Post-September 11, 2001 Hawai'i Tourism Response and Recovery Program

FINAL REPORT

Emergency Marketing Plan ➔ Actions ➔ Results

August 2002

HAWAI'I
Visitors & Convention Bureau

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Act 002, SLH 2001, Third Special Session

Overview

OVERVIEW

This document reports on the development, implementation, and results produced by the Hawai‘i Tourism Response and Recovery Plan. In the wake of the September 11, 2001 “Attack on America,” the Hawai‘i Visitors and Convention Bureau (HVCB) was directed by the State of Hawai‘i to develop and implement a plan that would drive the recovery of Hawai‘i’s visitor industry. It did so with guidance from the three-person task force appointed by Governor Benjamin J. Cayetano.

A. Setting the Stage: Hawai‘i Tourism Pre-September 11

Prior to the events of September 11, market conditions in the U.S. and abroad had worsened. In particular, the U.S. was in recession and consumer confidence had weakened; the Japanese economy continued to falter with weakened travel demand predicted. Globally, there was downward pressure on business and business meeting demand, despite an increased supply of services and facilities.

Despite these negative conditions, Hawai‘i had remained strong, nearly staying apace of a record-setting 2000 performance. Positive indicators included:

- Visitor days about even (0.3%) and arrivals off only slightly (-1.0%)
- Japan’s summer (July/August) visitor days grew 14.0% vs. prior year and YTD August were 3.6% higher
- Increase in average daily room rates, every month from January-August 2001
- U.S. Mainland-Hawai‘i air routes - - best performers for major domestic airlines
- Leads for corporate meetings and incentives were 42 percent ahead of 2000 production and conversion of those leads into bookings was 20 percent ahead of the previous year
- Convention Center bookings, on the other hand, were trailing by 24 percent, a trend that was consistent nationwide, due largely to weak business conditions beginning the 2nd quarter of 2000 and the resulting slowdown in business and business meetings travel.

The attacks on September 11th changed the world fundamentally **and** forever. The impact on travel was instantaneous and far-reaching – all air service to, from and within the U.S. was suspended for seven days – an unprecedented move. The U.S. economy was severely impacted and in turn, so was the global economy. “Air confidence” emerged as a U.S. consumer barrier. There was uncertainty about U.S. military action and possible terrorist retaliation. The U.S. response, initiated on October 8, added to concerns about safety and underscored consumer desire to remain with and close to loved ones.

The full depth, breadth and reach of the sea change wrought by September 11 is still unfolding and continues to be monitored and measured.

B. Immediate Response

HVCB was in action in the early morning hours of September 11, setting up a communications command center to serve all constituents. From this center, HVCB, with the assistance of HTA and various industry associations, coordinated visitor industry efforts to accommodate tens of thousands of visitors stranded or diverted to Hawai‘i while en route to other destinations. The center provided a constant flow of relevant information as well as nearly daily HVCB Tourism industry Updates, the first of which was issued on September 12. Updates were issued electronically and posted on www.gohawaii.com so that interested parties locally and around the world could stay abreast of developments in Hawai‘i and external trends affecting Hawai‘i. Updates were also translated into Japanese and placed on HVCB's Japanese language website, www.gohawaii.com/hokeoj.

During this immediate response period, HVCB intensified its ongoing market assessment program and refocused it on the collection and analysis of all available data on airport conditions, travel volumes, impact of September 11 on consumer and traveler attitudes and intentions to travel, etc. HVCB's Market Trends Department has continued to monitor changing conditions and trends. This comprehensive, ongoing assessment became the foundation for the integrated marketing plan developed and implemented in response to September 11.

C. Governor's Task Force

On September 19, Governor Benjamin Cayetano convened a high level meeting of business, tourism, and government leaders to review the situation. At that time, it was estimated that visitor spending could be off as much as $1 billion in just the September-December 2001 period. During the meeting, Governor Cayetano appointed Walter Dods (BancWest/First Hawaiian Bank) to head a 3-person task force consisting of Dods, Peter Schall (Hilton Hotels Hawai‘i and HTA Marketing Committee Chair), and Tony Vericella (HVCB).

The team was given a mandate, in response to the events of September 11, to spur a sustained recovery of Hawai‘i's visitor industry as quickly as possible.

With guidance from the task force along with input from a broad cross-section of business, visitor industry, and citizens inside and outside Hawai‘i, HVCB quickly evolved its initial plan into Hawai‘i's Tourism Response and Recovery Plan. The draft plan was first presented to the Governor, the HTA Board of Directors then to Legislators on September 26. It continued to evolve and was frequently updated. Parts of the plan, either through necessity or opportunity, had been implemented as early as September 11.

D. The Plan

The single, multi-layered integrated marketing plan, for the first time, wove together the energy and commitment of all sectors of Hawai‘i’s community -- residents and businesses, school children, visitor industry companies and employees, government leaders at all levels and in all branches, and more. By fostering broad-based participation, everyone had the satisfaction of contributing to and gaining confidence in the recovery.

The plan focused on the period from October 1, 2001 to March 31, 2002 and its strategies and programs were designed to generate the immediate start of the recovery and build momentum that would carry beyond. At its foundation was the comprehensive assessment of post-September 11 market conditions, travel industry trends, and consumer attitudes toward travel as they impacted Hawai‘i. These insights allowed HVCB to capitalize on Hawai‘i’s uniquely positive global brand and its surge in relevance in the post-September 11 environment. HVCB built on the success and momentum of Hawai‘i’s 1998-2001 marketing strategy and created an overarching plan that integrated all marketing actions, funded from a variety of sources, in order to achieve the statewide goal of stable visitor days by the end of June 2002.[1]

E. The Emergency Funds Budget

A total of $12 million incremental dollars were assigned to HVCB for implementation of the Hawai‘i Tourism Response and Recovery Plan.

- Ten million dollars of these emergency funds, already existing in the Tourism Special Fund above the $61 million cap designated for HTA, were appropriated in Act 2 by the Legislature and approved by the Governor.
- Two million dollars were allocated by HTA from its existing FY 2001-02 budget.

The following tables show how the $12 million was spent by MMA and by category of spending. Budget breakouts by MMA and marketing function are included in the Appendix. The emergency dollars were focused on the two countries that produce most of Hawai‘i’s visitors – the U.S. and Japan. The allocation of dollars between the two countries was determined by market conditions, barriers to recovery, and anticipated recovery rates.

Prior to September 11, Japan had had years of economic difficulties and had been in and out of recession several times. This was compounded more recently by the strengthening of the U.S. dollar against the yen. These prevailing conditions had constrained certain segments of travel to Hawai‘i (company-paid group travel, young adults 18-29 years) more than other segments.

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[1] The response and recovery plan was first presented to the Senate Committee on Tourism and Intergovernmental Affairs on September 27, 2001 under the title of “Tourism Vs. Terrorism: A Post September 11, 2001 ‘Attack on America’ Hawai‘i Market Assessment.” It was updated numerous times as the plan evolved and market conditions continued to shift.

The events of September 11 strained the already fragile Japan market. In addition to the safety and security concerns that emerged, cultural issues came into play as they did following the Gulf War in 1991. Japanese leaders and consumers, out of respect for America's tragedy, did not feel it was appropriate to enjoy themselves on a travel holiday in the U.S. when others there were suffering. Japanese government and business leaders and school officials also had a deep sense of responsibility that prevented them from encouraging people to travel and potentially put themselves in harm's way.

Research and discussions with Japanese travel industry executives provided strong indication that the protocol required the Governor to lead a high level delegation to Japan to meet with the Prime Minister and other government and business leaders to provide the official signal that Hawai‘i was open for business; to demonstrate Hawai‘i's long-term commitment to the Japan market; and to extend our appreciation to the people of Japan for their concern. Nevertheless, with Japan's continued economic woes and their concerns about the propriety and safety of air travel, HVCB anticipated a slower recovery from Japan.

In contrast, the U.S. market was expected to recovery more quickly. It had been strong for the two years prior to September 11. And after the terrorist attacks, the shift in consumers' priorities made Hawai‘i an ideal match – a **domestic** destination that is an ideal setting for spending time with **family and friends** and **revitalizing** oneself. U.S. consumers resumed air travel to Hawai‘i and domestic visitors days hit parity with previous year's levels in February 2002.

The more serious obstacles in the path of Japan's recovery necessitated that a substantial effort be made there, particularly in the early weeks, to signal that Hawai‘i was open and ready to welcome Japanese back to our shores. As a result, 40% of the $12 million emergency fund was devoted to Japan and 53% to the U.S. markets (U.S. West and U.S. East). Canada received 1% and Developing International Markets received 6%.

Table 1: Expenditure of $12 Million Emergency Funds By Major Market Area (MMA)

Firm Wide	Actual	% of Total
U.S. West	3,452,879	29%
U.S. East	2,871,746	24%
Japan	4,826,218	40%
Canada	120,120	1%
Multiple MMA	729,037	6%
Total	$12,000,000	100%

Table 2: Expenditure of $12 Million Emergency Funds By Category

Firm Wide	Actual	% of Total
Advertising	7,882,472	66%
Communications/Promotions	3,316,661	28%
Travel Trade	774,677	6%
Sales	0	--
Market Trends	26,190	Less than 1%
Administration	0	--
Total	$12,000,000	100%

NOTE: Virtually all emergency funds were spent on direct marketing programs. All administrative, sales, and marketing staffing costs were covered by HVCB's regular budget. The ongoing market assessment was handled by existing Market Trends Department and MMA staff and in-market worldwide representatives.

Goals, Objectives and Strategies

GOALS, OBJECTIVES AND STRATEGIES

A. Goal: Minimize severity and length of negative economic spiral

Put simply, the goal of The Plan was to minimize the severity and length of the negative economic spiral. HVCB had estimated that September 11 would result in a loss of at least $1 billion in visitor spending and DBEDT predicted that between 12,300 and 28,500 jobs could be lost from September through the end of 2001.

Threaded through the overall goal was the intention to:

- Put people back to work
- Keep businesses up and running
- Protect quality of life for Hawai‘i’s residents
- Preserve the Hawai‘i experience for visitors

B. Objective: Stable visitor days by June 2002 (same number of visitor days as June 2001)

The measurable objective of The Plan was to have June 2002 visitor days equal to visitor days recorded for June of 2001, though year-to-date levels were not expected to be on par until later in the year. In fact, the objective was **achieved in June** when visitor days reached 100.5% of prior year.

C. Strategies to Achieve Objective

The Plan employed three strategies: (1) Hawai‘i-based marketing communications focused on caring for and appreciating visitors while in Hawai‘i **and** building awareness of, participation and hope in the recovery among residents and businesses in Hawai‘i; (2) ongoing identification of markets and market segments with highest potential to travel to Hawai‘i October 2001 through March 2002 and crafting of messages to drive short-term response and travel to Hawai‘i; and (3) execution of external marketing programs to drive short-term response and travel to Hawai‘i while creating immediate opportunities for travel sellers and suppliers to close the sale.

- **<u>Strategy 1</u>: Care for and appreciate visitors while in Hawai‘i and build awareness of, participation and hope in the recovery among residents and businesses in Hawai‘i**

A key element of The Plan was Hawai‘i-based marketing communications, including those created and executed by other organizations. The strategy focused on caring for the visitors here during and immediately following the attacks; appreciation for the visitors that traveled to Hawai‘i during the early months of recovery; building awareness and the involvement of all sectors of the community; and generating local support and confidence in the recovery. The targets were:

- Visitors already in Hawai‘i
- Visitor industry inside and outside the state
- Community around all islands – government, business, residents
- Kama‘aina – travelers and buyers

- **<u>Strategy 2</u>: Ongoing identification of markets and market segments with highest potential to travel to Hawai‘i October 2001 through March 2002 and craft appropriate messages to drive short-term response and travel to Hawai‘i.**

This strategy involved identifying who to talk to, what to say, and how to say it in order to drive short-term response and travel to Hawai‘i. Fundamental to the strategy was the baseline and ongoing factual assessment of conditions following September 11 including: economic, security and airline conditions; consumer needs, desires, interests; consumer and business travel attitudes and behaviors; etc. With the U.S. economy staggering in the aftermath, research confirmed that losses in business travel would continue throughout 2002 and leisure travel would lead the recovery. Among leisure travelers, there was a short-term concern for airline safety that receded as time went on. Concerns over air travel and the economy lead more people to choose shorter, drive vacations rather than longer vacations by air. There rose in the wake of 9/11, a greater, almost urgent need to spend time with loved ones, to take time to heal wounded spirits. This last trend, identified by tracking research, was one that fit Hawai‘i’s strengths perfectly.

- Genuine, welcoming spirit of Hawai‘i’s people
- Nurturing, healing, rejuvenating
- Inspiring natural beauty
- “Everyone’s home” (multi-cultural/inter-racial)
- Communicates “safe” without saying it
- Diversity of Islands and experiences

This ongoing, multifaceted assessment of the state of affairs following September 11 has driven decisions on geographic targets, customer segmentation, budget allocations and messaging. It documented the surge in relevancy of Hawai‘i’s unique core attributes in both of our core country markets – the U.S. and Japan.

The marketing theme ***"Live Aloha. Now More Than Ever"*** was designated as the umbrella for The Plan because it spoke directly to the needs and wants of consumers following the tragedies. Under the umbrella theme, multi-layered, relevant messages were developed to induce travel to Hawai‘i during the six-month recovery period. The theme evolved in external communications to include **"*Hawai‘i. Now More Than Ever*"** for North America and the continued use of *"**Aloha Magic** (the magic I keep wanting to come back to),"* **with** a strong emphasis on traveling NOW, for Japan.

Geographic Targets. The Plan focused primarily on the U.S. and Japan, the top two markets that together account for 85.7 percent of total visitor days and 82.3 percent of total visitor spending.[2] In addition, marketing efforts in Developing International Markets and Meetings, Conventions and Incentives (MCI) were shifted in terms of emphasis (by country, by consumer segment and/or by business industry) to contribute to the recovery's goals and objectives.

Twenty of the top markets in North America (based on domestic visitor arrivals) represent 59 percent of all North America arrivals.[3] U.S. West markets have traditionally been the most resilient and research indicated they would be the first to resume vacations and would be more likely to get on a plane to do it. The 20 markets are also cities that are served by non-stop or on-stop air service. The market areas are:

- *U.S. West*: Los Angeles, San Francisco, San Diego, Sacramento, Seattle, Portland, San Jose, Denver, Salt Lake City, Phoenix, Anchorage
- *U.S. East*: Chicago, Detroit, Minneapolis, St. Louis, Houston, Dallas, Atlanta, New York City (initially covered via trade and on-line marketing: television and print advertising began in January 2002.
- *Canada*: Vancouver (top Canadian market for Hawai‘i)

Japan represents 15.7 percent of total visitor days and 21.0 percent of visitor spending.[4] HVCB's focused on the top 3 market areas representing more than 80% of Japanese visitors to Hawai‘i: Kanto (Tokyo), Kansai (Osaka), and Chubu (Nagoya). All are served by non-stop service to Hawai‘i. Although these three were the main focus, some emergency funds were spent to protect the other five regions that have non-stop air service to the Islands: Sendai, Hiroshima, Niigata, Fukuoka, and Sapporo.

[2] Preliminary 2001 DBEDT data
[3] Ibid.
[4] Ibid.

Customer Segments. Analysis indicated that the optimum combination of customers would be those with higher demographic and educational levels, as well as Hawai‘i's traditional strengths such as repeat visitors and wedding/honeymoon combined with segments that would be most likely to choose Hawai‘i in the wake of September 11. The key decision points in choosing media vehicles to reach these segments were cost-effectiveness and timing flexibility in terms of getting in and out of commitments. Key customer targets with the highest propensity for Hawai‘i travel included:

- High-income. Consumers in this category are frequent air travelers, have a higher propensity to travel to Hawai‘i and to spend more while here. They were also determined to be more likely to quickly resume air travel post-September 11.
- Families. Represent 24 percent of U.S. visitors and 36 percent of Japanese visitors.[5] Research indicated that spending time with family rose dramatically in importance following September 11.[6] So, it made sense to marry this new imperative with one of Hawai‘i's traditional strengths.
- Seniors. Representing 32 percent of U.S. visitors and 19 percent of Japanese visitors.[7] More discretionary spending, fewer time constraints. More likely to overcome the usual considerations of time/distance/cost and the recent trend toward shorter vacations closer to home which was exacerbated by 9/11.
- Wedding/Honeymoon. Representing 8 percent of U.S. visitors and 12 percent of Japanese visitors.[8] People were still getting married following September 11, and the market assessment indicated that this would continue to be an important segment during the recovery period.
- Young Opinion Leaders. Representing 11 percent of Japanese visitors.[9] Research indicated that this group was one of the most resilient and most likely to travel regardless of the economy, (although they would be extremely value conscious) concerns about airline safety and personal safety.
- Golf. With the launch of the PGA's "Aloha Season" and the staging of six major PGA (and PGA Senior) tournaments in Hawai‘i between October 2001 and January, 2002, golf was identified as an important segment to target and leverage during the recovery.
- Adventure. By their very nature, adventure travel participants tend to be more intrepid travelers, more comfortable with dealing with elements of risk. In addition, operators catering to this travel segment noted in "Travel Weekly" that these consumers tend to be more experienced travelers with a more realistic perception of danger than the novice traveler.

[5] 1998 DBEDT/HVCB Visitor Satisfaction Survey
[6] Yesawich, Pepperdine & Brown, post-September 11 tracking survey, 2001
[7] Ibid.
[8] Ibid.
[9] Ibid.

Budget Allocations. A disproportionately high portion of the budget (28%) was allocated to communications and public relations compared. In the 2002 budget, for example, 24% of the total HVCB budget was assigned to this function. The shift in emphasis was in response to the nature of the emergency – the short turn-around time, the need for delivering multi-layered messages, and the desire for timing flexibility, meant that traditional broadcast and magazine advertising were not appropriate emergency fund uses in the weeks immediately following September 11. Communications and public relations, on the other hand, played an even more significant role in delivering Hawai‘i's message appropriately to consumers who were still dealing with the impact of the tragedies on their psyches and their lives.

- **Strategy 3: Execution of external marketing programs to drive short-term response and travel to Hawai‘i, while creating immediate opportunities for travel sellers and suppliers to close the sale.**

The third strategy was to communicate Hawai‘i's message to targeted potential visitors outside Hawai‘i and to leverage the state's emergency fund investment with private sector cooperative marketing dollars and in-kind goods and services associated with marketing programs. Travel trade and news media, travel sellers and suppliers were also integrated into these external marketing communications.

Three types of messages were layered together and localized for each market to position Hawai‘i as competitively unique and even more relevant after the events of September 11th.

The **first** focused on the reasons people would come to Hawai‘i post-September 11, i.e., *"Hawai‘i. Now More Than Ever*. Reasons capitalized on the connection between Hawai‘i's uniquely positive global brand attributes and the needs and desires in the hearts of people in the aftermath of 9/11.

The **second** message showcased events with global or local exposure that targeted consumer segments of all sizes, types, and interests: PGA tournaments, Hawai‘i International Film Festival, Honolulu Marathon, City Lights, Aloha Classic Windsurfing World Championships, Pro Bowl, etc. The events message helped to signal that Hawai‘i was open for business, ready to welcome visitors back, and able to provide more specific reasons to take that trip NOW.

