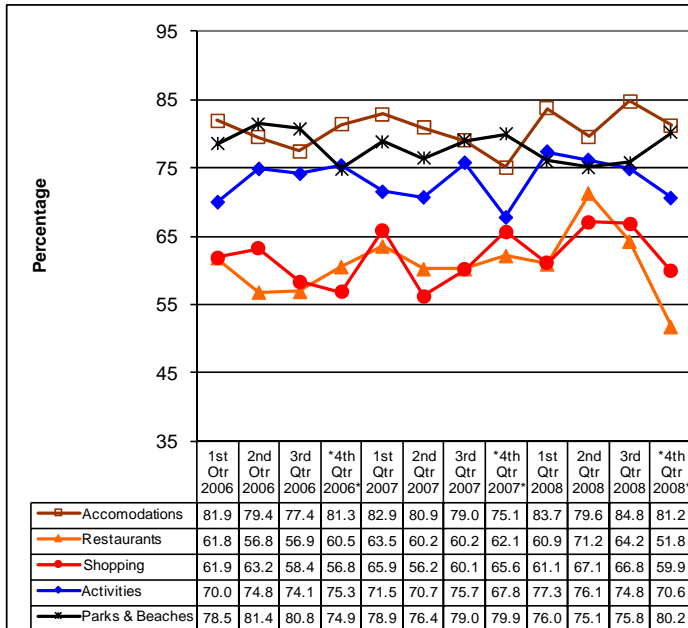
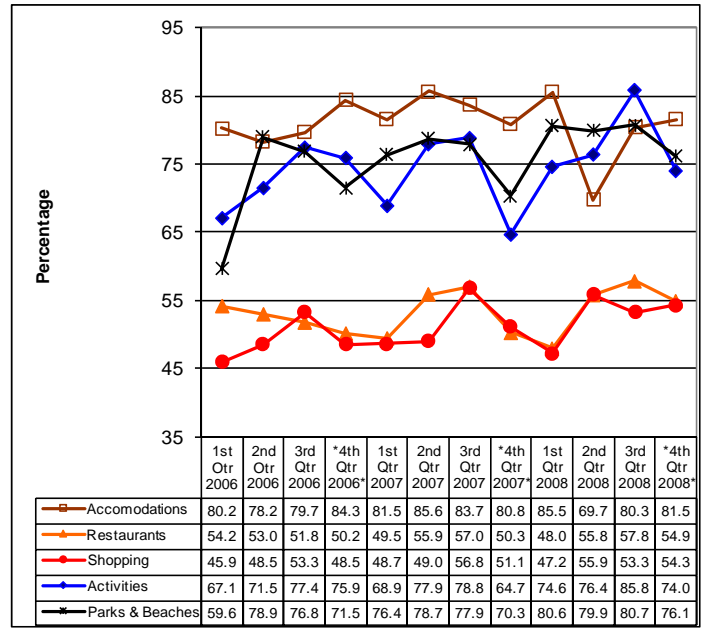


Figure 18: Detailed Satisfaction Ratings for U.S. Visitors to Kaua’i [Percentage of U.S. visitors to Kaua’i who were “Very Satisfied” with Attribute]



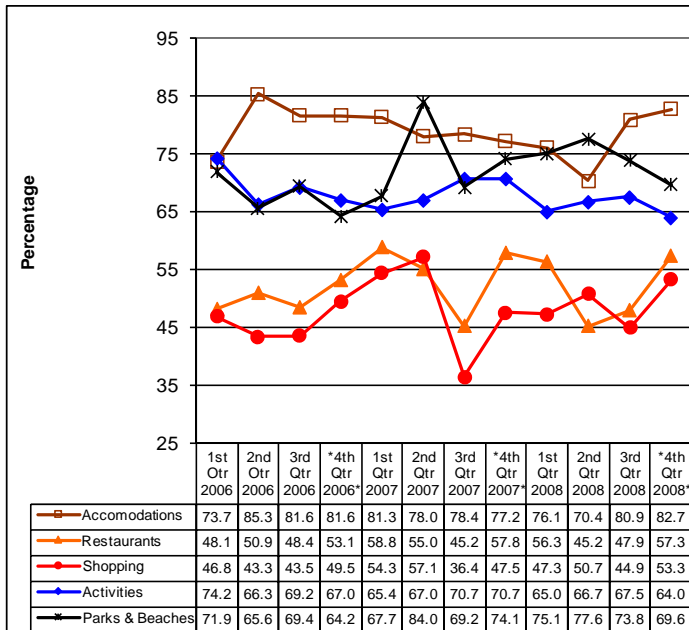
- Accommodations (81.2%) on Maui were the highest rated attribute on the island, followed by the parks and beaches (80.2%). Satisfaction ratings were 6.1 percentage points higher for accommodations than the fourth quarter of 2007 (Figure 17).
- Maui’s accommodations received significantly higher ratings for its cleanliness and comfort, locations and facilities.
- Compared to previous quarters, Maui’s restaurants received record low ratings from U.S. visitors in the fourth quarter of 2008. Ratings were 8.7 percentage points lower compared to the fourth quarter of 2006 and 10.3 percentage points lower compared to the fourth quarter of 2007. Value for their money was the lowest rated detail for restaurants on Maui.
- Notably fewer U.S. visitors enjoyed Maui’s shopping in the fourth quarter of 2008 (59.9%) compared to the same period in 2007 (65.6%). Significantly fewer U.S. visitors were very satisfied with the quality of merchandise.

- U.S. visitors tended to be more satisfied with Kaua’i’s accommodations, activities and parks and beaches. The island’s restaurants and shopping ratings were much lower than other attributes (Figure 18).
- Kaua’i’s accommodations was the highest rated attribute in the fourth quarter of 2008. The proportion of U.S. visitors who enjoyed the island’s accommodations (81.5%) was similar to the fourth quarter of the previous year (80.8%).
- Compared to the fourth quarter of 2007, ratings regarding Kaua’i’s activities (74%) among U.S. visitors improved 9.3 percentage points. Activity satisfaction levels on Kaua’i, were notably higher for service and variety of choices.
- Kaua’i’s parks and beaches (76.1%) also improved 5.8 percentage points. Noticeably more U.S. visitors were satisfied with the security, facility and cleanliness and comfort.

* See 2008 Annual VSAT Report for detailed satisfaction ratings such as service, locations, variety, sufficient number of shopping places, value, cleanliness and comfort, facilities and security.

- Satisfaction ratings for Kaua'i's parks and beaches in all four quarters of 2008 improved over all four quarters in 2006 (1 to 21 percentage points up) or 2007 (1.2 to 5.8 percentage points up) (see Figure 18).

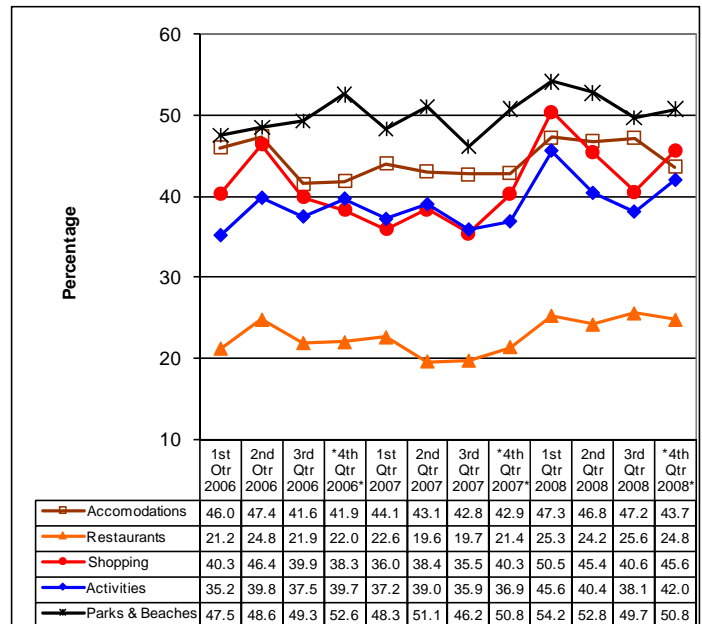
Figure 19: Detailed Satisfaction Ratings for U.S. Visitors to Hawai'i Island [Percentage of U.S. visitors to Hawai'i Island who were "Very Satisfied" with Attribute]



- Hawai'i Island's accommodations was the highest rated attribute in the fourth quarter of 2008 (82.7%). The percentage of U.S. visitors who enjoyed the island's accommodations was noticeably higher than the fourth quarter of 2007 (77.2%) (Figure 19). Notably more U.S. visitors were very satisfied with the locations.
- Fourth quarter 2008 ratings among U.S. visitors regarding shopping (53.3%) on Hawai'i Island considerably improved compared to the same period in 2007 (47.5%). Ratings for the locations and variety of merchandise significantly improved.
- At the same time, ratings for Hawai'i Island's activities (64%) significantly decreased 6.7 percentage points compared to the fourth

quarter of 2007. Significantly fewer U.S. visitors were very satisfied with the service and variety of choices.