Value was the **third** message. HVCB facilitated or provided value offers as additional incentive for visitors to come to Hawai‘i before March 31, 2002. Travel sellers/suppliers created their own extra-value packages to stimulate Hawai‘i travel. HVCB invited retailers, restaurants, activities, and attractions to create special value offers for visitors to: (1) show that everyone in Hawai‘i welcomed visitors, and (2) to provide another reasons to choose Hawai‘i NOW to take advantage of the special, limited time offers.

These three types of messages were layered into the external marketing communications programs described in the next section.

Marketing Programs

MARKETING PROGRAMS

Throughout Section III, specific response and recovery plan programs will be related to the three strategies described above, that is, how each program was connected and contributed to Hawai‘i achieving its overall goal and objective. The plan focused on the major strategies and programs described in this section. The Appendix contains images of the marketing executions and a detailed calendar of marketing activities.

A. Strategy 1: Caring For Visitors/Involving the Community

- **Communications Command Center**

The center was established in the HVCB boardroom in the early morning hours of September 11. It was the central clearinghouse for information on airport closures/re-openings, flight status, transportation and accommodation of stranded and diverted passengers, etc. HVCB staff with assistance from HTA staff coordinated these efforts and the head of both organizations were home based in the Center. Industry associations (such as the Hawai‘i Hotel Association, Airlines Committee of Hawai‘i, and the Hawai‘i Transportation Association) were vital to the immediate response effort and all were coordinated through the center.

The center provided a constant flow of relevant information via phone, fax, and email and HVCB Tourism Industry Updates, the first of which was issued on September 12. Updates were emailed almost daily during the first week and tapered to once a week by the end of March 2002. Updates were issued electronically and posted on www.gohawaii.com so that interested parties locally and around the world could stay abreast of developments in Hawai‘i.

No emergency funds were used to create or operate the center. It operated 24/7 for the first 10 days and 16 hours a day for the next 50 days. Existing staff and equipment were utilized.

- **“Live Aloha”/Mahalo Program**

“Live Aloha” at home took three major forms: (1) The umbrella theme, “Live Aloha, Now More Than Ever,” (2) the Mahalo program for visitors, and (3) “Live Aloha” materials for visitor industry employees. Emergency Funds: $394,943

  - “Live Aloha. Now More Than Ever” umbrella theme. HVCB proposed “Live Aloha. Now More Than Ever” as the umbrella theme for the response and recovery program. After discussions with the community-based group who originated “Live Aloha”, HVCB received their blessing to use the idea and graphic images for the umbrella theme. The allowed HVCB to reprint their material on bumper stickers, round decals, informational cards, and buttons.

- Mahalo Program. Nearly 420,000 Mahalo packets were distributed to guests through participating hotels, to thank them for visiting Hawai‘i and sharing their aloha with us during difficult times. The packet consisted of a special mahalo card and message from Governor Cayetano, a card explaining the meaning of “Aloha”, and a “Live Aloha” bumper sticker.

- Visitor Industry Employees. HVCB distributed 42,000 “Live Aloha” bumper stickers, 54,000 decals, 66,000 buttons, and 27,000 “Live Aloha” informational cards to visitor industry employees to remind us all that **with each other** and **with our guests**, “Live Aloha” is important, now more than ever.

- **Other Hawai‘i-Based Programs**

  - HVCB-initiated efforts to promote kama‘aina travel. HVCB’s Island Chapters got involved to varying degrees in promoting kama‘aina travel to help fill the gap left by the drop in inbound guests. In the case of the Big Island and Kaua‘i, these efforts included website listings for companies offering kama‘aina discounts or specials.

  - HVCB supported and participated in a number of other programs developed by other organizations. These included (1) Buy Hawai‘i (Chamber of Commerce), designed to encourage residents to support the local economy by shopping in Hawai‘i (not through out-of-state catalogs, internet purchases, etc.); (2) Synergy Day, November 14 (simultaneously broadcast of “Give Aloha” song on 65 radios stations, 15 television stations and the Internet, to promote aloha and unity throughout the islands); and (3) Friends in Hawai‘i pro-bono program led by Starr Seigel Communications and County Mayors, marketing outreach via phone/email that encouraged people living in Hawai‘i to contact and encourage friends, relatives and associates to visit Hawai‘i. It referred potential visitors to special travel packages via web links.

B. Strategy 2: Targeting

The facts, as always, are necessary to accurately assess market conditions, consumer reaction to the events of 9/11, changes in travel attitudes and behaviors, competitors’ response and recovery, etc., and provide a solid foundation for targeting. HVCB’s Market Trends Department commissioned several pieces of primary research, scoured all available sources of secondary and tertiary research from Hawai‘i’s major MMAs, and talked with industry colleagues at other CVBs and state tourism divisions. The staff-intensive activity, covered by HVCB’s regular budget, involved all Market Trends Department staff, MMA staff, and HVCB worldwide representatives. Emergency Funds: $26,189

The facts gleaned in this process were widely communicated to keep everyone current, well informed, and positioned to make more intelligent decisions for their constituencies and businesses. Feedback from government, businesses, travel industry, community, and media indicate that the information provided through presentations as well as through Tourism Industry Updates helped them plan more intelligently, reassured them that Hawai‘i was responding swiftly and competitively and demonstrated that the recovery was underway and sustainable.

C. Strategy 3: External Marketing Communications

- **North America**

In the initial month of the recovery, the North American marketing programs relied heavily on public relations and communications directed to the travel trade, consumer travel media, and then to consumers. Newspaper advertising was introduced in October with a non-commercial message, segueing into a series of "Aloha" ads with the three-layered messages encouraging travel to Hawai‘i **now**. When consumer sentiment had recovered sufficiently, aggressive magazine and brand cable and spot television advertising were layered in, in January and February 2002. The marketing calendars in the Appendix present timing, duration, and specific media information. Images of advertising and promotional material can also be found in the Appendix.

- <u>Communications/Public Relations/Consumer Promotions</u>

  Satellite Media Tour. The first program executed for the North American market was the Satellite Media Tour on September 24, which involved scheduled 8-minute interviews with 20 travel and news programs conducted by satellite. From a location in Hawai‘i, HVCB president and CEO and O‘ahu Visitors Bureau executive director were interviewed and used the opportunity to deliver the message that Hawai‘i was open for business and to communicate the other relevant marketing messages. The 20 travel and news media outlets represent 1.9 million impressions. Emergency Funds: $38,328

  Mainland Media Blitz. Key HVCB executives representing the State and all Islands hit the road on a 20-city blitz from October 8 through 19 to communicate to consumer and travel media that Hawai‘i was open for business. Presentations and contacts were made with 200 media representatives representing combined 11.4 million impressions. Emergency Funds: $ 129,793.

  Lei of Aloha. HVCB sponsored outreach to the communities directly impacted by the events of September 11. Hawai‘i resident Pi‘ilani Schneider proposed the idea of having Hawai‘i's children share the warmth of aloha by sending lei to children at schools near the attack sites. With the assistance of Kama‘aina Kids, the idea evolved into a program by HVCB that included

3,000 paper lei with personal messages of aloha made by Hawai‘i keiki; a video message from keiki; Hawaiian music, and on-site demonstrations. The lei and a Hawai‘i cultural program were shared with school children in New York City, Washington, D.C., and Pennsylvania. The program was launched in New York City with Governor and Mrs. Cayetano. Emergency Funds: $26,000.

Sharing Aloha. HVCB coordinated the Sharing Aloha program. Governor Cayetano visited New York City to express the outpouring of Aloha from Hawai‘i. At that time, he presented to Mayor Rudy Giuliani a lei of 1,000 $1 bills from Hawai‘i school children and a check for $125,000 for the "NYC Police and Fire Widows and Children's Benefit Fund." The Governor also extended invitations to 1,200 New York City rescue workers and victims' families to visit Hawai‘i – 600 in December 2001 and 600 throughout calendar year 2002. HVCB, along with a number of Hawai‘i companies (general business and visitor industry), have been hosting these 1,200 people. Emergency Funds: $437,250.

- Consumer Advertising

Print and Broadcast. The staged, multi-layered advertising program began on October 9 with a full-page, "non-commercial" newspaper message and escalated to more aggressive newspaper ads and e-marketing as well as television advertising. Emergency Funds: $4,624,325

Newspaper. Began October 9 with a "non-commercial message and then moved to "aloha" messages with event calendars through December 9. The campaign included industry cooperative advertising in special newspapers sections in 20 top markets. 105.2 million circulation.

Enhanced National Cable. Exposure on The Discovery and Travel Channels. Target audience: higher income households, frequent travelers, adventure, 31.7 million household impressions. January 2002.

Special Hawai‘i Newspaper Sections. Los Angeles, San Diego, Chicago, Minneapolis, New York. 4.9 million circulation. January 2002.

E-newsletter. Islands of Aloha (IOA) Express was emailed to 4 million look-alikes (matching profile of HVCB's database of affluent, high potential visitors to Hawai‘i) on November 6 and December 5. Cost: $45,440

On-line Marketing. An aggressive on-line marketing campaign with co-op opportunities was launched on AOL, Expedia.com, Lastminutetravel.com, Travelocity, and Hawaii.com. 11.4 million impressions. Emergency Funds: $175,000

- Travel Trade Promotions

  Direct Marketing. In October 2001, initiated a direct marketing campaign targeted at 53,000 top agents. After the initial mail piece, the program continued with e-newsletters that include industry co-op marketing opportunities. Emergency Funds: $155,600

  Sales Blitz. The North America team conducted a sales blitz to U.S. West travel agents and wholesalers in early October to emphasize key messages related to the integrated response and recovery plan. Emergency Funds: $16,050

  Trade advertising. Travel Age West, Travel Agent, Travel Weekly through December. Circulation 541,000. Emergency Funds: $50,614

  "Come Share Aloha" Road Shows. HVCB and its Island Chapters hosted travel agent events with industry partners during the first quarter of 2002. Attendance 1,015 travel agents in five cities. Emergency Funds: $7,080

  Wholesaler co-op marketing. Cooperative newspaper program with Sun Trips in San Francisco, San Jose and Oakland, January and February 2002. Emergency Funds: $25,000

- **Japan**

  - Communications/Public Relations/Consumer Promotions

    Governors' Aloha Mission. Governor Cayetano and former Governors Ariyoshi and Waihee spearheaded the recovery effort by leading an Aloha Mission to Japan on October 7-12 that also included county mayors, business, hotel, airline, and visitor industry leaders from all islands. The mission included perception-changing meetings with top political and business leaders of Japan, including the Prime Minister, to thank them and the people of Japan for their concern, partnership and friendship; to reassure everyone that Hawai'i is OK and is ready to welcome them back with open arms and hearts; to ease cultural constraints on travel to Hawai'i; and to generate positive public comments about Hawai'i from the Prime Minister, Foreign Minister, Minister of Transport, Governor of Tokyo, and other political leaders of Tokyo and Osaka; and to show them that many Japanese who have returned are enjoying themselves in our safe environment. HVCB organized this Mission with in-kind assistance. Emergency Funds: $207,433

Press Conferences. In Tokyo and Osaka involving Governors, Mayors, and Hawai‘i sumotori Akebono.

Strategic Planning Meeting. With top leaders of Japan's major travel companies. During this meeting, Japan Airlines gave firm commitment to the JAL 29th Honolulu Marathon.

Kick-Start for Japan Travel Industry. Hawai‘i's marketing signaled official resumption of Japanese travel companies' marketing.

Media Exposure. Mission generated 15 features on 6 television networks and leading news websites; coverage in national and regional newspapers and English newspapers (11.6 million circulation).

Television Tie-Ups. From December through March, HVCB assisted approximately 20 broadcast tie-up programs involving on-location filming, videotaping, and live broadcasts that highlighted the opinions of Japanese visiting Hawai‘i after September 11. Emergency Funds: $823,008. Including:

- *Asahi/Fuji/NHK TV.* October 22-31, produced special broadcast programs about Hawai‘i for airing in Japan.
- *3 TV Broadcast Programs.* December, 8.5 million viewers.
- *TV/Radio on-location specials.* January, 4.2 million impressions.
- *Fuji TV Morning Show "Mezamashi TV".* Two days live broadcast from Sheraton Moana Surfrider Hotel. January, 12.6 million viewers per day.
- *NTV broadcast of Pro Bowl; "Club T" NTV's weekly football magazine program.* Filming for original program that aired in Japan in February.
- *Hawai‘i sections of regular programming.* 3 sections filmed in Hawai‘i. February, 2.5 million impressions.
- *Six TV programs.* Live from and/or filmed in Hawai‘i. March, 18.9+ million impressions.

Radio Tie-Ups. HVCB assisted Japan stations with live on-site broadcasts. Emergency Funds: $180,965. Including:

- *Live Radio Broadcast from Ala Moana Center.* New Year's Day, 172,185 impressions.

Magazine Tie-Ups. HVCB assisted Japanese magazines with on-site features. Emergency Funds: $157,581. Including:

- *3 Sports Magazines.* Special Hawai‘i feature, December, 968,000 circulation.

- *Co-op with JAL.* Special JAL cardholder's magazine. February, 750,000 members.
- *Women's magazines. Two magazine, 24 pages featuring Hawai'i's shopping, cuisine, fashion, etc. March, circulation 1.85 million nationwide.*

Arashi. Announced fan club events in Hawai'i for Arashi, Japan's popular teen idol group in March. Emergency Funds: $75,522

Yellow Cab Event. A popular female models group visited the Islands (December 24, 2001-January 5, 2002) to participate in several activities which were covered by print media and later featured in sports newspapers. Emergency Funds: $81,807

Fukushima Orchid Show. Participation in this Iwaki City festival where Miss Hawai'i 2001, Denby Dung represented Hawai'i in public appearances including co-op events held at the Spa Resort Hawaiian. Emergency Funds: $19,267

- <u>Consumer Advertising</u>

Newspaper and internet advertising. Emergency Funds: $2,086,058

- Governor's non-commercial message. October 9-10. Expressed appreciation to people of Japan; let them know that Hawai'i was OK and welcomed them back. 15.1 million circulation in nationwide newspapers.
- Newspaper ads in top market areas – 9 weeks, 70+ million circulation
- Showcased Hawai'i's existing and new special events and activities
- Messages reinforced on Aloha Magic website and i-mode content

"Super Value Hawai'i" Cooperative Marketing Campaign. Special Japan Promotions/Cooperative Marketing with Japan's top 11 travel wholesalers. Emergency Funds: $321,929

- 100,000 flyers of Governor's message provided to top 15 Japan travel companies for distribution to their customers
- Combined wholesaler package offers with added value benefits of Hawai'i Value Pass
- Feature Super Value Hawai'i/Hawai'i Value Pass special package tour co-op with 6 major wholesalers and JAL in Kansai

Targeted Lifestage/Lifestyle Segments. Emergency Funds: $240,853

- *Honolulu Marathon.* Co-op newspaper advertising with JAL to boost registration.
- *Weddings.* Co-op direct mail program with Watabe Wedding to 15,000 potential wedding clients.
- *Launched 2002 "Discovery" Marketing Campaign.* Part of basic marketing program, but theme was carried through emergency fund marketing. Discovery of one's self, relationships, and new experiences in Hawai'i. Third year of "Aloha Magic" theme with special focus apropos to post-September 11.
  - *Target:* Families, mature adults, wedding/honeymoon, young opinion leaders.
  - *Media:* TV, cable, newspaper, cinema, magazine, transit ads, Internet, etc.

- Travel Trade Promotions

"See you in Hawai'i." Co-op hotel seminars in Tokyo, Nagoya, Osaka. October 10-15. Emergency Funds: $42,511

JATA Travel Mart. Dominant presence. 30,000 travel professionals, 30,000+ consumers. November 29-December 1. Emergency Funds: $12,011

Tourism Conference in Hawai'i. Convened by JAL December 7-10 in conjunction with JAL Honolulu Marathon. Emergency Funds: $52,000

- President of JAL and top executives from 23 major Japan travel companies met with Hawai'i government, business and tourism leaders.
- 50 Japanese media covered event + local network news coverage.
- JAL press familiarization tour coordinated in conjunction with the Japan Tourism Conference and the Honolulu Marathon. Newspaper writers extended their stay for a two-island tour which was featured in regional newspapers. Emergency Funds: $10,207
- Joint Declaration of 3 key points to re-stimulate travel demand to Hawai'i:
  1. Implementation of special link from HVCB's Japanese language homepage on www.gohawaii/hokeoj featuring streaming video on-site interviews with Japanese visitors in Hawai'i talking about enjoying themselves in Hawai'i. This was designed to move the focus away from the effects of September 11 and reinforce that it is OK to travel to Hawai'i to enjoy the Hawai'i that consumers are already familiar with and love. See www.gohawaii.jp/interview/jpinterview.html. Emergency Funds: $25,620

2. HVCB created, printed and distributed Emergency Information pamphlet to all travelers on wholesale packages; pamphlet also posted on HVCB's www.alohamagic.com website. Emergency Funds: $3,476
3. Monthly participative sports events calendar commencing April 2002. Co-op marketing strategy to promote events and insure proper logistics. Emergency Funds: $83,200

JATA "1,000 See You In Hawai'i Fam". Two back-to-back familiarization tours totaling 800 travel agents/planners, December 11-17. Emergency Funds: $140,521

- **Overall/All Markets**

  - Events

The following events were held and promoted by HVCB during the recovery period. Among them, the JAL 29th Honolulu Marathon stands out. Japanese registration was expected to be three to four thousand at best due to post-September 11 concerns. A strong commitment by Japan Airlines coupled with proactive, aggressive marketing from JAL, HVCB and the industry produced a successful event on December 9 with 9,159 Japanese runners and 23,513 runners overall. HVCB coordinated a press/media familiarization tour in conjunction with JAL Honolulu Marathon. Emergency Funds: $70,000

Other major events featured in ads included but not limited to:

October 1-7, 2001	Senior PGA Tour: Turtle Bay Championship (O'ahu)
November 2-11	Hawai'i International Film Festival (O'ahu, Maui, Kaua'i)
November 3	4th Annual Moloka'i Friendly Island 100K Ultra Marathon (Moloka'i)
November 3-11	Aloha Classic Windsurfing World Championships (Maui)
November 12-Dec. 21	Vans Triple Crown of Surfing (O'ahu)
November 19-20	PGA Tour: Grand Slam of Golf (Kaua'i)
December 1-5	Pearl Harbor Historical Conference and 60th Anniversary Remembrance (O'ahu)
December 1-Jan. 1	Honolulu City Lights (O'ahu)
December 7-9	Sam Choy Poke Festival (Big Island)
December 8	JAL Tourism Conference-In-Hawai'i (O'ahu)
December 15	Lāna'i Visiting Artist Program (Lāna'i)
December 31-Jan. 6	PGA Tour: Mercedes Championship (Maui)
January 7-13	PGA Tour: Sony Open in Hawai'i (O'ahu)

January 14-20	Senior PGA Tour: MasterCard Championship (Big Island)
January 25-27	The Senior Skins Game (Maui)
February 2	Hula Bowl (Maui)
February 10	NFL Pro Bowl (O‘ahu)
February 18	18th Annual Great Aloha Run (O‘ahu)
February 23-24	Waimea Town Celebration 2002 (Kaua‘i)
March 9	7th Annual Kona Brewer’s Festival (Big Island)
March 24-April 7	22nd Annual Hawai‘i Invitational Music Festival (O‘ahu)
March 30	10th Annual Spring Dance and Music Concert (Big Island)

- Hawai‘i Value Pass. Emergency Funds: $677,230

  Hawai‘i Value Pass was created as part of the value message to provide additional incentive for consumers to travel to Hawai‘i during the response and recovery period. The program was featured in print advertising and on www.gohawaii.com and in Japanese at www.alohamagic.jp to provide additional incentives for people to travel to Hawai‘i during the recovery period. Additionally, the program offered special values, gifts, and/or discounts for cardholders during their visit in Hawai‘i with the card itself, designed to be a keepsake of a special trip to Hawai‘i. It was also a way to involve a broad spectrum of organizations in the recovery efforts from large corporations, retail chains and hotels, to mom-and-pop shops and bed-and-breakfasts, to non-profit museums and government-run attractions.