Figure 20: Detailed Satisfaction Ratings for O'ahu – Japan [Percentage of Japan visitors to O'ahu who were "Very Satisfied" with Attribute]



- Four out of ten (43.7%) Japanese visitors were very satisfied with O'ahu's accommodations. Ratings were similar to the fourth quarter of 2007 (42.9%) (Figure 20).
- On the other hand, Japanese visitor ratings regarding O'ahu's restaurants remained distinctively lower than the other attributes on the island.
- The proportion of Japanese visitors who rated restaurants excellent in all four quarters of 2008 showed improvement of 2.7 to 5.9 percentage points over all four quarters of 2007.
- Japanese visitor ratings with O'ahu's shopping in the fourth quarter of 2008 (45.6%) showed significant improvement over the fourth quarter of 2006 (38.3%) or 2007 (40.3%). Japanese visitor satisfaction was significantly higher for the value for their money, quality of merchandise, locations and service.

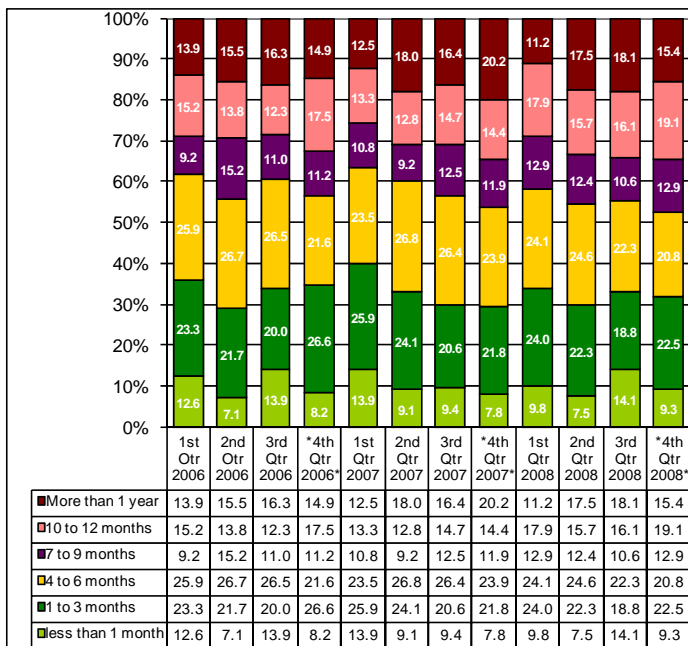
* See 2008 Annual VSAT Report for detailed satisfaction ratings such as service, locations, variety, sufficient number of shopping places, value, cleanliness and comfort, facilities and security.

- O‘ahu shopping ratings among Japanese visitors in all four quarters of 2008 considerably increased 5.1 to 14.5 percentage points compared to all four quarters of 2007 (See Figure 20). Specifically, ratings for the value for their money distinctively improved in all four quarters of 2008 over all four quarters of 2007.
- O‘ahu’s parks and beaches continued to be the highest rated attribute among Japanese visitors.

Trip Planning Cycle*

Information on how visitors plan their trips and when they make major decisions can greatly enhance preparation of effective marketing and promotion plans.

Figure 21: When Did U.S. West Visitors Decide to Visit Hawai‘i in Advance of Departure [Percentage of U.S. West visitors]



- Fewer U.S. West visitors were likely to make reservations (reserved airlines and accommodations) and purchases (purchased tickets and tour packages) one to six months before departure in the fourth quarter of 2008 compared to the fourth quarter of 2006 or 2007.
- There were moderately more U.S. West visitors who chose to make airline reservations (27.1%) and purchase tickets (26.6%) seven to twelve months before departure than the fourth quarter of 2007 (23.5% and 23.2% respectively) but significantly more than the fourth quarter of 2006 (19.8% and 19.9% respectively).
- Moderately more U.S. West visitor made their accommodation reservations less than one month before departure in the fourth quarter of 2008 (14.7%) compared to the fourth quarter of 2006 (12.2%) or 2007 (11.8%).
- U.S. West visitors tend to purchase tour packages less than one month in advance of departure. However this action was notably more prevalent in the fourth quarter of 2008 (70.5%) than the fourth quarter of 2006 (59.4%) or 2007 (64.8%).
- The proportion of U.S. West visitors who decided to visit Hawai‘i seven to twelve months (32%) before departure was significantly higher compared to the fourth quarter of 2007 (26.3%).

- In the fourth quarter of 2008, fewer U.S. West visitors (15.4%) decided to visit Hawai‘i more than one year in advance of departure compared to the fourth quarter of 2007 (20.2%) and more similar to the fourth quarter of 2006 (14.9%) (Figure 21).

*Data for decided to take a vacation and which island to visit not shown in this report. See 2008 Annual VSAT Report.

Figure 22: When Did U.S. East Visitors Decide to Visit Hawai'i in Advance of Departure [Percentage of U.S. East visitors]

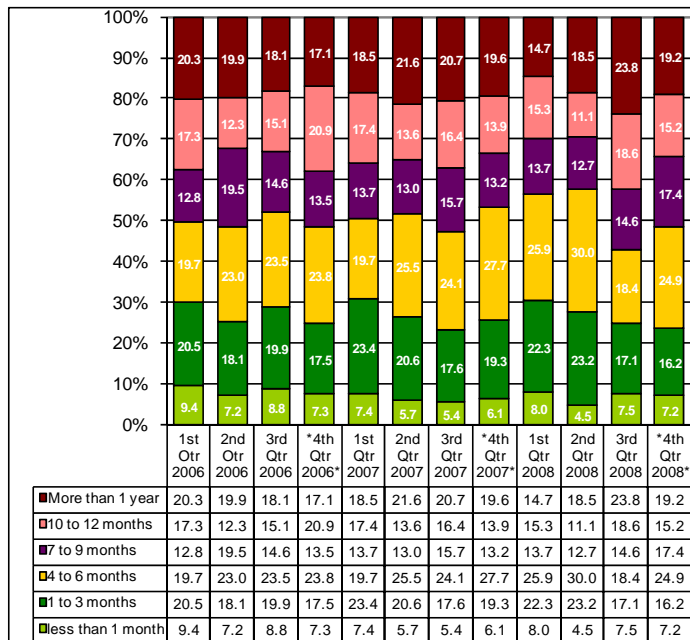
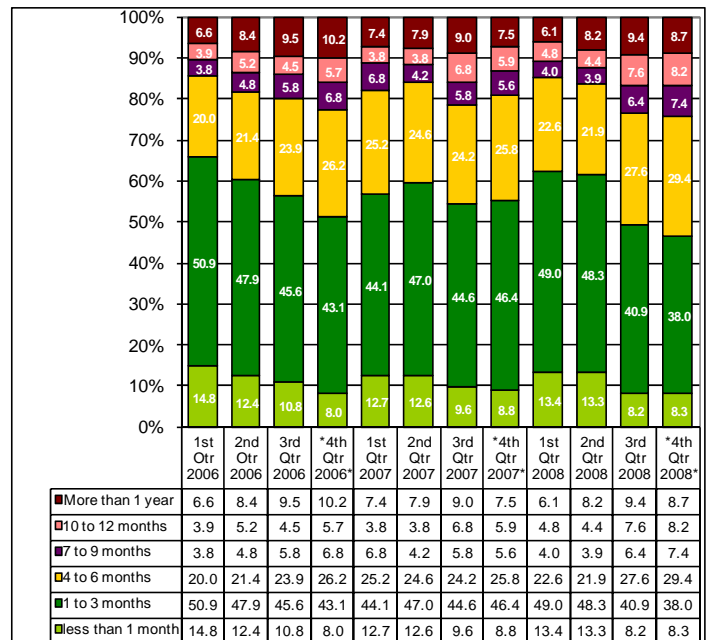


Figure 23: When Did Japan Visitors Decide to Visit Hawai'i in Advance of Departure [Percentage of Japanese visitors]



- In the fourth quarter of 2008, more U.S. East visitors made their decisions (decided to take vacation, to visit Hawai'i and which islands to visit) seven to twelve months prior to departure than the fourth quarter of 2007. The proportion of U.S. East visitors who decided to visit Hawai'i seven to twelve months (32.6%) prior to departure was distinctively higher than the fourth quarter of 2007 (27.1%) (Figure 22).
- However, U.S. East visitors were significantly less likely to make decisions one to six months prior to departure in the fourth quarter of 2008 compared to the fourth quarter of 2007. The proportion of U.S. East visitors who decided to visit Hawai'i one to six months (41.1%) was significantly lower than the fourth quarter of 2007 (47%).

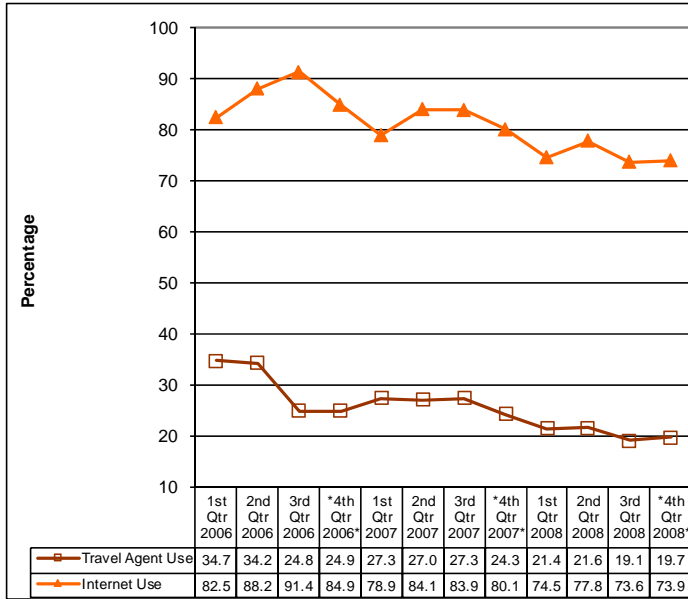
- In the fourth quarter of 2008, Japanese visitors were notably less likely to make decisions (decided to take vacation, to visit Hawai'i and which islands to visit) three months or less before departure than the fourth quarter of 2007. The proportion of Japanese visitors who decided to visit Hawai'i three months or less (46.3%) was significantly lower than the fourth quarter of 2006 (51.1%) or 2007 (55.2%) (Figure 23).
- Japanese visitors were considerably more likely to make airline reservations (27.2%), accommodation reservations (27.4%) and purchase tickets (21.5%) six months or more before departure in the fourth quarter of 2008 compared to the fourth quarter of 2006 or 2007.
- Over half of Japanese visitors decided to visit Hawai'i four or more months (53.7%) prior to departure; noticeably higher than the fourth quarter of 2006 (48.9%) or 2007 (44.8%).