  The program was created from scratch and implemented in six weeks. It involved 1,094 merchants initially (November 1, 2001 through January 31, 2002) and 723 merchants/businesses in extension from February 1 through March 31, 2002. Merchants and businesses were invited to participate at no cost by agreeing to offer a special value to cardholders. Due to timing and practicality constraints, HVCB did not require participating business to submit specific offers for inclusion in the *printed* brochure. Instead, they were invited to post their offers in the interactive Hawai‘i Value Pass offer system on www.gohawaii.com (static offers were also listed in Japanese at www.alohamagic.jp) where potential visitors were encouraged to view them prior to deciding to visit Hawai‘i and concierge staff and other industry personnel could check on offers for their guests, while here.

  Brochures and plastic cards were distributed by participating accommodations statewide. The assistance of the Hawai‘i Hotel Association was instrumental in recruiting and maintaining participation throughout the recovery period.

A total of 1.4 million cards and brochures were distributed to participating properties over the five months of the program. During that time, fewer than 50 complaints were received by HVCB about problems encountered by visitors using the card. Although feedback from participating merchants was mixed, the majority are interested in participating in this type of program again. Merchants felt the program offered good exposure for their companies, contributed to the flow of customers and brought additional customers into their stores. HVCB used merchant feedback to improve the program.[10]

- **Developing International Markets**

  Although the Developing International Markets Department did not receive any emergency funds, marketing efforts were shifted in terms of emphasis (by country, and/or by consumer segment) to contribute to the recovery's goals and objectives.

- **Meetings, Conventions, and Incentives (MCI)**

  Similarly, no emergency funding was used in the MCI market, but redirected MCI budget was used aggressively to aid in the response and recovery effort. The following are highlights of those additional and/or expanded efforts.

  - <u>Hawai'i Convention Center</u>

    Protect Existing Bookings
    - Battle attrition with expanded attendance-building programs
    - Personal calls on ALL clients with events booked for 2001/2002.
    - Bi-monthly market news updates to all Center booked and tentative clients.

    Generate New Bookings
    - Of the 6 post-September 11 Center cancellations, 3 were rebooked in the Center and one was downsized to a hotel in Hawai'i.
    - Added 13 MPI Chapter Promotions nationwide.
    - Added post-MPI-PEC client fam statewide.
    - Hosted 90 clients at a Hawai'i promotional event during PCMA, January.
    - Hosted/conducted 23 client site visits of HCC.
    - Aggressive press release/media exposure program.

[10] As a result of these improvements, HVCB and Japanese wholesalers launched Hawai'i Value Pass-Japan from April 1 through September 30, 2002. The program is running smoothly and wholesalers have featured the program and its benefits in their marketing materials.

- New joint HCC/CMI monthly direct mail campaign targeting 2,000 HCC prospects.
- Launched streaming video monthly MCI web news update and MPI/Hawai‘i web newscast. February.
- Hired additional Kuhina sales representative.

Business Branding

- Arranged feature story and cover on Hawai‘i’s multi-culturalism and meeting venues for March issue of *Meeting Professional* that goes to 19,000 MPI members.
- Press release of Metropoll Survey distributed to MCI trade press announcing Hawai‘i as the #2 best convention destination in the U.S.
- Co-hosted with DBEDT the Asia-Pacific tech media site visits on Maui and Hawai‘i’s Big Island, January.

° Corporate Meeting and Incentives (CMI)

Short-Term Single Property Leads for All Islands

- Intensified market presence by enhancing all scheduled trade shows, client promotions and direct sales activities.
- New monthly Shock Wave email campaign to 3,000 planners, October-March.
- New monthly multi-wave direct mail program reaching 30,000 planners, November and February.
- Four new fam trips conducted with 40 planners, November-December.
- Conducted statewide post-MPI client fams for 20 CMI clients.
- 3 new client promotions including sales blitz to Australia, October-December.
- Expanded CMI telemarketing sales through selected representative firms.

Outcomes

OUTCOMES

A. Goal: Minimize severity and length of negative economic spiral

The goal of minimizing the severity and length of the post-September 11 negative economic spiral was achieved. The components of the overall goal are listed below with some of the available indicators of success.

- Put people back to work: Unemployment figures returned to pre-September 11 levels by March 2002 (4.2%) and was lower than both the U.S. rate (6.1%) and the Japan rate (5.2%).

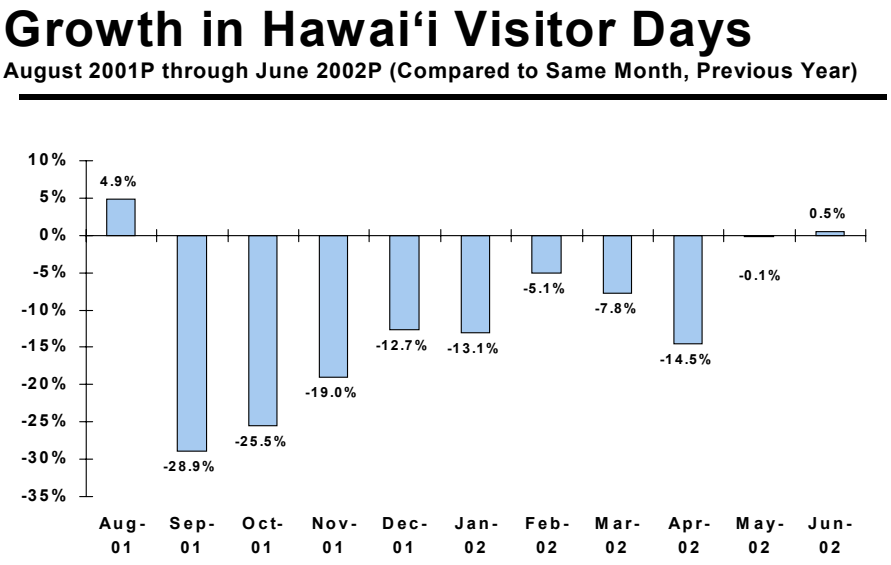
- Keep businesses up and running
  - Over 5,000 bankruptcies filed in Hawai‘i in 2001, third highest year on record.
  - Signs of improvement: The number of bankruptcies filed for in the first half of 2002 dropped 12.8 percent from the same period in 2001 (2,092 people and businesses filed for bankruptcy in the January-June 2002 period, versus 2,398 filings in the same period of 2001).

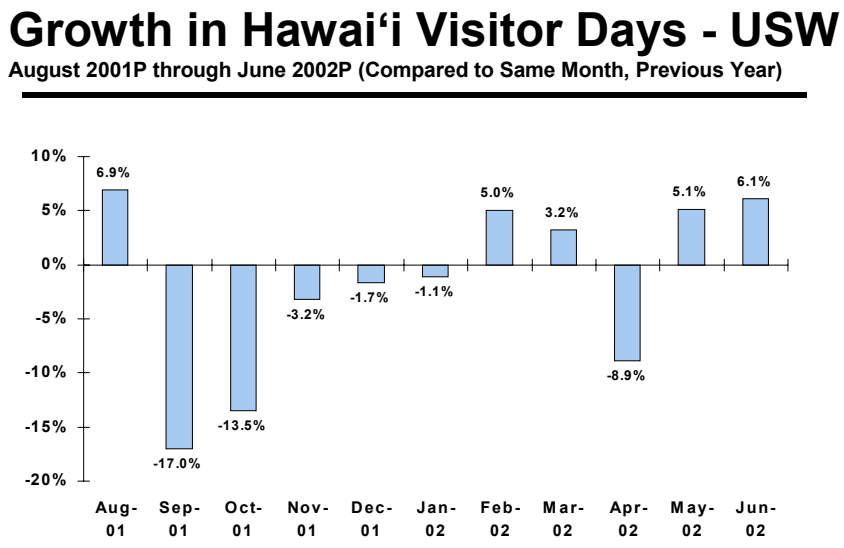
- Protect quality of life for Hawai‘i’s residents: Strong progress toward the return to pre-September 11 quality of life for residents is indicated by:
  - Improvement in unemployment and bankruptcies cited above
  - Majority of for-profit and not-for-profit businesses had returned to 100 percent operating conditions
  - As of June, several industry sectors had exceeded previous year’s employment levels: construction (+4.2%); finance, insurance and real estate (+0.8%); health (+2.3%); business (+2.1%); government (+4.2%); agriculture (+7.0%).
  - Expansion of scheduled domestic transpacific air seats by 6.4% in June. Total schedule seats were nearly even (-0.5%).
  - Five **new** non-stop routes from U.S. gateways for passengers and cargo
  - Return of adequate levels of interisland air service

- Preserve the Hawai‘i experience for visitors
  - Ratings of the Hawai‘i visitor experience are measured on an ongoing basis by the state Department of Business, Economic Development and Tourism’s Visitor Satisfaction survey. Satisfaction ratings of persons visiting the state after September 11 have not been released, but are expected to be published in the coming months and we expect positive findings.
  - In the interim, Hawai‘i visitor accommodations, attractions, etc. were back in operation very quickly following September 11 and were able to serve the guests and meet their expectations of service, quality and experiences of Hawai‘i.

B. Objective: Stable visitor days by June 2002 (same number of visitor days as June 2001)

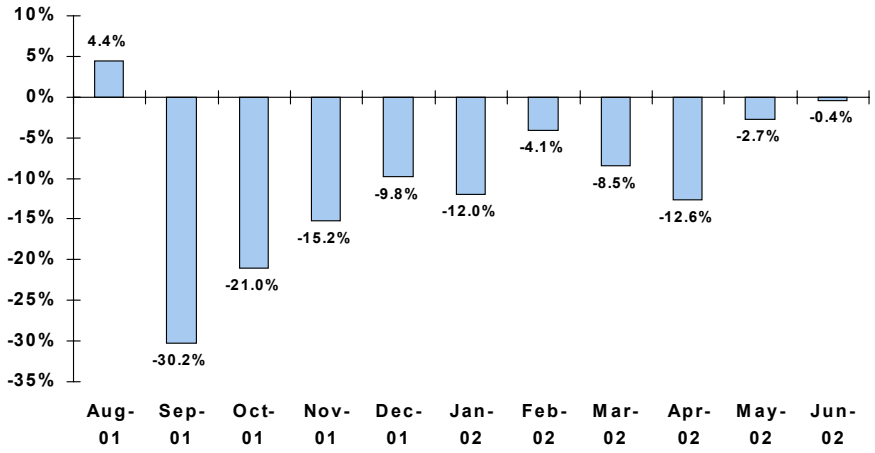
- Objective achieved: Actual June 2002 visitor days were 0.5% ahead of June 2001. There were 5,462,023 visitor days recorded in June 2002 compared to 5,433,521 the previous June.





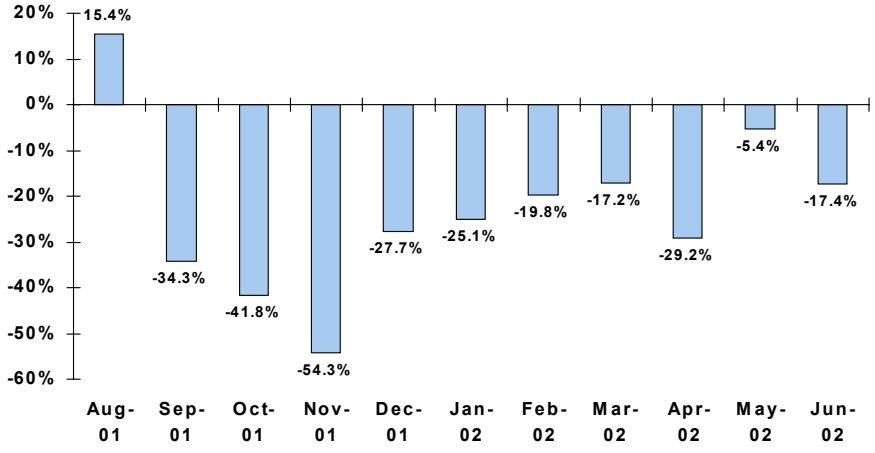
Growth in Hawai‘i Visitor Days - USE

August 2001P through June 2002P (Compared to Same Month, Previous Year)



Growth in Hawai‘i Visitor Days - JPN

August 2001P through June 2002P (Compared to Same Month, Previous Year)



Contract Compliance

CONTRACT COMPLIANCE

This section is a check-off of HVCB compliance with the specific clauses in HVCB's contract with HTA relating to the October 2001 through March 2002 emergency funding period.

A. Revision of 2002 ATMP to Include Changing Post-September 11 Market Conditions

Paragraph A.1. of Attachment 1 to the Agreement was amended to read as follows: A comprehensive, overall State tourism marketing plan including related services as may be required which shall: h. include the changing market conditions resulting from the terrorist attacks of September 11, 2001.

COMPLIANCE: HVCB has complied with this clause by the submission of a revised 2002 ATMP dated July 15, 2002. In the appendix of that document, the assumptions (including market conditions) were updated to reflect changes resulting from the terrorist attacks.

B. Attachment 1, Paragraph L: Funding

The paragraph reads: Act 2, Session Laws of Hawai'i, Third Special Session, 2001 ("Act 2") appropriated TEN MILLION AND NO/100 DOLLARS ($10,000,000.00) to the HTA "for the immediate implementation of an integrated marketing plan to market and promote the State of Hawai'i as a visitor destination" and that the "marketing plan shall respond to the changed market conditions resulting from the terrorist attacks of September 11, 2001."

COMPLIANCE: HVCB complied with this clause by creating an integrated marketing plan as directed and expending the funds according to that plan and as described in this report. The plan was initially reviewed by the Governor's special task force on September 25. It was presented to House Leadership on September 26 and to the Senate Committee on Tourism and Intergovernmental Affairs on September 27, 2001 under the title of "Tourism Vs. Terrorism: A Post September 11, 2001. The plan continued to evolve and, over time, it included documentation of the execution of the marketing programs described in the plan. Plan updates were provided to the Governor, the special task force, HTA, and key legislators. Of particular note were plan updates provided at special HTA board meeting October 17; special legislative hearing October 23; special HTA board meeting November 14; to HTA board November 28; HTA special board meeting December 19; and the Senate Committee on Tourism and Intergovernmental Affairs informational meeting January 31.

HVCB acknowledges the purpose and requirements of Act 2 and agrees to amend this Agreement (Contract No. B-00-53) by providing the following additional services to the HTA during the period November 2, 2001 through March 2, 2002:

1. To provide, develop, increase, expand, and continue the immediate implementation of an integrated marketing plan that will address the lack of confidence by visitors traveling by air and respond to the changed market conditions arising from the terrorist attacks on September 11, 2001 and any other factors that immediately impact travel to Hawai‘i, and as further described in Act 2 and in Attachment S2 of the Supplemental Agreement No. 1 for this Agreement (Contract No. B-00-53).

   COMPLIANCE: Done. In addition to addressing changed market conditions, the plan's early targeting of U.S. West markets also capitalized on the markets' familiarity with and proximity to Hawai‘i and the belief the western region and Hawai‘i in particular, were less likely targets for any additional terrorist activity. The rapid resumption of regular air service and passengers from the mainland is strong indication that consumers were overcoming their air confidence concerns.

2. The integrated marketing plan shall further promote the State of Hawai‘i as a visitor destination for business and leisure, capitalize on Hawai‘i's uniquely positive global brand, and focus on visitor travel to and from Hawai‘i during the period October 2001 through March 2002.

   COMPLIANCE: The plan built on the foundation of Hawai‘i's ongoing leisure and MCI marketing plans and continued to promote business and leisure travel to Hawai‘i, but with a focus on travel between October 2001 and the end of March 2002. Although not funded by Act 2, the plan called for MCI activity to protect existing bookings and aggressively go after additional HCC and CMI bookings.

3. The goal of the integrated marketing plan shall be to stabilize visitor levels to 2001 levels by the end of the second quarter of 2002. Specifically, the visitor levels for June 2002 shall be comparable to visitor levels for June 2001.

   COMPLIANCE: Done. Monthly visitor days achieve parity with previous year's levels in June 2002, with a slight 0.5% increase.

4. HVCB acknowledges that participation by the private sector in an emergency tourism marketing plan was an integral part of the plan, as proposed by the Governor to the Legislature and in support of the passage of Act 2 appropriating $10 million for an integrated marketing plan that will respond to the changed market conditions resulting from the terrorist attacks of September 11, 2001.

HVCB shall seek the participation by private business in the implementation of its integrated marketing plan through a financial or cooperative in-kind marketing contribution totaling not less than FIVE MILLION AND NO/100 DOLLARS ($5,000,000.00).

COMPLIANCE: Done. The plan generated $6.7 million in cooperative marketing funds from the private sector and $1.3 million in in-kind goods and services utilized in the marketing activities set out in the plan.

5. No later than February 8, 2002, HVCB shall provide a detailed written report on the implementation of the integrated marketing plan, including the details on how the TEN MILLION AND NO/100 DOLLARS ($10,000,000.00), as the amount of compensation provided to HVCB in total consideration for the immediate implementation of the integrated marketing plan described in this Paragraph L, was expended and how these expenditures relate to other integrated marketing management services described in this Agreement (Contract No. B-00-53). HVCB shall also assist the HTA to report to the Legislature by March 1, 2002 on the implementation of the integrated marketing plan to market and promote the State of Hawai‘i as a visitor destination in response to the changed market conditions resulting from the terrorist attacks of September 1, 2001.

COMPLIANCE: Done. HVCB delivered to HTA a preliminary report on February 8, 2002. It was updated on February 20.

6. Upon request by the HTA, HVCB shall provide, at a mutually agreeable time, any progress report or other financial statement allocating and detailing each expenditure related to providing the services described in this Paragraph L and the immediate implementation of the integrated marketing plan developed in response to the changed market conditions and resulting from the tragic events of September 11, 2001.

COMPLIANCE: HVCB complied with any and all requests from HTA for information, documents, financials, etc. related to this contract amendment.

7. HVCB shall revise and immediately provide any revision, update, or amendment to the Hawai‘i Tourism Action Plan presented to the HTA at its November 14, 2001 and November 28, 2001 board meetings.

COMPLIANCE: Done. See the dates cited in paragraph B.

Appendix

Post-September 11 Market Conditions
(Through March 2002)

Political, Economic and Social Conditions

State of Affairs

Political Environment

- U.S. led strikes against the Taliban in Afghanistan were only the first phase of the new "war on terrorism"
  - War expected to be a decades long struggle involving overt and covert battles through military, intelligence, financial and judicial avenues.
  - War will occur on many fronts globally: The Middle East, Europe, South and East Asia, Africa and the Americas
- With Japan's unemployment at record highs, industrial production at record lows and in-fighting within LDP, Prime Minister Koizumi finding economic reform difficult.

State of Affairs

Economic Environment

- National Bureau of Economic Research declares U.S. economy officially in recession since March, breaking uninterrupted growth period which started March 1991
- U.S. unemployment hit six-year high in November (5.7%)
- In a move aimed at keeping the preliminary signs of an economic recovery in the U.S. moving, Federal Reserve in December cut interest rates for 11th time in 2001
- Economists widely predicting end of U.S. recession by mid-2002
- As U.S. economy strengthens, positive impacts expected to "spill over" and fuel growth in other major European and Asian economies

State of Affairs

Economic Environment

- Japan economy contracted 0.5 percent in July-September quarter, sending the country into its fourth recession in the past decade
- After trading at 119.5 yen to the $U.S. on September 12, yen has weakened to Y131.06:US$ as of March 2002. Yen traded at an average of 121.57 yen to the US$ in CY2001
- Economists at the Economists Intelligence Unit (EIU) predict average exchange for 2002 at Y124:US$; and strengthening to Y121.5:US$ in 2003

State of Affairs

Social Environment

- Today, Americans remain resolute, tenacious, even optimistic about the future.
  - Yesawich, Pepperdine & Brown research on consumer attitudes indicates that there has been no over-reaction to the September attacks, just caution and guardedness, with particular concerns about the economy
  - Americans have opted among four strategies for coping with life post September 11
    - 41% are “Waiting & Seeing,” making no changes in day-to-day lives.
    - Among 59% who have made changes to daily lives
      - 74% are “Re-Balancing”
      - 54% are “Economizing”
      - 48% are “Burrowing”

State of Affairs

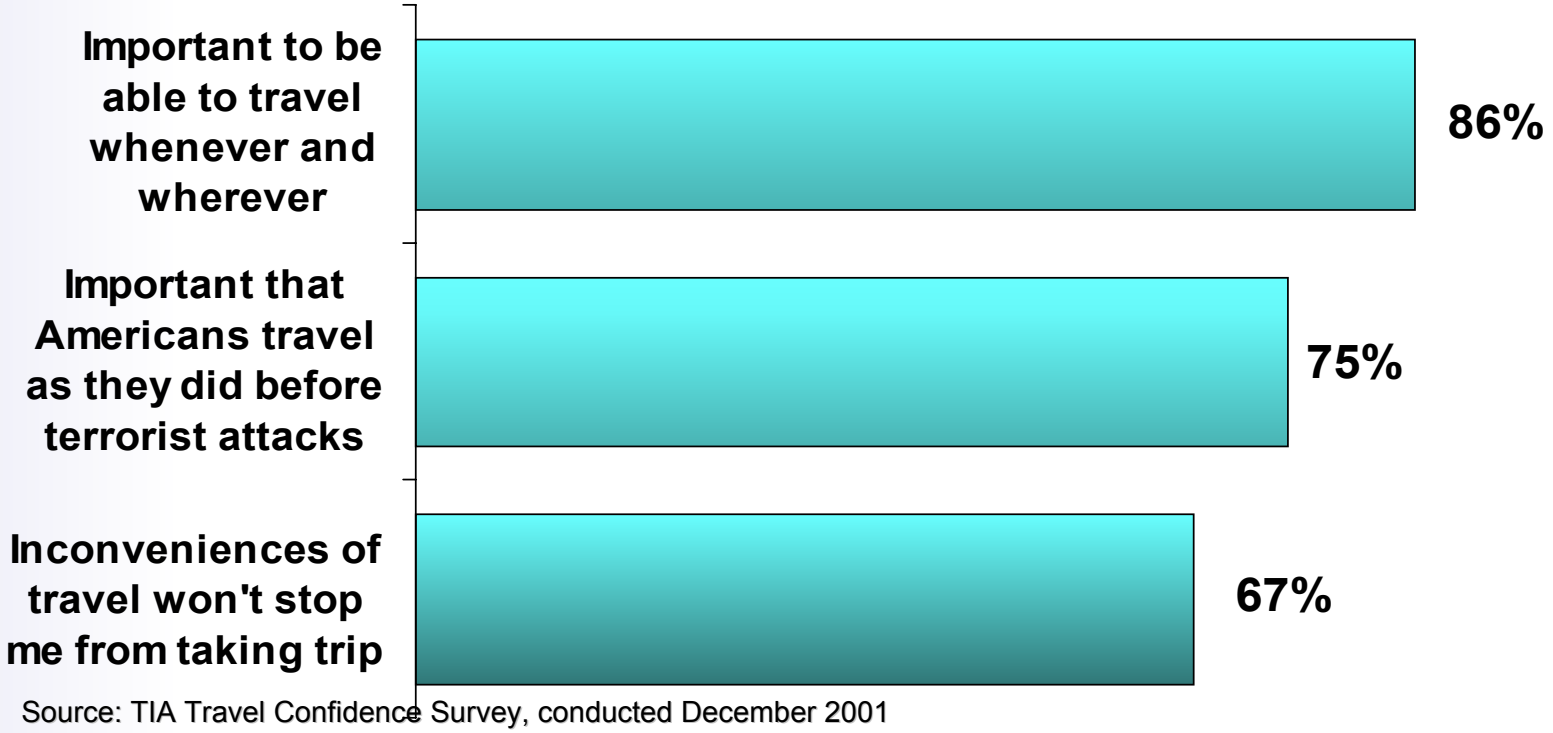
Social Environment

- Shift in top New Year's resolutions from dieting, exercising and saving money in 2001, to enjoying life more (67%), and devoting more time to friends and family (59%) in 2002 (Source: General Nutrition Centers survey)
- Greater consumer emphasis on values of family, community, integrity, balance (work/life), authenticity and security (Source: YP&B)
- Travel has new a new meaning (Source: Creative Focus Groups)
  - Larger commitment of time and energy
  - Renewed interest in "American" destinations
  - Strong emotional desire for vacations that revitalize

U.S. Market Trends

U.S. Traveler Attitudes

Travel is a Necessary Freedom & Birth Right



Source: TIA Travel Confidence Survey, conducted December 2001

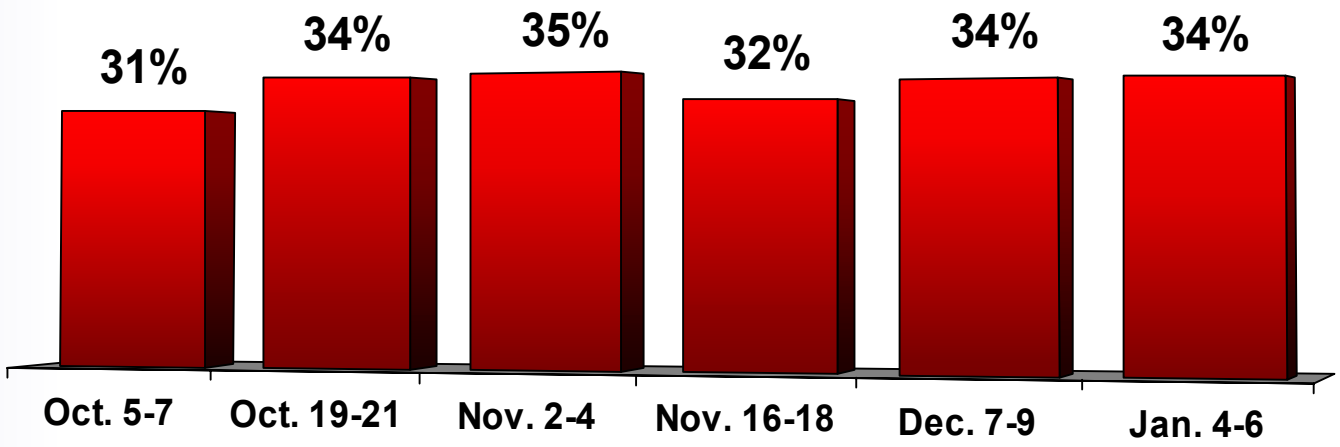
U.S. Traveler Attitudes

Tracking Travel Interest Post 9-11

- In an effort to track post-September 11 U.S. consumer attitudes toward travel in general and travel to Hawai‘i in particular, HVCB contracted research consultant Roper ASW
  - Six waves have been conducted (started October 5-7, 2001 and ended January 4-6, 2002)
- Comfort with air vacations holding steady
  - As of early January, 34% of Americans say they would be completely comfortable going on air vacations in next four weeks

U.S. Traveler Attitudes

Americans Completely Comfortable Taking a Flying Vacation within Four Weeks



Source: HVCB/Roper survey, conducted between October 2001 and January 2002

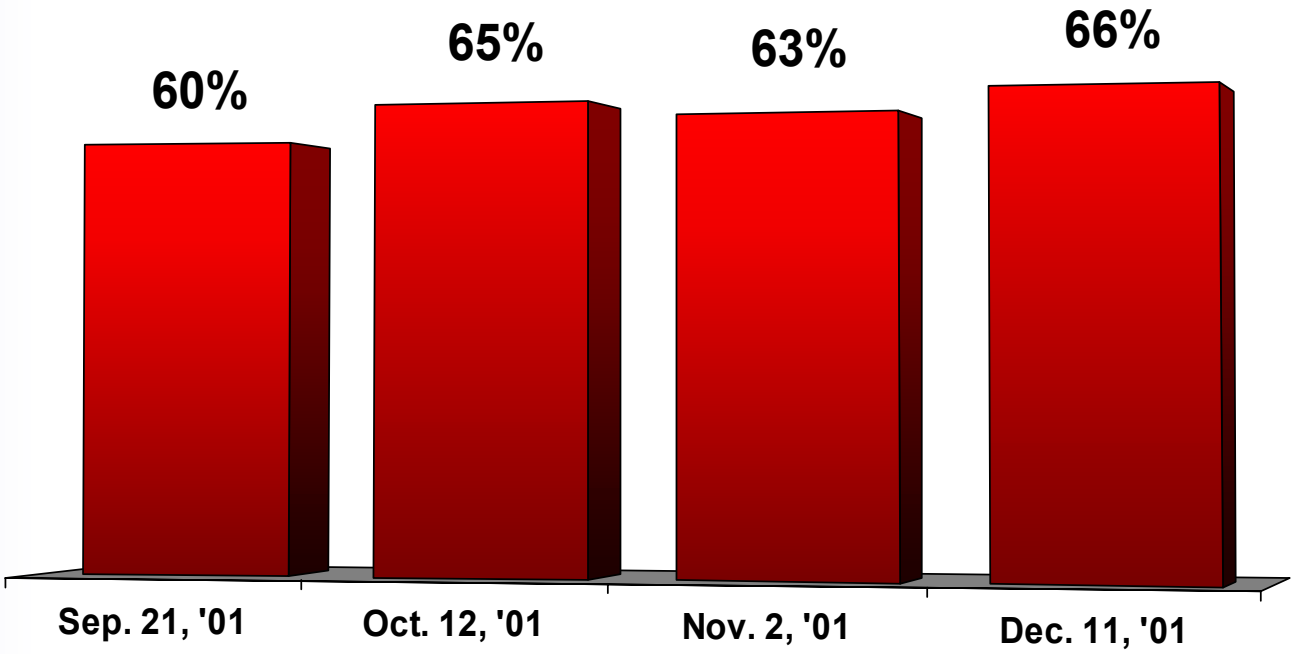
U.S. Traveler Attitudes

Trips Closer to Home Preferred

- On a 10-point scale, top reasons (as of early January) for not being comfortable with going on air vacations in next four weeks
  - Rather stay close to home (6.0)
  - Concerned that it may not be safe to fly (4.7)
  - Less likely to spend money on airline tickets right now (4.6)
  - Flying is too inconvenient and time consuming (3.9)
- Desire to stay close to home ebbs, but still strong
  - As of early January, 40% of respondents report strong desire to stay close to home, down from 43% in early October
- Concerns with air safety are easing
  - January polls show 23 percent of respondents who were not completely comfortable with air vacations with strong concerns that it may not be safe to fly – down from early October (27%)

U.S. Traveler Attitudes

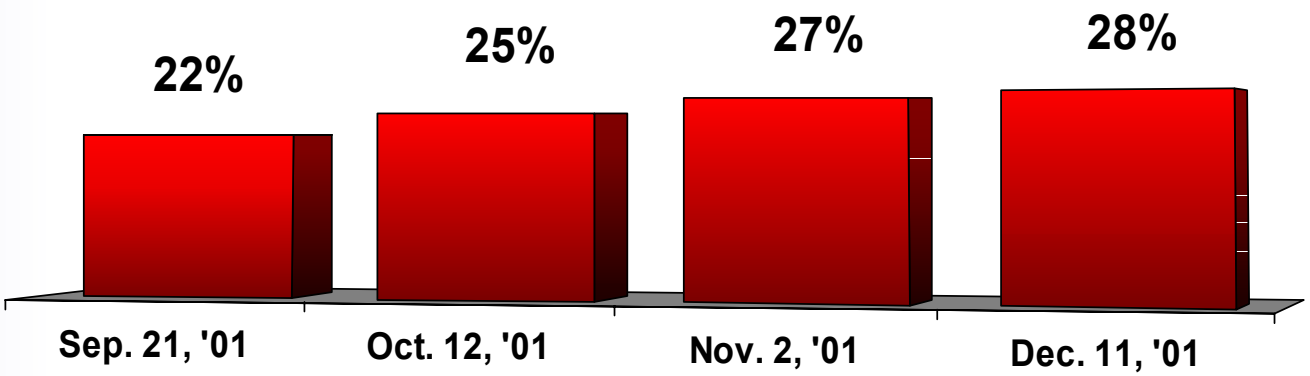
Traveling Within the U.S. is Safe



Source: TIA Travel Confidence Survey, conducted December 2001

U.S. Traveler Attitudes

Traveling Outside the U.S. is Safe



Source: TIA Travel Confidence Survey, conducted December 2001

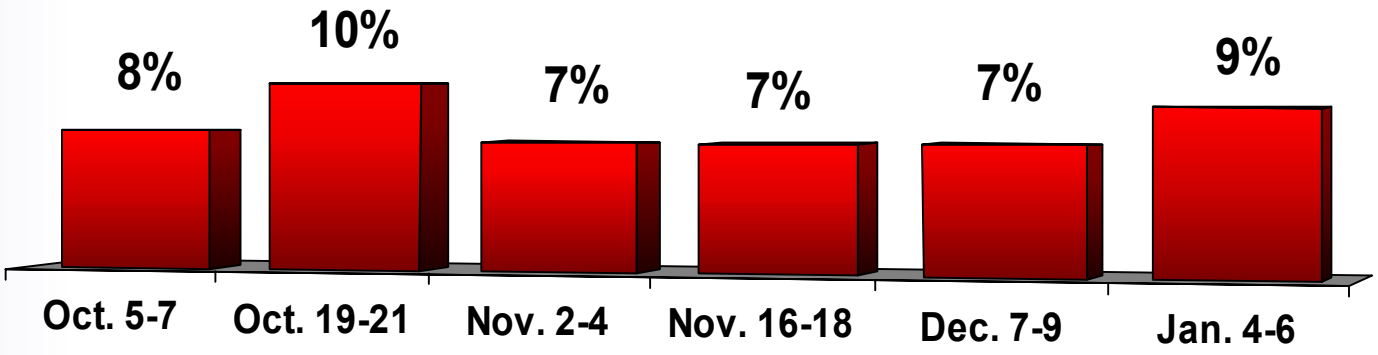
U.S. Traveler Attitudes

Financial Concerns Barrier to Travel

- Concerns over spending money on air travel taper slightly
  - Thirty percent of respondents in January polls say they are less likely to spend money on air travel – compared to 33 percent in November and December
- Hawaii travel interest inched up with the start of the new year
  - As of early January, 9% of respondents report strong likelihood in visiting Hawaii in next six months
    - Percent of respondents interested in visiting West Coast sunspot holding steady at 14%
    - Percent of respondents interested in visiting East Coast sunspot rising in January polls to 19 percent (from 16% in December, and 14% in November)
- Financial constraints strongest deterrent to Hawaii travel
  - Not comfortable spending money right now (35%)
  - Going someplace else (30%)
  - Don't have time to travel (28%)
  - Want to stay close to home (24%)

U.S. Traveler Attitudes

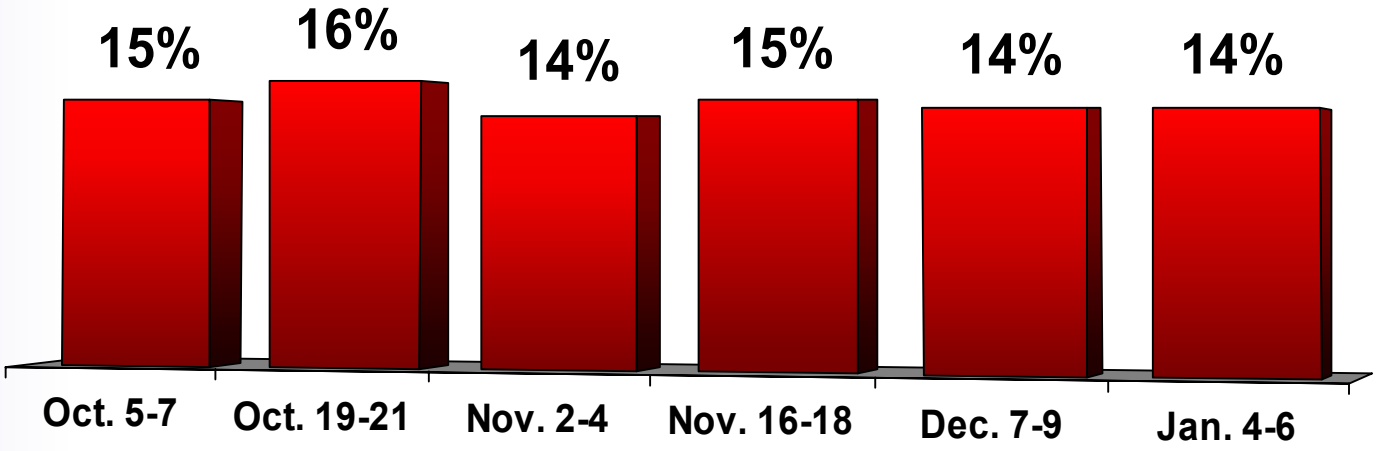
Extremely Likely to Take a Vacation to Hawai'i within Six Months



Source: HVCB/Roper survey, conducted between October 2001 and January 2002

U.S. Traveler Attitudes

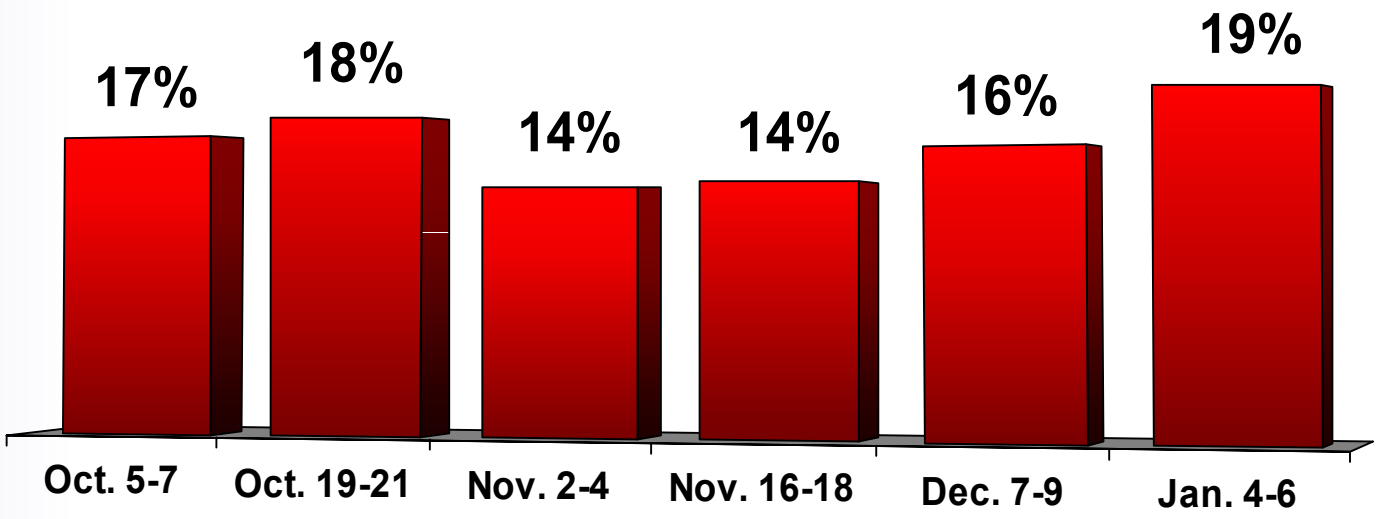
Extremely Likely to Take a Vacation to West Coast Sunspot within Six Months