*Data for decided to take a vacation and which island to visit not shown in this report. See 2008 Annual VSAT Report.

Internet and Travel Agent Use

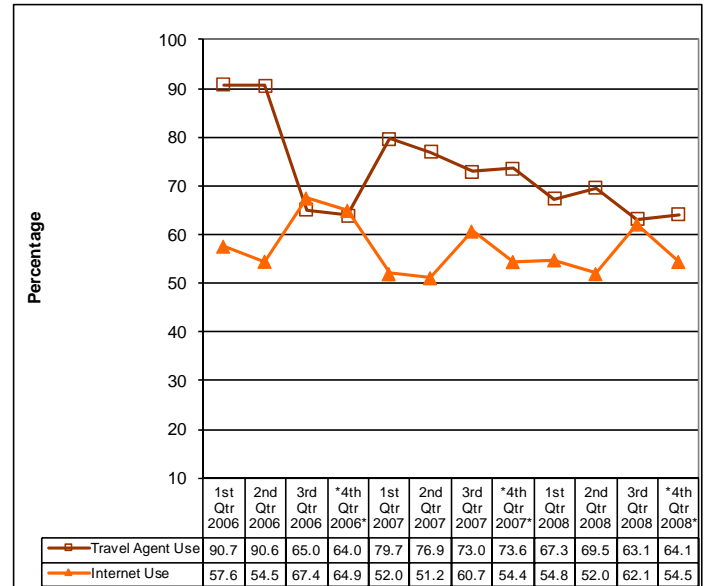
The use of the Internet or a travel agent for trip planning and booking differs quite appreciably between U.S. and Japanese travelers to Hawai'i.

Figure 24: Internet and Travel Agent Use -- U.S.
[Percentage of U.S. visitors]



- The proportion of travel agent and Internet users for trip planning among U.S. visitors in all four quarters of 2008 was noticeably lower compared to all four quarters of 2006 or 2007 (see Figure 24).
- Internet use for trip planning among U.S. visitors in the fourth quarter of 2008 decreased to 73.9 percent of all U.S. visitors to Hawai'i compared to 84.9 percent in the fourth quarter of 2006 or 80.1 percent in the fourth quarter of 2007.
- Travel agent use also decreased to 19.7 percent of all U.S. visitors in the fourth quarter of 2008 compared to 24.9 percent in the fourth quarter of 2006 or 24.3 percent in the fourth quarter of 2007.

Figure 25: Internet and Travel Agent Use – Japan
[Percentage of Japanese visitors]

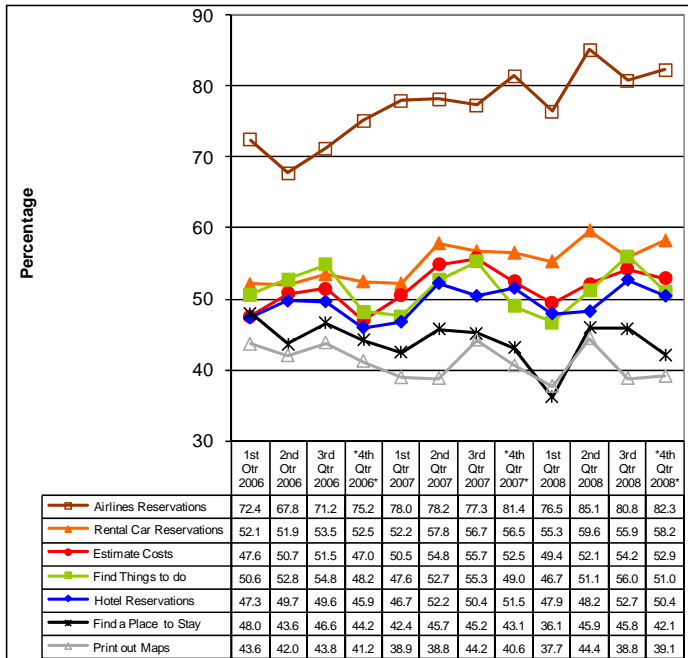


- Japanese travel agent use showed a steady decline since the first quarter of 2007 (Figure 25).
- Travel agent users made up 64.1 percent of all Japanese visitors in the fourth quarter of 2008, a decrease compared to 73.6 percent of total Japanese visitors in the fourth quarter of 2007.
- Internet usage was at 54.5 percent of Japanese visitors in the fourth quarter of 2008. Internet use for the fourth quarter of 2008 was similar to the same quarter of 2007 (54.4%).