Source: HVCB/Roper survey, conducted between October 2001 and January 2002

U.S. Traveler Attitudes

Extremely Likely to Take a Vacation to East Coast Sunspot within Six Months



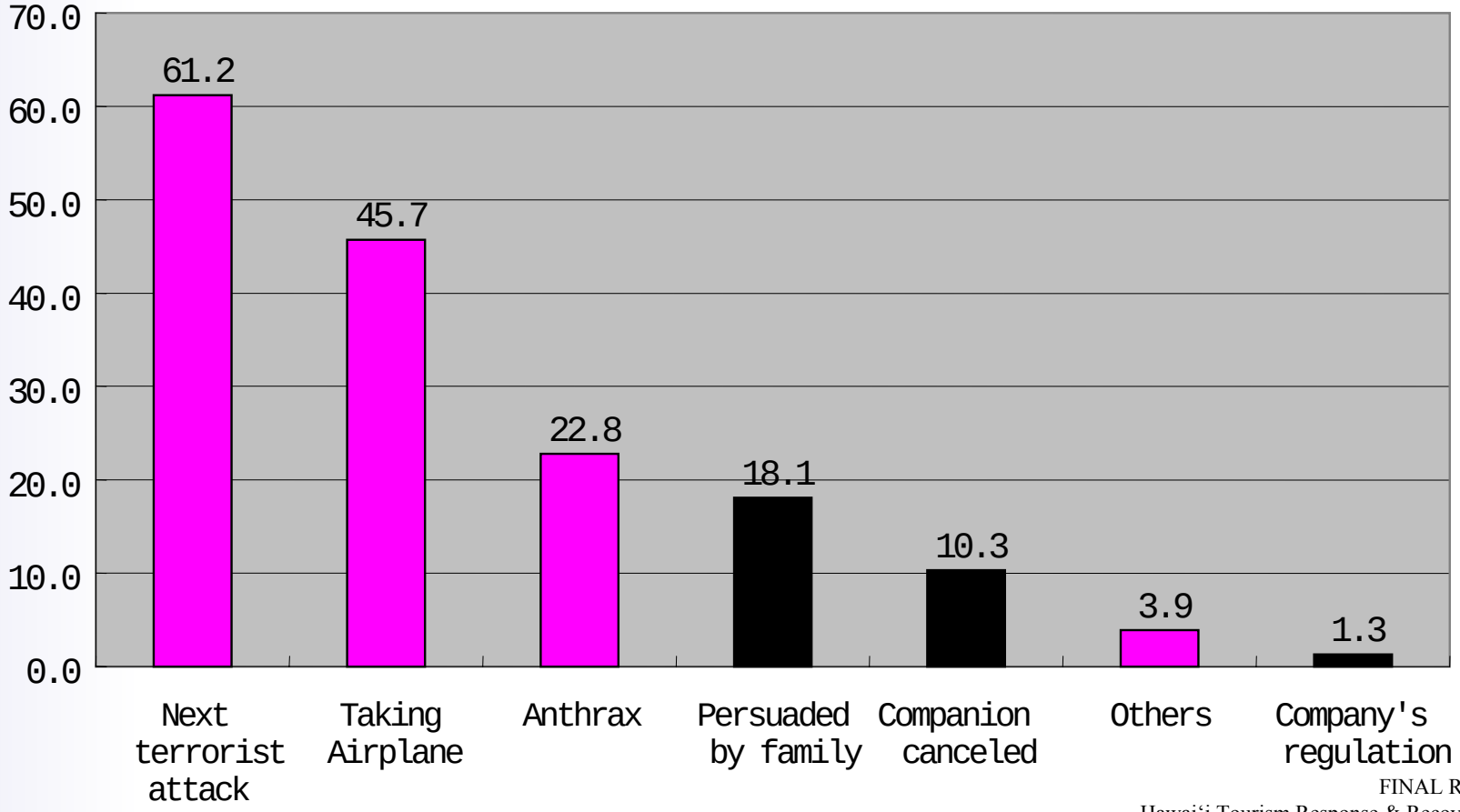
Source: HVCB/Roper survey, conducted between October 2001 and January 2002

Japan Market Trends

Japanese Traveler Attitudes

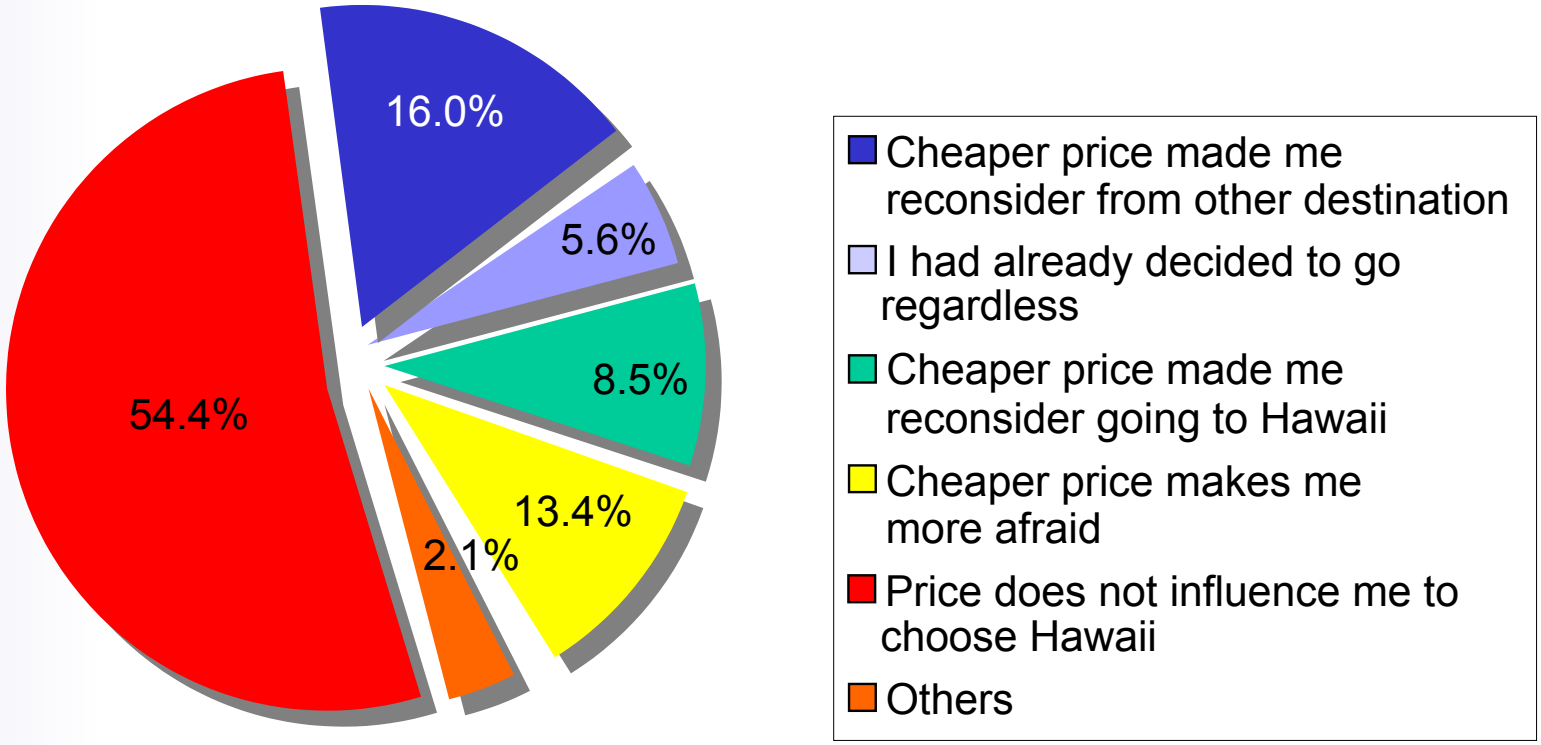
- Internet survey of 800 Japanese consumers nationwide conducted by McCann Erickson to measure Japanese attitudes toward overseas travel. Most recent wave conducted November 7-8 shows:
  - Fear of flying still exists
  - Travel demand is decreasing for all overseas destinations
  - Current trends show a shift from overseas travel to domestic travel without flying
  - Benefit of discounting travel costs is limited

Reason for Canceling Overseas Travel



Is reducing the price the answer?*

Reaction to Discount Tickets/Packages to Hawaii



** Source: McCann Erickson, based on research conducted between October and November 2001*

Japan Recovery in Progress

JTB: Overseas Travel Demand to Return in Spring

- Japan Travel Bureau projects 2.7 percent increase in total outbound overseas travel in 2002
- Recovery to start in spring, led by individual (rather than group) travel
- Rebound fueled by opening of second runway at Tokyo-Narita, eight 3-day weekends, cultural exchanges Japan, Korea and China
- Spending at overseas destinations projected to be relatively flat (+0.3%) with 2001 levels

Japan Recovery in Progress

JATA Survey Points to Improving Sales Activities

- Sales activity for overall outbound and Hawai‘i travel is still weak, but improving, according to the Japan Association of Travel Agents’ (JATA) latest quarterly “Demand of Overseas Travel Products” survey
- The JATA survey incorporates a diffusion index in which sales activities are rated on a scale from +100 (very good) to –100 (very poor).
- Overall index scores for total outbound travel moved from –100 in the fourth quarter of 2001, to –96 in the first quarter of 2002.

Japan Recovery in Progress

JATA Survey Points to Improving Sales Activities

- Hawai‘i’s scores improved from –98 in fourth quarter 2001, to –93 in first quarter 2002.
- Among the lifestage segments, the groups with the highest index scores for Hawai‘i included:
  - Female office workers (-83)
  - Middle-age group, age 45-59 (-83)
  - Honeymooners (-88)
- On the competitive front, China (-40), Asia (-43) and Oceania (-61) received the strongest index scores for the first quarter of 2002.

Business Travel and Meetings Market Trends

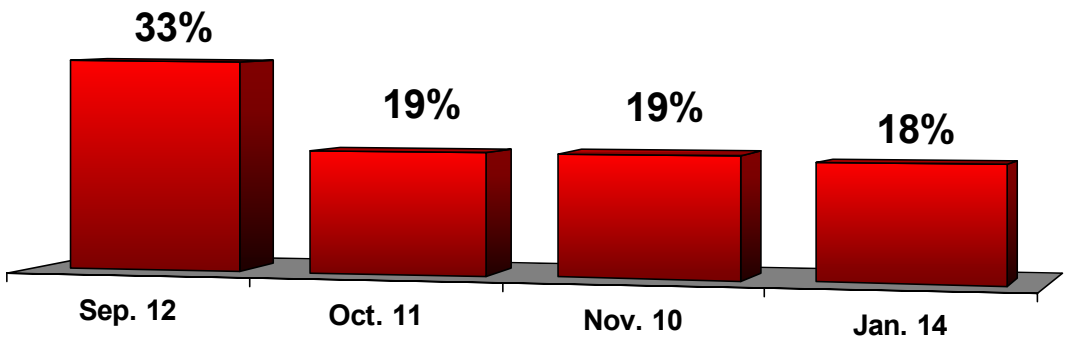
Business Traveler Attitudes

Terrorism Concerns Ease

- Business travelers concerns with terrorism ease and hold steady as of October 2001
- Air safety concerns hold steady
- Corporate travel restrictions rise due to safety, economic concerns
- Air travel not considered a hassle

Business Travelers' Concerns with Terrorism hold steady since October 2001

*Number of American business travelers who agree that terrorist events are likely to influence their future business travel plans**

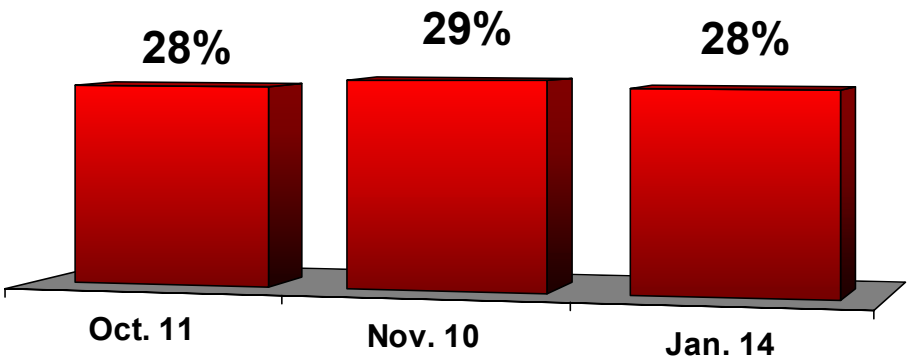


** Among business travelers planning to take a business trip during the next 12 months*

Source: Yesawich, Pepperdine & Brown, conducted between September 2001 and January 2002

Business Travelers' Concerns with Air Safety Hold Steady

*Number of American business travelers who cite air safety as reason(s) for canceling or taking fewer business trips**

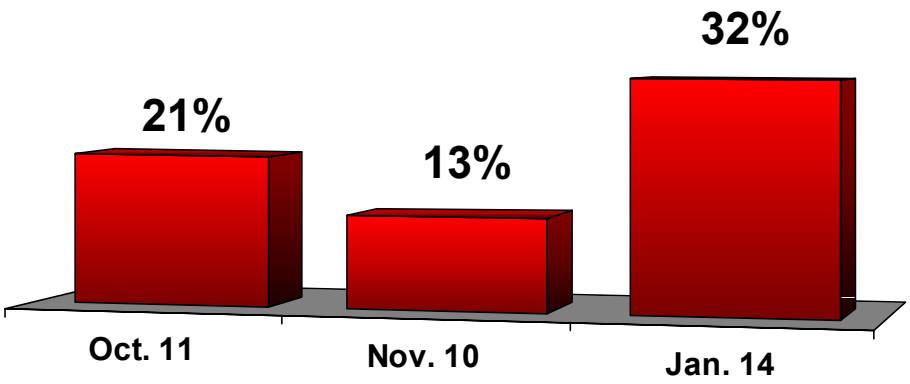


** Among business travelers who stated that their business travel plans were likely to change due to terrorist attacks*

Source: Yesawich, Pepperdine & Brown, conducted between September 2001 and January 2002

Corporate Restrictions on Business Travelers Due to Safety Curtail Travel

*Number of American business travelers who cite company travel restrictions due to safety concerns as reason(s) for canceling or taking fewer business trips**

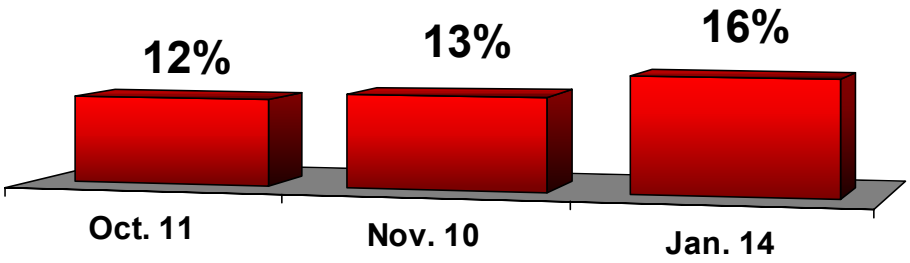


** Among business travelers who stated that their business travel plans were likely to change due to terrorist attacks*

Source: Yesawich, Pepperdine & Brown, conducted between September 2001 and January 2002

Corporate Restrictions on Business Travelers Due to Economy Curtail Travel

*Number of American business travelers who cite company travel restrictions due to economic concerns as reason(s) for canceling or taking fewer business trips**

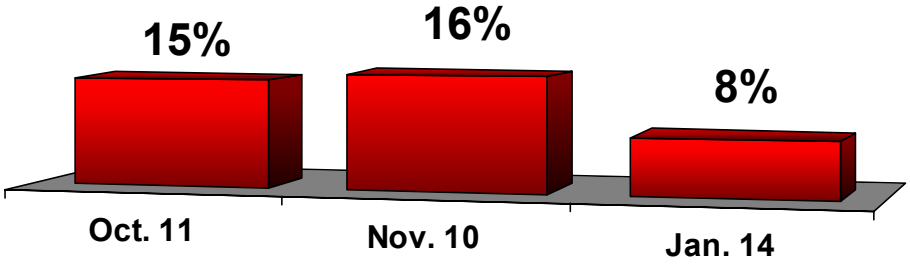


** Among business travelers who stated that their business travel plans were likely to change due to terrorist attacks*

Source: Yesawich, Pepperdine & Brown, conducted between September 2001 and January 2002

Air Travel for Business Not a Hassle

*Number of American business travelers who say air travel is "too big a hassle" as reason(s) for canceling or taking fewer business trips**



** Among business travelers who stated that their business travel plans were likely to change due to terrorist attacks*

Source: Yesawich, Pepperdine & Brown, conducted between September 2001 and January 2002

Meetings Industry Trends

Slow Growth, Budget-Conscience Travel in 2002

- With American corporations placing increased emphasis on the bottom line, National Business Travel Association predicts that corporations will be looking for lower-priced travel options as business travelers return to highways/skies in 2002.
- Online meeting planners survey regarding six-month outlook conducted by Meeting Professionals International in January 2002 found that:
  - 8 percent expect meetings industry to continue slowing
  - 15 percent expect meetings industry to stay the same
  - 67 percent expect slow growth back to normal
  - 9 percent expect fast growth back to normal

Meetings Industry Trends

Shorter Meetings, Closer to Home in 2002

- Benchmark Hospitality, manager of 25 resorts and conference centers across North America and Japan identified top trends for 2002
  - Staying closer to home (more regional events, closer to home, to avoid air travel)
  - Ever-shorter booking pace
  - Decreasing budgets, length, size of meetings
  - Serious training component included at most meetings
  - Team-building meetings remain popular
  - Technology demands increase (more T-1 lines, LANs)
  - Internet bookings rise

Meetings Industry Trends

Industry Supply Outstripping Demand

- With the U.S. economy approaching recessionary levels, MCI and business travel in general slowed significantly - even before September ’01 attacks
- Expanding convention/meetings infrastructure coupled with the slowing demand resulted in increased competition and deflationary pressure on prices

Meetings Industry Trends

Meetings Industry Competitive Environment

- Major increase in available convention center space coming online

Exhibit Hall Expansions	From	To	Completion
Anaheim	720,000	1,400,000	Dec '01
San Diego	254,000	615,700	Nov '01
San Francisco	442,000	600,000	2003
Phoenix	375,000	750,000	2004
Denver	300,000	600,000	Mar '03
Las Vegas	1,030,633	1,930,633	Dec '01
Reno	370,000	515,000	'02
Dallas	815,850	1,400,000	Aug '02
Honolulu	**200,000**	N/A	N/A
San Antonio	267,817	440,000	Mar '05
Seattle	157,000	260,000	Aug '02
Oregon	150,000	265,000	Jan '03
Salt Lake City	256,000	365,000	Aug '00

Competitive Environment

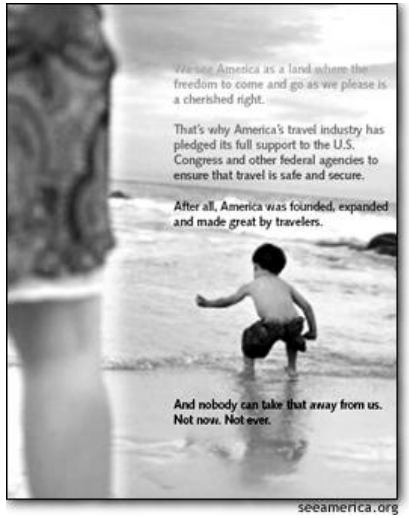
Competitive Environment

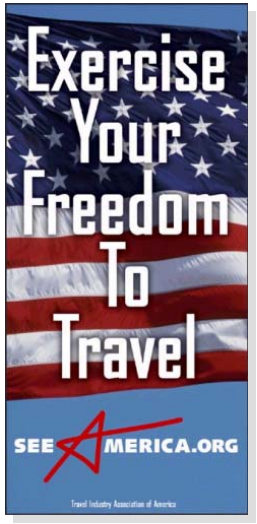
2002 a Challenge for Lodging Industry

- Negatively impacted by the September 11 attacks, recession and ensuing cutbacks in corporate travel, hotel profit margins will continue to drop this year before rebounding in 2003, and returning to normal in 2004, according to Ernst & Young's "2002 National Lodging Forecast."
- Markets including San Diego, Baltimore, Chicago, Detroit and San Antonio are faring better, and are expected to recover within three to five months while Hawai'i, New York, and San Francisco might take up to 14 months to rebound.

Effort to Stimulate U.S. Travel Demand

Travel Industry Association of America launched $10 million "Freedom" campaign in October 2001 to re-build travel demand





Competitive Environment

Florida Boosts Marketing Dollars

- Visit Florida boosed spending by $4+ million in domestic print, broadcast and Internet advertising media through February 2001, including $2 million in emergency funds used largely to target drive market
- Special session of the Florida Legislature approved an additional $20 million in advertising funds for Visit Florida, with stipulation that it be spent in at least a one-to-one match with private sector advertising in co-op type arrangements
- As of mid-February 2002, Orlando airlift was reported as "coming back,". Not only are carriers restoring some flights cut post-September 11, they also are starting new routes and using larger equipment to service the air passenger-reliant area.

Competitive Environment

- New York Heightens Promotions
  - New York Governor Pataki and Mayor Giuliani ask for $54 billion of federal assistance
  - $40 million "I Love New York" campaign kicked-off week of 10/7, mainly TV ads targeting viewers within 500-mile radius of the state
  - Shift from January to fall 2001 commencement of "Paint the Town Red...White and Blue“ promotion (NYC & Co.). Promotion ran through February 28 and covered discounts on hotels, restaurants, cultural institutions, tours and stores
  - New York spends $15 million in national TV ad time to air new ads with message “New York miracle. Be a part of it."

Competitive Environment

"It's Time for You" to Visit Las Vegas

- "It's Time for You": $13 million, 8-week ad campaign featuring an unreleased Frank Sinatra tune; print launched 9/30, television launched 10/3; regional drive and short-hop air markets, no East Coast
  - New spot says: it's OK to want to get away, and it's OK to come to Las Vegas…
  - Communicates the therapeutic aspects of vacationing
  - Campaign launched three weeks after the September 11 attacks boosted weekend occupancies which returned to about 90 percent of normal levels by early November

Competitive Environment

Cruises Hit Rough Waters

- American Classic Voyages and Renaissance Cruises filed for bankruptcy reducing industry-wide capacity 3.5 percent
- Major cruise lines redeployed ships from Mediterranean to Caribbean and Mexico citing consumers' concern to vacation abroad
- CLIA estimates pricing has dropped 30-40 percent, boosting traffic but "sinking" profits

Competitive Environment

Life Needs the Caribbean

- The first television campaign to promote summer 2002 travel to the Caribbean launched in late April 2002 on nationwide cable channels. The $16 million campaign, funded jointly by several Caribbean governments and Caribbean Hotel Association members, featured four 30-second spots with the theme "Life Needs the Caribbean."
- The U.S. Virgin Islands launched a $6.5 million "Sea to Shining Sea" advertising and marketing campaign in response to the post-September 11 downturn in tourism. The new campaign was in addition to the $17 million expenditure already allocated for 2001.
- Puerto Rico Tourism Company launched an "interim" newspaper campaign in 15 key U.S. markets ("Puerto Rico, Open Arms. Puerto Rico, We're Right Next Door")
- Barbados created a special economic council with a $15 million budget to guide the destination's promotional efforts in the wake of September 11.

Competitive Environment

Mexico is "Closer than Ever"

- Mexico Tourism Board launched a "multi-million dollar" winter tourism advertising campaign, portraying Mexico as a safe and neighborly destination that is easy to get to
  - "Mexico, Closer than Ever" broke first (10/15) in major U.S. daily newspapers and Internet sites; radio spots in Los Angeles, San Francisco, Houston, Dallas, Chicago and Phoenix to follow, as well as national cable

Competitive Environment

Guam Targets Korea Travelers

- Since September 11, 2001, Japanese arrivals to Guam have been dropping while those from Korea have grown, prompting the Guam Visitors Bureau (GVB) to tweak its marketing campaign.
- "GuamBare," a shopping incentives program, has been extended to South Korean visitors and the GVB's newly formed Korea-Guam Tourism Council recently held its first meeting.
- Japanese arrivals to Guam dropped 36 percent in January (compared with January 2001) while the South Korean visitor count increased 20 percent year-over-year.

Budget Breakouts

by MMA

by Category

EMERGENCY FUNDING
October 2001 - March 2002

TOTAL BY CATEGORY	Oct 2001 - Mar 2002
Advertising	7,882,472
Communications/Promotions	3,316,661
Travel Trade	774,677
Sales	0
Market Trends	26,190
Administration	0
Total	12,000,000

TOTAL BY MMA	Oct 2001 - Mar 2002
US West	3,452,879
US East	2,871,746
Canada	120,120
Japan	4,826,218
Multiple MMA	729,037
Total	12,000,000

EMERGENCY FUNDING
October 2001 - March 2002

US West	Oct 2001 - Mar 2002
Advertising	3,066,107
Communications/Promotions	239,810
Travel Trade	137,133
Sales	0
Market Trends	9,829
Administration	0
Total	3,452,879

US East	Oct 2001 - Mar 2002
Advertising	2,080,189
Communications/Promotions	667,243
Travel Trade	111,098
Sales	0
Market Trends	13,216
Administration	0
Total	2,871,746

Canada	Oct 2001 - Mar 2002
Advertising	87,336
Communications/Promotions	26,671
Travel Trade	6,113
Sales	0
Market Trends	0
Administration	0
Total	120,120

EMERGENCY FUNDING
October 2001 - March 2002

Japan	Oct 2001 - Mar 2002
Advertising	2,648,840
Communications/Promotions	1,653,900
Travel Trade	520,333
Sales	0
Market Trends	3,145
Administration	0
Total	4,826,218

Multi MMA (MME)	Oct 2001 - Mar 2002
Advertising	0
Communications/Promotions	729,037
Travel Trade	0
Sales	0
Market Trends	0
Administration	0
Total	729,037

Marketing Program Images

Live Aloha at Home

Live Aloha

Respect your elders and children.
Leave places better than you find them.
Hold the door. Hold the elevator.
Plant something...
Drive with courtesy. Let others in.
Attend an event of another culture.
Return your shopping cart.
Get out and enjoy nature.
Pick up litter.
Share with your neighbors.
Create smiles.
Make a list of your own.

You don't have to be a politician.
Or the president of a company.
Or a famous doctor,
to make everyone's life better.
Sometimes the smallest things make
the biggest difference.

Live Aloha

EXECUTIVE CHAMBERS

Live Aloha

Aloha!

On behalf of the people of the State of Hawai'i,
we welcome you with open hearts and warm feelings of Aloha, and
know that you will return home with many treasured memories of your visit.
Mahalo (thank you) for sharing your precious time with us!

Sincerely,

Benjamin J. Cayetano
Governor of the State of Hawai'i

BUY HAWAII

SYNERGY HAWAII DAY

Lā Ho'olōkahi O Hawai'i

Once a year, on the same day, at the same moment

We come together as one...
Giving Aloha

"Let only the golden blossoms of Aloha live in your heart."

"Let only the golden blossoms of Aloha live in your heart."
Queen Lili'uokalani

These actions are the every day acts of courtesy at work, at home, or on the road as well as the larger acts of making the lives of others better. Aloha involves our relationships, with each other and with the world that surrounds us, and the specific actions we take every day to improve those relationships. As was written and taught by Pilahi Paki:

A 'Akahi: kindness, expressed with tenderness
L Lōkahi: unity, expressed with harmony
O 'Olu'olu: agreeable, expressed with pleasantness
H Ha'aha'a: humility, expressed with modesty
A 'Ahonui: patience, expressed with perseverance

The sharing of Aloha comes from the heart… shared from person to person.

And to Live Aloha we should consider the guiding words of Queen Lili'uokalani:

Let only the golden blossoms of aloha live in your heart…

Let us all Live Aloha… Now more than ever!!!

Live Aloha

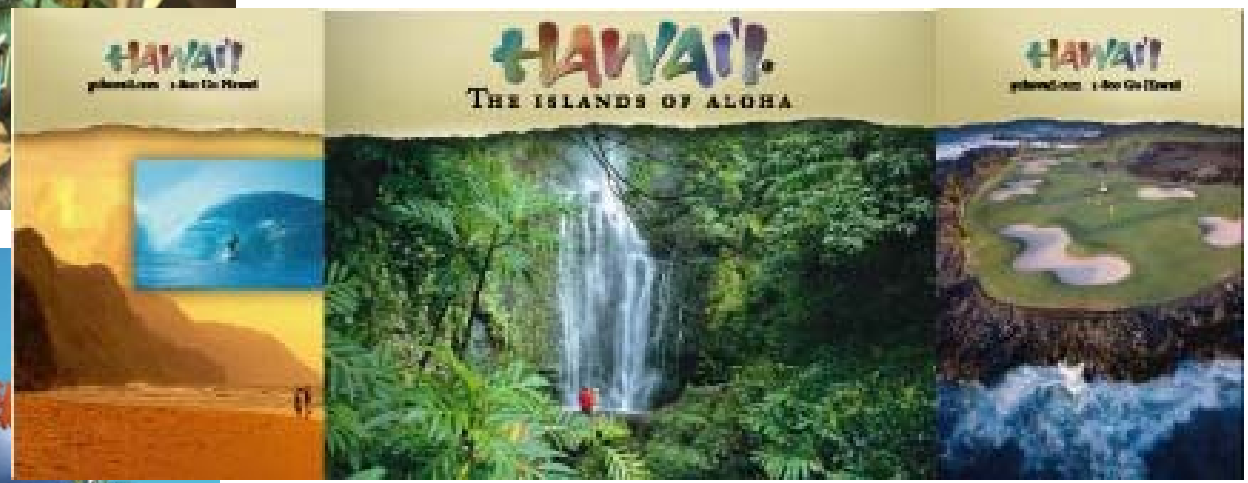
ALOHA… the embodiment of the essence of Hawai'i! To the people of the Islands, Aloha is more than a word of greeting, farewell or salutation… it's a way of life. Aloha means mutual regard and affection and extends warmth in caring with no expectation of anything in return.

Regardless of where we live, we are all part of a global community, and our connection to one another is based on mutual respect for our differences as well as our appreciation for what we have in common.

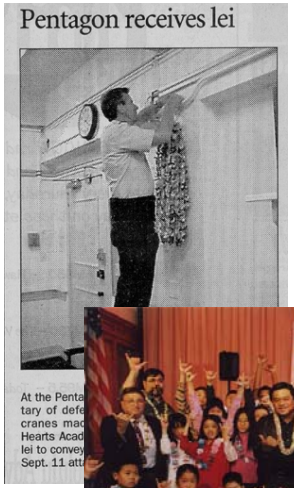
Community is the sum of individuals – individuals who have concern for one another, who care, share and take responsibility.

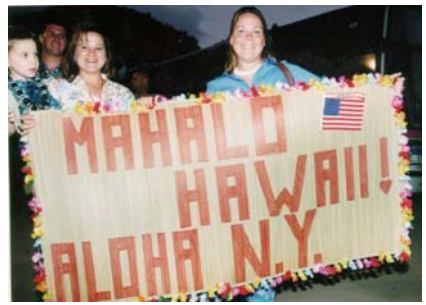
Aloha is a gift to be shared, and it is up to each of us to be stewards of this gift. To share Aloha, we must each make a commitment to live in a manner that expresses Aloha to all we come into contact with each day, and to undertake a set of actions that demonstrate the Spirit of Aloha.

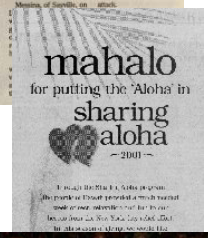
North America - Public Relations & Promotions



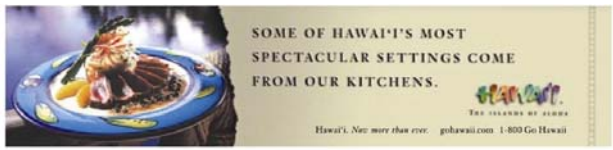
North America - Public Relations & Promotions

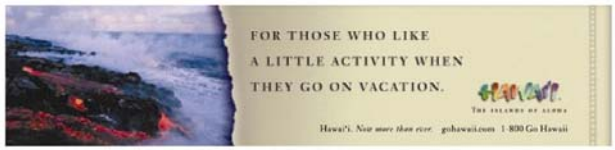


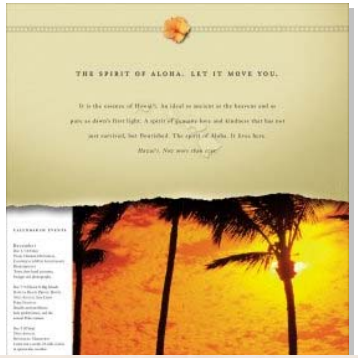


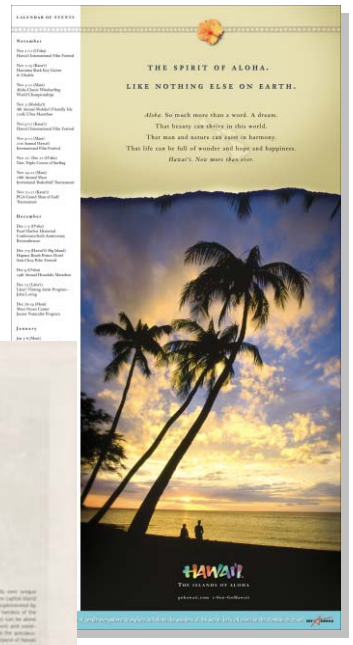


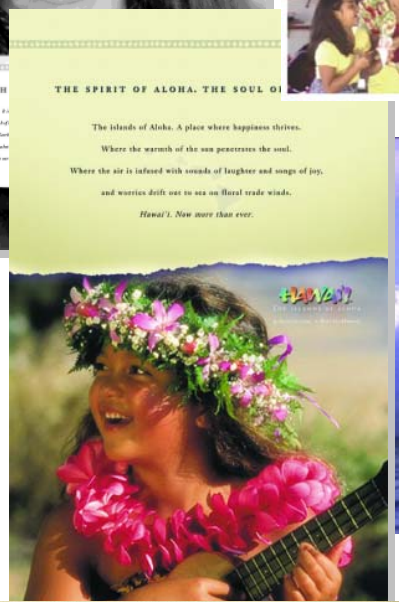
North America - Consumer Advertising







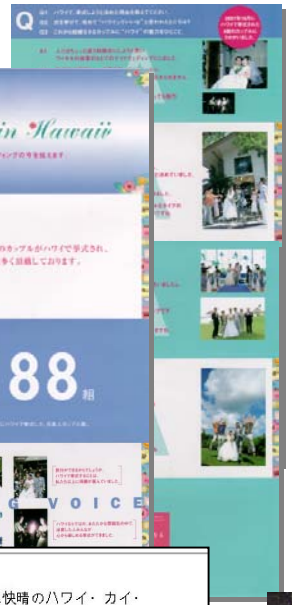




North America - Consumer Advertising

North America - Travel Trade Promotions

Japan - Public Relations & Promotions



Japan - Public Relations & Promotions

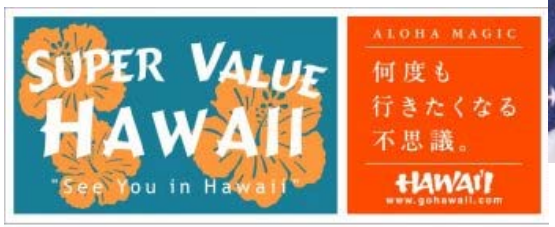
Japan - Public Relations & Promotions

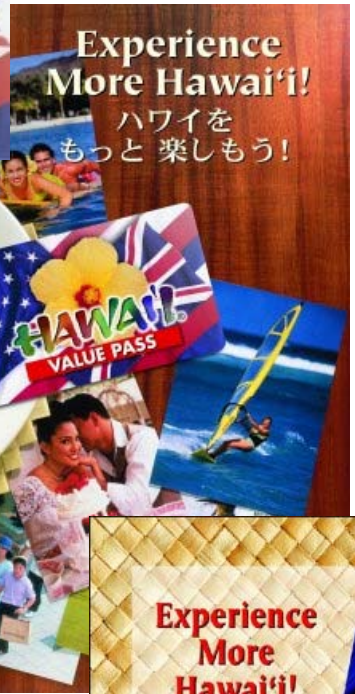
Japan - Consumer Advertising

Japan - Consumer Advertising

Japan - Travel Trade

Hawai‘i Value Pass





Developing International Markets

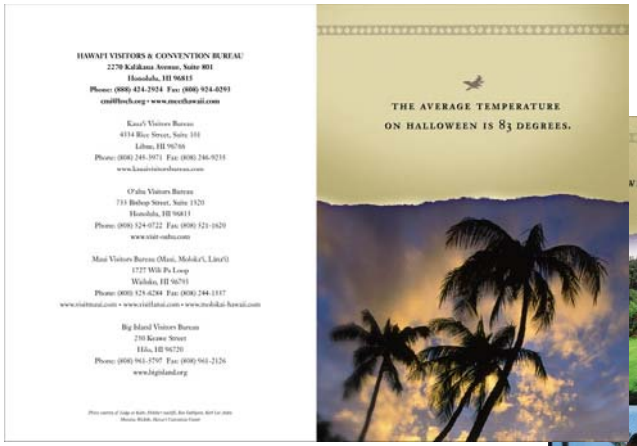
Hawaii has a magic all its own, a blend of scenic splendor, heartfelt hospitality and great weather. The Hawaii that you will experience will be limited only by your sense of adventure. There's history. Romance. Incredible natural beauty. A confluence of cultures and traditions, tastes and sounds that can be found nowhere else on earth.