Internet Use

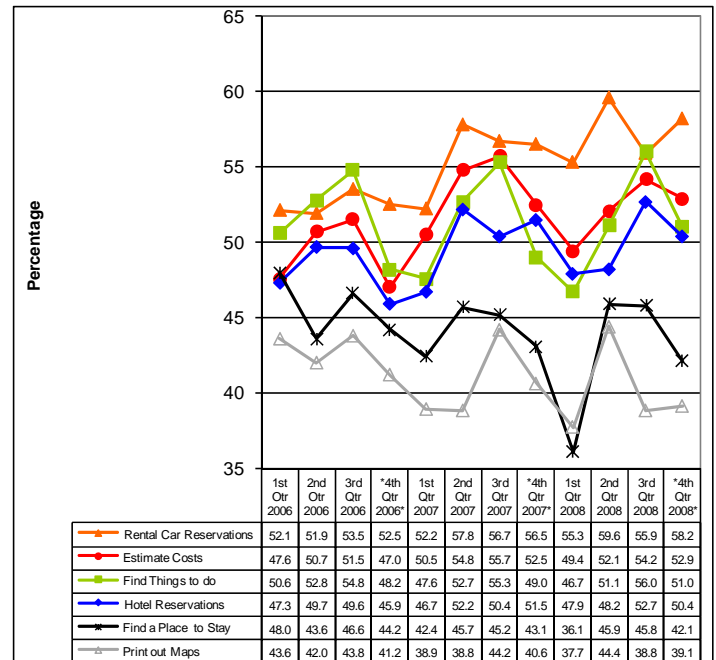
Note that the statistic reported for each Internet use is the percentage of those who used the Internet (from previous section).

Figure 26: Internet Use – U.S. [Percentage of U.S. visitors who used the Internet]



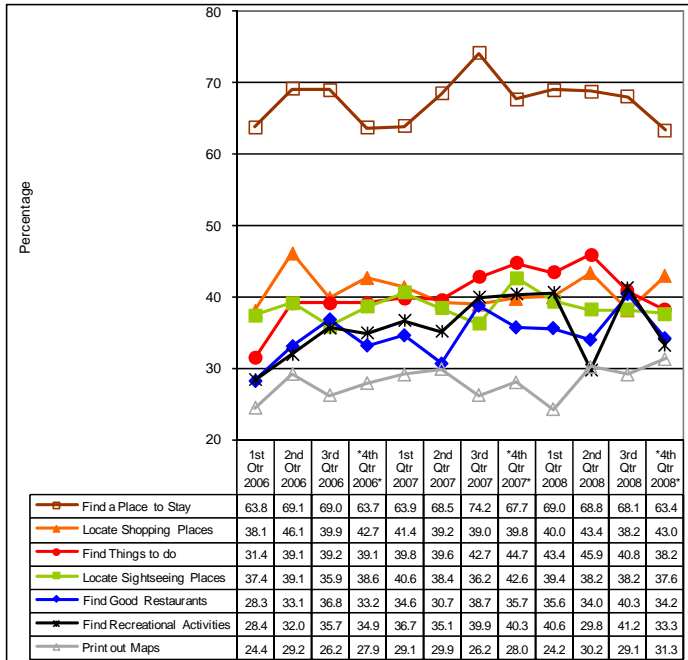
- Of the 73.9 percent of U.S. visitors who used the Internet in the fourth quarter of 2008, 82.3 percent (60.8% of all U.S. visitors) made airline reservations. The proportion was similar to the fourth quarter of 2007 but 7.1 percentage points higher than the fourth quarter of 2006 (Figure 26).