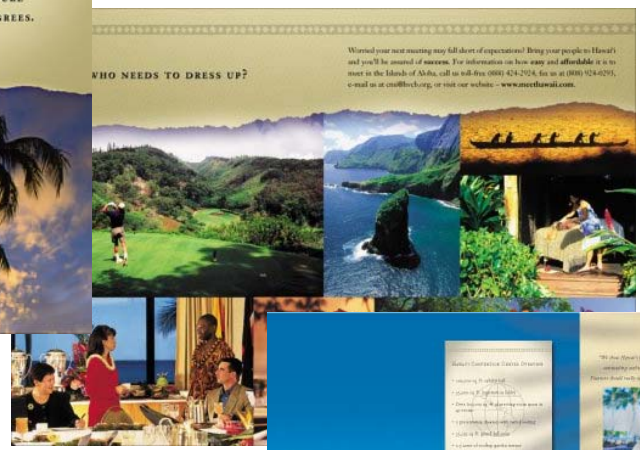
.com

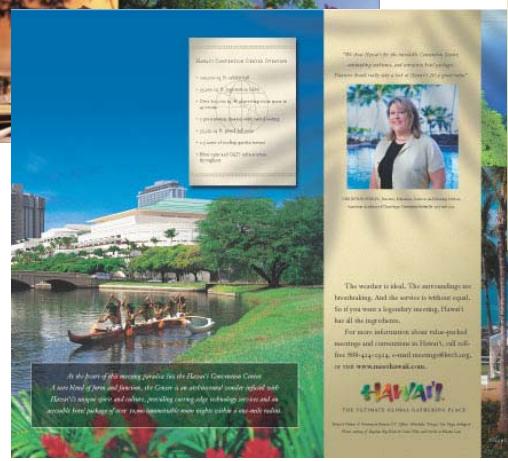
of Aloha

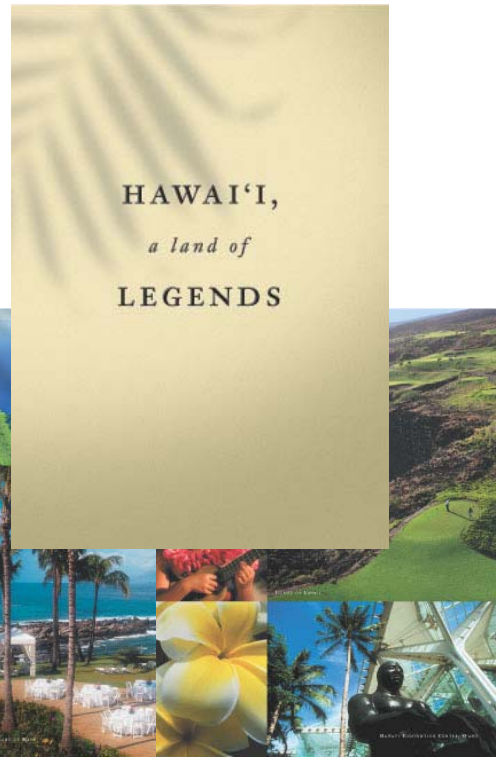
Meetings Conventions & Incentives – HCC

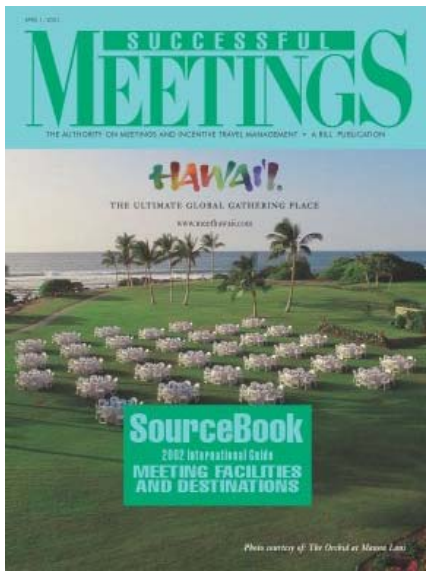
Meetings Conventions & Incentives - CMI











Marketing Calendars

NORTH AMERICA 2001 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: U.S. WEST/U.S. EAST/CANADA	**SEP**	**OCT**	**NOV**	**DEC**	**JAN - 02**	**FEB**	**MAR**
CONSUMER ADVERTISING							
TELEVISION/CABLE:							
National Cable TV Program*							
* Cable Channels that deliver target							
* Multi-faceted partnerships							
* National distribution, :15/:30 spots; Hawai'i programming							
* Call-to-action and promotion/Web leverage							
- Discovery Network (Discovery, Travel Channel) others TBD							
Brand Cable/Spot Television							
* Top source markets, 4-week flights							
* :30 spots with lifestage/lifestyle editorial vignettes							
* Call-to-action and promotion/web leverage							
- Los Angeles/Orange County	9/3-9/29 - Cxld					1/28 - 2/24	
- San Francisco Bay Area	9/3-9/29 - Cxld					1/28 - 2/24	
- Seattle	9/3-9/29 - Cxld				1/7 - 2/3		
- New York/New Jersey						1/28 - 2/24	
- San Diego						1/28 - 2/24	
- Chicago					1/7 - 2/3		
- Portland					1/3 - 1/30		
- Washington DC/N. Virginia						1/28 - 2/24	
- Sacramento						1/28 - 2/24	
- Denver						1/28 - 2/24	
- Phoenix						1/28 - 2/24	
- Dallas/Ft. Worth					1/7 - 2/3		
- Houston					1/14 - 2/10		
- Minneapolis						1/28 - 2/24	
- Detroit						1/28 - 2/24	
FILM/TV EVENTS PROGRAMMING:							
Hawai'i Outdoors/Team Unlimited Television				HVCB+			
Hawai'i sports/adventure/lifestyle TV programs							
National cable networks, TV syndication							
Call-to-action billboards, promotion and internet leverage							
* Xterra Series and Championship		HVCB/Maui++					
* Xterra Planet							
* Adventure Hawai'i							
* Waikiki Kings Race							
UH Football TV Sponsorship (In away game markets)			HVCB++				
Hawai'i's Cookin'							
Ironman Triathlon		Big Island++					
Maui Invitational (ESPN)			Maui++				
Rainbow Classic - CNN/SI				19 - 22			

Shaded areas are HVCB programs unless otherwise noted.

(Event)	Emergency Funds	(Event)+	Redirected CY2001/2002 Budget	(Event)	Original Funds

NORTH AMERICA 2001 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: U.S. WEST/U.S. EAST/CANADA	**SEP**	**OCT**	**NOV**	**DEC**	**JAN - 02**	**FEB**	**MAR**
CONSUMER ADVERTISING							
BRAND RADIO							
Clear Channel Radio (no charge)							
* :60 spots with call-to-action							
* Bakersfield		15-31					
* Chico		15-31					
* Fresno		15-31					
* Los Angeles		15-31					
* Modesto		15-31					
* Monterey-Salinas		15-31					
* Sacramento		15-31					
* San Diego		15-31					
* San Francisco		15-31					
National Public Radio - "Prairie Home Companion"					5th		
National Radio						Maui++	
Other Radio							
* Various CA Stations*		Big Island					
* Premier Network	Maui - Cancelled		Maui+				
* Regional Spot & Promotion*	Maui					Big Island++	
Wholesaler Partner Advertising & Promotion							
* Select Markets							
* Newspaper, Radio, Direct Mail, PHH, Apple, UV, AV, GoGo, Fun Jet**	Maui+						
* Los Angeles Radio & Promotions - Plasant Holidays*	Big Island++						
Golf Hawai'i Television						HVCB/Maui/Big Island+	
12 shows on The Golf Channel							O'ahu++
Golf etiquette segment & island/resort features							
Johnny Miller tips and Sam Choy Clubhouse							
Call-to-action billboards, promotion and internet leverage							
PGA Tour/Aloha Season Program (HTA Events)							
Hawai'i tournament TV spots and on-site promo/client events							
Retail golf promotions, PGATour.com advertising/promo							
* Mercedes Championship					HVCB/Maui++		
* Sony Open Hawai'i					HVCB++		
* MasterCard Championship					HVCB/Big Island++		
* Senior Skins					HVCB/Maui++		
* Turtle Bay Championship					HVCB++		
* Grand Slam					HVCB/Kaua'i++		
PGA Tour Preview Show - ESPN 2					3rd, 13th++		
CNBC Senior Tour Special - Year in Review					19th		

Shaded areas are HVCB programs unless otherwise noted. (Event) Emergency Funds (Event)+ Redirected CY2001/2002 Budget (Event) Original Funds

NORTH AMERICA 2001 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: U.S. WEST/U.S. EAST/CANADA	**SEP**	**OCT**	**NOV**	**DEC**	**JAN - 02**	**FEB**	**MAR**
CONSUMER ADVERTISING							
LPGA Takefuji Classic						2/25 - 3/2++	
Golfing The World							
Other HTA Events (Opportunities TBD)							
NFL Pro Bowl, College Bowls						2nd, 3rd++	
INTERACTIVE MARKETING:							
E-Mail Campaign							
Targeted delivery to HVCB list and purchased profiled lists							
Distribution focused on key source markets							
Distribution message with web links and special member offers							
On-line Marketing Program							
National advertising/promo initiatives with high-traffic travel sites							
* Travelocity.com	HVCB++		HVCB				
						Maui++	
							O'ahu++
* Expedia.com				HVCB			HVCB/O'ahu
* AOL Travel Channel			HVCB				O'ahu/Maui**
* Lastminutetravel.com			HVCB				
* Hawai'i.com				HVCB			
* Modernbride.com						Maui/Big Island++	
* Marryman.com						Maui++	
* Bridalguide.com						Maui/Big Island++	
* Alohajoe.com						Big Island++	
* New Kamaaina website: bigislandkamaaina.com		Big Island					
* New Kamaaina website		Kaua'i					
PRINT:							
INTEGRATED PRINT PROGRAM							
*** Lifestage/Lifestyle Magazine Program**							
- 16-24 Page insert							
- 1.4M circulation							
- 200,000 AMEX Direct Mail							
- 100,000 Travel Trade Distribution							
- Bonus exposure in international Focus on America Program							
- Travel trade distribution							
- Travel & Leisure	HVCB++						
- Food & Wine	HVCB++						

Shaded areas are HVCB programs unless otherwise noted.

(Event) Emergency Funds | (Event)+ Redirected CY2001/2002 Budget | (Event) Original Funds

NORTH AMERICA 2001 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: U.S. WEST/U.S. EAST/CANADA	**SEP**	**OCT**	**NOV**	**DEC**	**JAN - 02**	**FEB**	**MAR**
CONSUMER ADVERTISING							
GENERAL TRAVEL MAGAZINE							
* Advertising, Promotion, PR, Internet, Direct Mail							
- Hawai'i Magazine			Kaua'I++				
- Arthur Frommers	Maui++		Maui++				
- Conde Nast Traveler			Maui++				
- Travel & Leisure	Maui++		Maui++				
- San Diego Magazine	Maui++						
- Travel & Leisure Family		Maui++					
- Travel & Leisure Golf	Maui++		Maui++				
- Travel Holiday	Maui++		Maui++				
- National Geographic Traveler+		Maui++					
Small Space Magazine Ad Program						Maui - Various magazines++	
Travel/regional/lifestyle books that deliver target							
Small space high frequency, color billboard ads with call-to-action							
Promotion/web leverage							
Coordinate timing of existing Hawai'i sections							
Travel Books:							
* Conde Nast Traveler					HVCB++	Kaua'i++	HVCB++
* Arthur Frommer's Budget Travel					Kaua'i++		Kaua'i++
* Travel & Leisure							Kaua'i++
* Travel Holiday						Kaua'I++	HVCB/Kaua'i++
* National Geographic Traveler							HVCB++
Regional Books:							
* Sunset						HVCB/Kaua'I++	
* Midwest Living							HVCB++
Livestage/Lifestyle Books:							
* Islands							HVCB++
* Bon Appetit					HVCB++		HVCB++
* Outside							HVCB++
Two-Page Magazine Inserts							
Travel/regional/lifestage/lifestyle books that deliver target							
Hawai'i brand ad on front, co-op ad on back							
Promotion/web leverage							
Coordinate timing of existing Hawai'i sections							
* T&L Golf						HVCB++	
Multi-size ads							
Travel/regional/lifestage/lifestyle books that deliver target							
Promotional web leverage							
Coordinate timing of existing Hawai'i sections							
* Conde Nast Traveler					Maui++		
* Travel Impressions					Kaua'i++		
* Travel & Leisure					Maui++		O'ahu/Maui++
* Travel & Leisure Onsert						Big Island++	
* Travel Holiday						Maui++	O'ahu++
* National Geographic Traveler					Maui++		O'ahu++

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NORTH AMERICA 2001 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: U.S. WEST/U.S. EAST/CANADA	**SEP**	**OCT**	**NOV**	**DEC**	**JAN - 02**	**FEB**	**MAR**
CONSUMER ADVERTISING							
Multi-size ads							
* Budget Travel			Maui/Big Island++	Maui++			Moloka‘i/Big Island++
* Sunset							O‘ahu
* Midwest Living					Big Island++		
Coordinate timing of existing Hawai‘i sections							
* Travel & Leisure Family		Maui++					
* Family Fun	Maui++		Maui++				
* New Yorker							O‘ahu++
* Southern Living							O‘ahu++
* Bridal Guide					Kaua‘i++		Kaua‘i++
* Modern Bride	O‘ahu/Maui++	O‘ahu/Maui++		O‘ahu/Maui	Maui/Big Island++	O‘ahu/Maui/Lana‘i/Big Island++	
				Big Island++			
* Modern Bride Connections	O‘ahu/Maui++				O‘ahu++		
* Regional Bridal Books					Maui/Big Island++		
* Bride's Magazine				Maui++	Maui++	Maui/Lana‘i++	
* Bridal Guide	Maui++		Maui++		Maui/Big Island++		Maui/Big Island++
* Today's Bride - Canada					Maui++		
* T & L Gold					Maui++		
* Skin Diver					Big Island++		
"Aloha" Newspaper Campaign							
- Los Angeles Times		9, 21	4, 28	2	13		
- Los Angeles News Group		14, 21	11	2	6		
- San Francisco Chronicle		9, 14, 21	18	2			24
- San Diego Union Tribune		9, 14, 21	4	9	20		17
- Sacramento Bee/Fresno/Modesto		9, 14, 28	4	2, 9			10
- San Jose Mercury News & Contra Costa		9, 14, 21	18	2		24	10, 24
- Denver Post/Rocky Mountain News		9, 14, 21	18	9			
- Seattle Times		9, 14, 21	4	2			24
- Orange County Register		9,14, 21	18	2		10	10
- Portland Oregonian		9, 14, 28	11	2			Big Island++
- Salt Lake City		21	4	2			
- Phoenix		21	4	9			
- Anchorage		9					
- Chicago Union Tribune		9, 14, 21	4	2	20		
- Detroit		9, 21					
- Minneapolis Star Tribune		9, 14, 21	4	2	13		
- Atlanta		9, 14, 21	4	2			
- St Louis Dispatch		9, 14, 21	4	2			
- Dallas Morning News		9, 14, 21	4	2			
- Houston Chronicle		9, 14, 21	4	2			
- Arizona		9, 14, 21	4, 11	2			
- New York Times		9			20	17	10
- Newark Star Ledger		9					
- Vancouver Sun/Province		9, 14	4, 11	2			

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NORTH AMERICA 2001 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: U.S. WEST/U.S. EAST/CANADA	**SEP**	**OCT**	**NOV**	**DEC**	**JAN - 02**	**FEB**	**MAR**
CONSUMER ADVERTISING							
Market Newspaper Program							
* Los Angeles Times							
* Orange County Register		Big Island++	Big Island++				
* San Francisco Chronicle		Big Island++					
* San Jose Mercury News		Big Island++					
* Seattle Times		Big Island++					
* Denver Post		Big Island++ - 14th-21st					
* Promote Kamaaina Travel in Honolulu Media		Big Island++ -7th-31st					
AMEX Direct Mail and Fall Insert							
Airline Co-op Marketing							
* Continental - Houston Non-stop							
* United - Denver Non-stop							
* Hawaiian Airlines							Big Island++
Partner Co-op Programs							
* KOST Radio/Aloha Airlines/Hilton Hotels					Big Island++		
* Pleasant Holidays						Big Island++	
* GoGo Tours					Big Island++		
* Funjet							Big Island++
Regional Partnership Program						Maui++	
Newspaper, Radio						Lana`i++	
Ad Walls		Big Island++					
CONSUMER COMMUNICATIONS/PROMOTIONS							
INTERACTIVE MARKET-BASED PROGRAMS							
Experience Aloha! Hawai`i on Tour							
* Interactive exhibits, entertainment, cuisine, cultural presentations							
* Exhibitry redesigned/consolidated; shipped to locations							
* Visits to tops source markets at targeted locations and venues							
* Venues include major festivals, travel shows							
- Seattle		19-21+					
- Portland		26-28+					
- Chicago	21-23 - Cxld						
- Minneapolis	28-30 Cxld						
- Detroit	14-16 - Cxld						
- Morris Murdock Travel Show - Salt Lake City					11 - 12		
- Seattle Travel Show (HVCB/Kaua`i/Maui/Big Island)					18 - 20		
- Travel & Adventure Show - Denver (HVCB/Kaua`i/Maui/Big Island						1 - 3	
- Vacation Fest - Santa Barbara						10	
- Los Angeles Times Travel Show (HVCB/Big Island)						16 - 17	
- Phoenix Travel Show (Big Island)						22 - 24	

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NORTH AMERICA 2001 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: U.S. WEST/U.S. EAST/CANADA	**SEP**	**OCT**	**NOV**	**DEC**	**JAN - 02**	**FEB**	**MAR**
CONSUMER COMMUNICATIONS/PROMOTIONS							
INTERACTIVE MARKET-BASED PROGRAMS							
Experience Aloha! Hawai`i on Tour							
* Interactive exhibits, entertainment, cuisine, cultural presentations							
* Exhibitry redesigned/consolidated; shipped to locations							
* Visits to tops source markets at targeted locations and venues							
* Venues include major festivals, travel shows							
- Vacation Show - Columbus, Ohio (Maui)							
- Bridal Show - Denver (Maui)							
- Modern Bride Bridal Shows					Big Island		
- Bride's on Local - Washington DC							10
Experience Aloha! PGA Tournament Events							
- Nissan Open - Los Angeles						11 - 17	
- Player's Championship - Jcksonville							18 - 24
Lifestyle Events/Chefs of Aloha							
* 4-6 major events in key markets TBD							
* Lifestyle/food & wine festivals							
* Leverage high media profile							
* Take Hawaiian chefs, entertainment Hawai`i products							
* James Beard House Program - New York	10++	17+					26++
* Skin Diver Festival						Big Island++	
CULTURE/HISTORY							
Hawai`i Events							
* Hawai`i International Jazz Festival							
* Aloha Festivals	O`ahu++						
* World invitational Hula Competition			O`ahu++				
* Whales Return		Maui+					
* Christmas in Maui			Maui+				
* Gifts of Aloha			Maui+				
* Kamaaina Shop Maui		Maui++					
Consumer Shows							
* Modern Bride		Maui - 21, 28++	Maui - 4, 6, 11, 18++				
* National Chain Consumer Promotion		O'ahu - 20++					
* World Invitational Hula Festival			Maui++				
* Travel Specialist Programs and Bridal Fairs	Maui++						
May Company Bridal Registry Promotion							
Macy's West Bridal Promotion							
JC Penney Bridal Promotion							
Media Relations:							
Media Satellite Tour	24						
Live media interviews in top 15+ major markets							

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NORTH AMERICA 2001 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: U.S. WEST/U.S. EAST/CANADA	**SEP**	**OCT**	**NOV**	**DEC**	**JAN - 02**	**FEB**	**MAR**
CONSUMER COMMUNICATIONS/PROMOTIONS							
Media Tie-ups		Maui++					
			(Kaumualii Golf)++	Journalism Award++			
		O`ahu - 11/28-12/3+					
	Maui++						
Media Development	Maui++				HVCB/Kaua'i/O'ahu/Maui/Big Island+		
Full-service news bureau/media resource							
New Web-based media resources							
Web-based media resources							
Press Kit with lifestage/lifestyle stories							
Media e-newsletter							
Visiting media travel assistance (coordinate w/Island Chapters)							
Annual local media lunch							
Press Trips/Media Familiarization/			Kaua'i - 13-23	Kaua'i - Travel		O'ahu - 20 -27++	
News Bureaus/Upgraded Media Kits			(Kaumualii Golf)++	Journalism Award++			
		O`ahu - 11/28-12/3+					
	Maui++						
MEDIA RELATIONS:							
Media Development	Maui++				HVCB/Kaua'i/O'ahu/Maui/Big Island+		
Full-service news bureau/media resource							
New Web-based media resources							
Web-based media resources							
Press Kit with lifestage/lifestyle stories							
Media e-newsletter							
Visiting media travel assistance (coordinate w/Island Chapters)							
Annual local media lunch							
Press Trips/Media Familiarization/							
News Bureaus/Upgraded Media Kits			Kaua'i - 13-23	Kaua'i - Travel		O'ahu - 20 -27++	
			(Kaumualii Golf)++	Journalism Award++			
		O`ahu - 11/28-12/3+					
	Maui++						
Media Blitz							
"Hit the Road" PR Blitz							
- San Diego		8th					
- Los Angeles		8th, 9th					
- San Francisco		10th					
- Portland		11th					
- Seattle		12th					
- Atlanta		14-18					
- St. Louis		14-18					
- Denver		14-18					
- Chicago		14-18					
- Detroit		14-18					
- Minneapolis		14-18					
- Albuquerque		14-18					

Shaded areas are HVCB programs unless otherwise noted.