Figure 27: Internet Use – U.S. [Percentage of U.S. visitors who used the Internet - scale expanded]



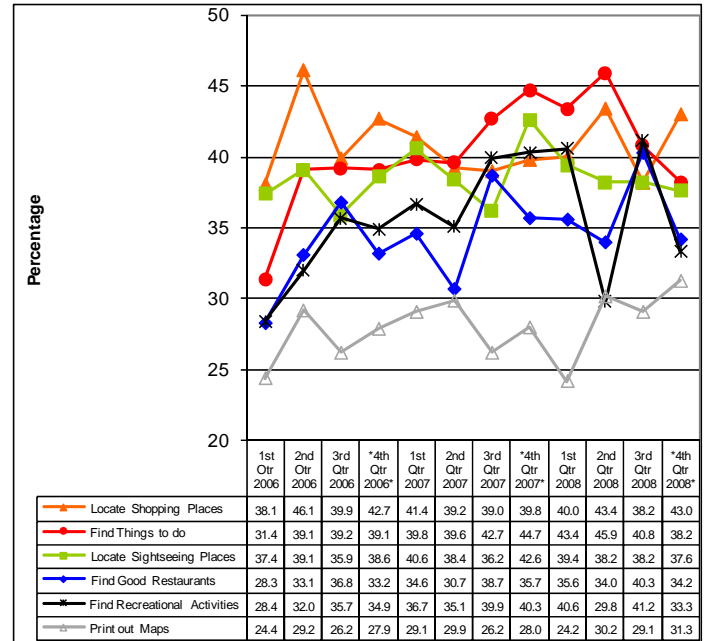
- The proportion of U.S. Internet users who made rental car reservations in the fourth quarter of 2008 (58.2% or 43% of all U.S. visitors) continued to be higher than other actions since the fourth quarter of 2006 (Figure 27).
- On the other hand, the share of U.S. Internet users in the fourth quarter of 2008 who printed out maps or found a place to stay through the Internet remained lower than other actions.
- The proportion of U.S. Internet users who found things to do through the Internet exhibited a seasonal pattern, with the first quarter lower and the third quarter higher than other times of the year.
- Half (51%) of U.S. Internet users (37.7% of all U.S. visitors) in the fourth quarter of 2008 found things to do through the Internet. The ratio increased 2 percentage points compared to the fourth quarter of the previous year.

Figure 28: Internet Use – Japan [Percentage of Japanese visitors who used the Internet]



- Japanese Internet users were mainly interested in finding an accommodation. For the fourth quarter of 2008, 63.4 percent (34.5% of all Japanese visitors) of Japanese Internet users used the Internet to find an accommodation, a notable decrease from 67.7 percent (36.9% of all Japanese visitors) in the fourth quarter of 2007. Other activities continued to draw less than half of all Japanese Internet users (see Figure 28).

Figure 29: Internet Use – Japan [Percentage of Japanese visitors who used the Internet - scale expanded]

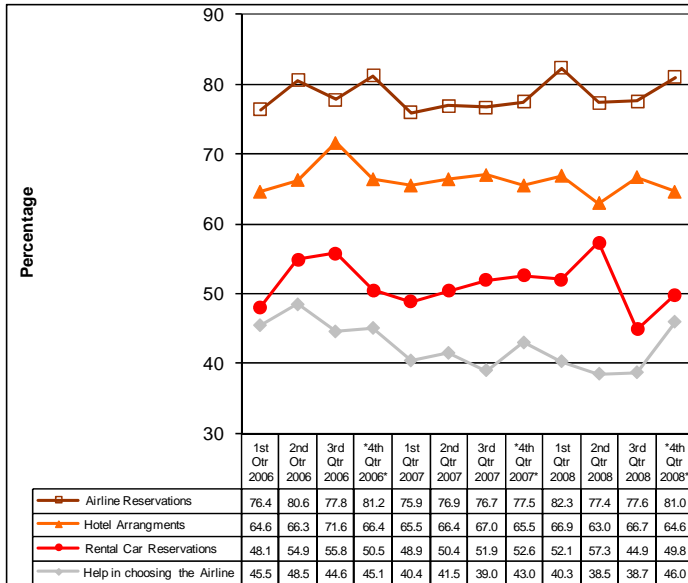


- The proportion of Japanese Internet users who printed out maps was still the lowest usage but exhibited an increasing trend since the first quarter of 2008 (Figure 29).
- In the fourth quarter of 2008, Internet use among Japanese visitors to locate shopping places (43% or 23.4% of all Japanese visitors) and print out maps (31.3% or 17% of all Japanese visitors) were moderately higher than the fourth quarter of 2007.
- Compared to the fourth quarter of 2007, Internet use among Japanese visitors to find things to do (38.2% or 20.8% of all Japanese visitors), locate sightseeing places (37.6% or 20.5% of all Japanese visitors) or find recreational activities (33.3% or 18.1% of all Japanese visitors) were distinctively lower in the fourth quarter of 2008.

Travel Agent Use

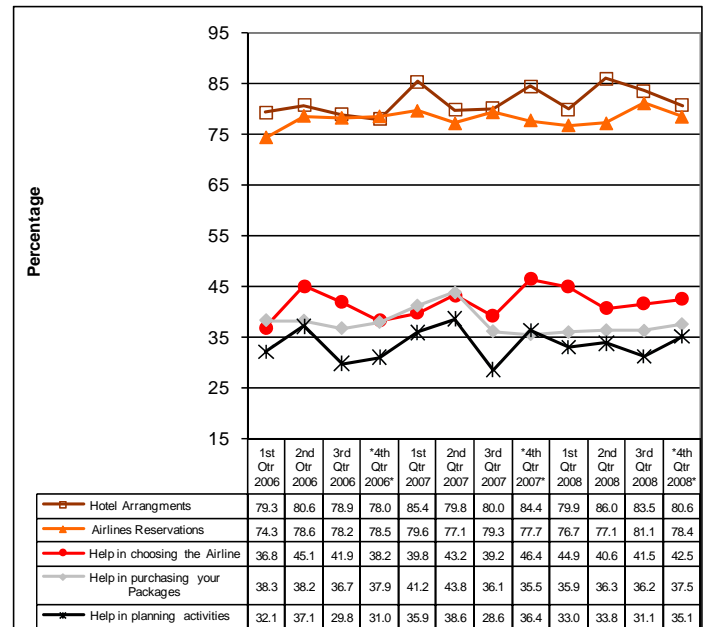
Note that the statistic reported for each travel agent use is the percentage of those who used a travel agent (from Internet and Travel Agent Use).

Figure 30: Travel Agent Use – U.S. [Percentage of U.S. visitors who used a Travel Agent]



- The use of a travel agent among U.S. visitors was mainly to make airline reservations. Of the 19.7 percent of U.S. visitors who used a travel agent in the fourth quarter of 2008, 81 percent (16% of all U.S. visitors) used a travel agent to make airline reservations. The proportion rose 3.5 percentage points compared to the fourth quarter of 2007 (Figure 30).
- U.S. visitors who used a travel agent for assistance in choosing an airline (46% or 9.1% of all U.S. visitors) moderately increased (+3 percentage points) over the fourth quarter of the previous year.

Figure 31: Use of Travel Agent – Japan [Percent of Japanese visitors who used a Travel Agent]



- The use of travel agents by Japanese visitors was generally to make hotel arrangements (80.6% or 51.7% of all Japanese visitors) or airlines reservations (78.4% or 50.2% of all Japanese visitors). The proportion of Japanese travel agent users that made hotel arrangements moderately decreased (-3.8 percentage points) compared to the fourth quarter of 2007 (Figure 31).
- Moderately fewer Japanese visitors used a travel agent for assistance in choosing the airline (42.5% or 27.2% of all Japanese visitors) compared to the fourth quarter of 2007 (46.4% or 34.2% of all Japanese visitors).

DEFINITION AND SURVEY METHODOLOGY

Major Market Areas (MMA): The following are defined by the Hawai'i Tourism Authority as the top five geographical areas for marketing purposes to make the state more globally competitive:

1. U.S. West – Pacific (Alaska, California, Oregon, Washington) and Mountain (Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah and Wyoming) states.
2. U.S. East – Other states in the Continental U.S.
3. Japan
4. Canada
5. Europe

Survey questionnaires were mailed to selected U.S., Japanese, Canadian and European visitors after they have returned home. The U.S. samples were drawn from the completed Domestic In-Flight Survey forms (Basic Data Series). The Japanese, Canadian, and European samples were drawn from the completed International Departure Survey forms (Basic Data Series).

There are two versions of the Visitor Satisfaction Survey form, one in English and the other in Japanese. The English version was sent to U.S., Canadian and European visitors. The 2008 survey has 8 pages and 33 questions. To view a sample of our Visitor Satisfaction survey, please refer to our 2007 Visitor Satisfaction & Activities Report.

**Table 1: Sample Size
October - December 2008**

Area	Mail-out	Recv'd	Return Rate	Level of accuracy at 95% CI
Japan	4,446	1,671	37.6%	+/- 2.4
U.S.	8,278	2,261	27.3%	+/- 2.1
Canada Europe	4,467	1,309	29.3%	+/- 2.7

Due to the low number of samples achieved, data for Lāna'i and Moloka'i were not presented in most of the data tables in this report.

The collected data was weighted to adjust for differences with the actual visitor characteristics measured in the Basic Data Series caused by sampling and non-responses. Specifically, the data was weighted during analysis to reflect the actual visitor ratio of first-timers to repeat visitors and the proportion of O'ahu only and Neighbor island visitors.

This report is available in Adobe Acrobat form on the DBEDT website, <http://www.hawaii.gov/dbedt/info/visitor-stats/vsat>.

For further information about obtaining visitor data and other sources, contact the DBEDT Library at (808) 586-2424, or e-mail library@dbedt.hawaii.gov or DBEDT Research & Economic Analysis Division at (808) 586-2466.