(Event)	Emergency Funds	(Event)+	Redirected CY2001/2002 Budget	(Event)	Original Funds

NORTH AMERICA 2001 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: U.S. WEST/U.S. EAST/CANADA	**SEP**	**OCT**	**NOV**	**DEC**	**JAN - 02**	**FEB**	**MAR**
CONSUMER COMMUNICATIONS/PROMOTIONS							
Media Blitz							
"Hit the Road" PR Blitz							
- Phoenix		16th					
- Dallas		17th					
- Houston		18th					
- Sacramento		14-18					
- Las Vegas		14-18					
- Salt Lake City		14-18					
Media Visit Program							
HVCB/PR Staff one-on-one visits to key national/regional media							
Timed to lead into primary season							
* Denver (O'ahu)					14 - 19+		
* Phoenix (O'ahu)					14 - 19+		
* Salt Lake City (O'ahu)					14 - 19+		
* Dallas/Ft. Worth (O'ahu)						4 - 8+	
* Atlanta (O'ahu)						4 - 8+	
* Cleveland (O'ahu)						4 - 8+	
* New York/New Jersey (O'ahu)							25 - 29+
* Washing DC/N. Virginia (O'ahu)							25 - 29+
Public Relations							
* Aloha Spirit Campaign		Big Island					
* Fall Value Packages		Big Island					
* Kamaaina Package		Big Island					
* Media Release to promote Big Island Kamaaina Packages in Hawai'i	Big Island -19th-31st						
Media Visit Program							
HVCB/PR Staff one-on-one visits to key national/regional media							
Timed to lead into primary season							
* Denver (O'ahu)					14 - 19+		
* Phoenix (O'ahu)					14 - 19+		
* Salt Lake City (O'ahu)					14 - 19+		
* Dallas/Ft. Worth (O'ahu)						4 - 8+	
* Atlanta (O'ahu)						4 - 8+	
* Cleveland (O'ahu)						4 - 8+	
* New York/New Jersey (O'ahu)							25 - 29+
* Washing DC/N. Virginia (O'ahu)							25 - 29+
Public Relations							
* Aloha Spirit Campaign		Big Island					
* Fall Value Packages		Big Island					
* Kamaaina Package		Big Island					
* Media Release to promote Big Island Kamaaina Packages in Hawai'i	Big Island -19th-31st						
TRAVEL TRADE							
Wolesaler Consumer Advertising					HVCB		
						Oahu++	

Shaded areas are HVCB programs unless otherwise noted.

(Event)	Emergency Funds	(Event)+	Redirected CY2001/2002 Budget	(Event)	Original Funds

NORTH AMERICA 2001 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: U.S. WEST/U.S. EAST/CANADA	**SEP**	**OCT**	**NOV**	**DEC**	**JAN - 02**	**FEB**	**MAR**
TRAVEL TRADE							
* TravelAge			5. 12, 26, 3, 10, 17++		Maui+	Maui+	Maui/Big Island+
		Kaua`i - 5++					
	Maui - 10++	Maui - 1++					
* Travel Agent	O`ahu - 3, 17++	O`ahu - 15++	O`ahu/Maui 7++		Kaua`i/Maui+	Maui/Big Island+	Kaua`i/Maui+
			Big Island++				
* Travel Weekly	Maui - 24++		Maui - 15++	Kaua`i 3/Big Island++	O`ahu+		
					Moloka`i/Big Island+	Maui+	Maui/Moloka`i+
* Recommend		Maui++					Big Island+
* Canadian Travel Courier			Kaua`i++				
Wolesaler Consumer Advertising					HVCB		
						Oahu++	
Travel Trade Advertising							
* TravelAge			5. 12, 26, 3, 10, 17++	3, 10	Maui+	Maui+	Maui/Big Island+
		Kaua`i - 5++					
	Maui - 10++	Maui - 1++					
* Travel Agent			5, 19, 17				
	O`ahu - 3, 17++	O`ahu - 15++	O`ahu/Maui 7++		Kaua`i/Maui+	Maui/Big Island+	Kaua`i/Maui+
			Big Island++				
* Travel Weekly			5, 19	3			
	Maui - 24++		Maui - 15++	Kaua`i 3/Big Island++	O`ahu+	HVCB++/O`ahu+	O`ahu+
					Moloka`i/Big Island+	Maui+	Maui/Moloka`i+
* Recommend		Maui++				HVCB	Big Island+
* Canadian Travel Courier			Kaua`i++				
Direct Mail		11++					
		Maui -1++	Maui -1++	Maui -1++			
Outbound Telemarketing			Maui++				
* Conesion - Parker Pacific Company			Big Island - 6-7++				
Airline/Wholesaler/Travel Agent/Consortia					HVCB/Kaua`i/O`ahu/Maui/Big Island++		
Programs							
Destination cooperation programs (coordinate w/Island Chapters)	HVCB and Island Chapters++						
Reservation and staff training (coordinate w/Island Chapters)	O`ahu++						
* OVB O`ahu Agency of the Year Incentive FAM & Program						O`ahu++	
		Maui - 8-12; 15-18++					
*Affinity Group Training							
* Co-op marketing promotions		Classic Vac. - 12++					
* American Airlines	Maui - 10-14++						
* Fun Sun Luau	Maui - 28++						

Shaded areas are HVCB programs unless otherwise noted. (Event) Emergency Funds (Event)+ Redirected CY2001/2002 Budget (Event) Original Funds

NORTH AMERICA 2001 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: U.S. WEST/U.S. EAST/CANADA	**SEP**	**OCT**	**NOV**	**DEC**	**JAN - 02**	**FEB**	**MAR**
TRAVEL TRADE							
Tradeshows/Events							
HVCB and Island Chapters							
* Hawai'i Annual Tourism Conference	Cxld						
* Norcal ASTA (Maui)	Maui++						
* Carlson	Cxld						
* Giants		Cxld					
* Denver Hawai'i Fallfest		HVCB - 3+					
* AAA Conference		Cxld					
* ASTA World Conference - New York			4 - 7+				
* ASTA Rocky Moutains			27 - 28++				
* Carlson Conference			4 - 7+				
* Conesion - Parker Pacific Company (Big Island)			6 - 7+				
* TIPS/NCL Hawai'i Night					8+		5+
* Leisure Travel Group					25 - 26+		
* Addison Travel Show					29 - 31+		
* ASTA San Diego Travel Festival						12+	
* ASTA Cruisefest							21 - 24+
* Anderson Travel Show (Maui)					Maui+		
HVCB Road Shows: Come Share Aloha							
HVCB Central and Island Chapters (Kaua'i/Big Island)							
Travel agent evening/breakfast function							
Entertainment, food, presentations, prizes							
Ke Kula O Hawai'i self-study promotion							
Seller/Supplier/Wholesaler Trade Show							
* Seattle		24+					
* Portland		25+					
* Vienna, VA West Orange, NU, NYC, Stamford, CT, Toronto						4 - 7+	
Sales Blitzes							
* Southern California		HVCB and Island Chapters			O'ahu+		
* Northern California		HVCB and Island Chapter	Maui - 5-9; 12-16		O'ahu+		
* Pacific Northwest				Maui - 3-7; 10-14			
* Kamaaina Mahalo Travel Agent Night		Maui - 25th					
* Hawai'i Travel Agents		Big Island - 26-28					
* New York		O'ahu - 28-31	O'ahu - 3-8				
Wholesaler Product Launches							
HVCB Central and Island Chapters			Continental - 13-15				
Miscellaneous Product Launches TBD							
* Apple Vacations	Cxld	15+					14+
* Travel Impressions		22, 24, 29+					
* Delta Vacations		17, 18, 23+					
* North Califonia (Maui)		Maui+					
* MLT Vacations		15 - 17+					18 - 19+

(Event)	Emergency Funds	(Event)+	Redirected CY2001/2002 Budget	(Event)	Original Funds

NORTH AMERICA 2001 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: U.S. WEST/U.S. EAST/CANADA	**SEP**	**OCT**	**NOV**	**DEC**	**JAN - 02**	**FEB**	**MAR**
TRAVEL TRADE							
Wholesaler Product Launches							
HVCB Central and Island Chapters							
Miscellaneous Product Launches TBD							
* Fun Jet		Cxld					
* Continental			13 - 15+				
* Classic Custom Vacations					17, 22+	12+	
* AA Vacations							5 -7, 11 - 13+
							18 - 21+
* GoGo Vacations VIP Dinners						26 - 28+	
Travel Agent Training/Development/Seminars							
Ke Kula O Hawai'i						HVCB++	
Self-study course (online, CD rom, Workbook)							
* Destination Maui California Seminars	East Coast - 10-14++	Texas - 15-19++					
* OVB Specialist Program				O'ahu++			
Familiarization Trips							
* Classic Hawai'i		Maui++					
* Apple			Maui - 7-11++				
Fax Blast to Travel Agents		18, 29	11, 25	9			
* Co-op partnerships available							
Faxback Services							
* Fax blast Kamaaina Packges to Hawai'i Travel Agents		Maui/Big Island	Mui	Maui			
* **Sales Planner**	HVCB++						

JAPAN 2001 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: JAPAN	**SEP**	**OCT**	**NOV**	**DEC**	**JAN 02**	**FEB**	**MAR**
CONSUMER ADVERTISING							
TELEVISION/CABLE/VIDEO:							
Network Television							
* 30-second spots/15-second spots							
* Promotional, editorial & public relations leverage							
* Aloha Magic "Reasons" Message							
* Broadcast Areas: Based on cities with direct							
flight service to Hawai'i							
- Tokyo	HVCB				HVCB		
- Osaka	HVCB				HVCB		
- Nagoya	HVCB				HVCB		
- Sapporo	HVCB				HVCB		
- Fukuoka	HVCB				HVCB		
- Hiroshima					HVCB		
- Sendai					HVCB		
- Niigata					HVCB		
Satellite/Cable Television						HVCB	
* 30/15-second spots with media editorial leverage							
* 9 Programs							
* Call-to-action to gohawaii.com							
Cinema							
* Aloha Magic "Reasons" Message							
* 30-second spots							
* 27 theatres x 2 screens x 2 weeks at each theatre							
* Target young adults							
- Tokyo						HVCB+	
- Osaka						HVCB+	
- Nagoya						HVCB+	
- Sapporo						HVCB+	
- Sendai						HVCB+	
- Fukuoka						HVCB+	
- Niigata						HVCB+	
- Hiroshima						HVCB+	
FILM/TELEVISION EVENTS PROGRAMMING:							
Hawai'i Outdoors/Team Unlimited Television				HVCB+			
Hawai'i sports/adventure/lifestyle television programs							
Cable networks, broadcast syndication							
Call-to-action billboards, promotion and internet leverage							
* Xterra Planet							
* Hawai'i's Ocean Games							

Shaded areas HVCB programs unless otherwise noted. (event) Emergency Funds (event)+ Redirected CY200/2001 Budget (event) Original Funds

JAPAN 2001 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: JAPAN	**SEP**	**OCT**	**NOV**	**DEC**	**JAN 02**	**FEB**	**MAR**
CONSUMER ADVERTISING							
FILM/TELEVISION EVENTS PROGRAMMING:							
Honolulu Marathon				HCB/O'ahu+			
Ironman Triathlon		Big Island+					
Maui Invitational (ESPN)			Maui				
PGA Tour/Aloha Season Program (HTA Events)							
Hawai'i tournament television spots and on-site promo/client events							
Retail golf promotions, PGATour.com advertising/promo							
* Mercedes Championship					HVCB/Maui		
* Sony Open Hawai'i					HVCB		
* MasterCard Championship					HVCB/Big Island		
* Turtle Bay Championship		HVCB					
* Grand Slam			HVCB/Kaua'i				
					HVCB		
PGA Tour Preview Show - ESPN2					3, 13		
CNBC Senior Tour Special - Year in Review					15		
Bob Hope Classic - ESPN					16		
LPGA Takefuji Classic						2/25 - 3/2	
Football Bowl Television (HTA Events)							
*Pro Bowl, Aloha Bowl, Oahu Bowl				Aloha/O'ahu			

(event)	Emergency Funds	(event)+	Redirected CY200/2001 Budget	(event)	Original Funds

JAPAN 2001 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: JAPAN	**SEP**	**OCT**	**NOV**	**DEC**	**JAN 02**	**FEB**	**MAR**
CONSUMER ADVERTISING							
BRAND RADIO							
Local Radio Program							
* 8 On-line cities, 4-week flights							
* 20/40-second spots							
* Call-to-action to gohawaii.com							
* Co-op opportunities for Island Chapters and Industry Partners							
Tokyo					HVCB		
Osaka					HVCB		
Nagoya					HVCB		
Sapporo					HVCB		
Sendai					HVCB		
Fukuoka					HVCB		
Niigata					HVCB		
Hiroshima					HVCB		
* Sellers/Suppliers Co-op Opportunities							
- Tokyo						HVCB	
- Osaka						HVCB	
- Nagoya						HVCB	
- Sapporo						HVCB	
- Sendai						HVCB	
- Fukuoka						HVCB	
- Niigata						HVCB	
- Hiroshima						HVCB	
TRANSIENT PROGRAM:							
Station Posters	HBCB+		HBCB - Cxld				
* Sellers/suppliers co-op opportunities							
- Tokyo					HVCB+		
- Osaka					HVCB+		
- Nagoya					HVCB+		
- Sapporo					HVCB+		
- Sendai					HVCB+		
- Fukuoka					HVCB+		
- Niigata					HVCB+		
- Hiroshima					HVCB+		

(event)	Emergency Funds	(event)+	Redirected CY200/2001 Budget	(event)	Original Funds

JAPAN 2001 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: JAPAN	**SEP**	**OCT**	**NOV**	**DEC**	**JAN 02**	**FEB**	**MAR**
CONSUMER ADVERTISING							
TRANSIENT PROGRAM:							
Train Jacks							
* Co-op opportunity for Island Chapters and Industry Partners	HVCB+		HVCB+				
* (See co-op manual for details, pricing, schedule, timing, etc.)							HVCB+
- Tokyo							
- Osaka							
- Nagoya							
Train Jacks with TIA							HVCB+
*Co-op opportunity for Island Chapters and Industry Partners							HVCB+
INTERACTIVE MARKETING:							
Integrated information source						HVCB	
Link to gohawaii.com							
Campaign home page including I-mode							
Yahoo Japan and Wincubic							
Yahoo! Japan Wincubic travel section Hawai'i special		HVCB					HVCB
Special Super Value Hawai'i homepage with CTA to Travel Providers			Super Value Hawai'i				
includes I-mode							
Monthly fax/e-mail blasts						Maui	
* Visitmaui.com (Japan)						Maui	
* shopmaui.com (Japan)						Maui	
* Website contest					Maui		
Search Engines		Big Island +					
PRINT							
*** Lifstage/Lifestyle Magazine Programs**						HVCB+	
YOUNG ADULTS (OPINION LEADERS)							
Advertising, promotion, public relations, internet							
Promotion, public relations, internet integration							
Industry co-op opportunities						HVCB+	
- JJ, Figaro, Crea, Classy, Oggi		HVCB					
- More						HVCB/O'ahu	
- Figaro						HVCB+	
- Crea						HVCB+	
- Classy					HVCB+		
- Oggi					HVCB+	HVCB+	

(event)	Emergency Funds	(event)+	Redirected CY200/2001 Budget	(event)	Original Funds

JAPAN 2001 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: JAPAN	**SEP**	**OCT**	**NOV**	**DEC**	**JAN 02**	**FEB**	**MAR**
CONSUMER ADVERTISING							
PRINT							
*** Lifestage/Lifestyle Magazine Programs**							
FAMILIES (MULTI-GENERATIONAL)							
* Advertising, Promotion, PR, Internet, Direct Mail							
* PR and special promotion (TBD)							
* Message targeted to reader profile							
* Industry Co-op opportunities available						HVCB	
* Internet marketing							
* City Living, Apple, Excellence	HVCB						
* Mrs.						HVCB/Maui	
* Very						HVCB/Maui	
HONEYMOON/WEDDING:							
* Advertising, Promotion, PR, Internet Integration							
* PR and special promotion (TBD)							
* Industry Co-op Opportunities							
* 25ans, Oz	HVCB						
* XY Weddings							Big Island
CS/Cable Television (9 channels)	Nationwide				HVCB		
* Targets upper-level income households							
* TV Program Sponsorship		details TBD					
- Targets housewives							
- Sponsorship/paid publicity of certain TV shows to bring program							
to feature Hawai'i							
GOLF:							
* Magazine Advertising							
- Be-Pal, Weekly Diamond	HVCB						
* Promotion, PR, Internet Integration							
* Industry Co-op Opportunities							
* Hawai'i Golf Guide		HVCB					
SPORTS/ACTIVE ADVENTURE:							
* Promotion, PR, Internet Integration							
* Industry Co-op Opportunities							
* Be-Pal, Travel Frontier	HVCB						

(event)	Emergency Funds	(event)+	Redirected CY200/2001 Budget	(event)	Original Funds

JAPAN 2001 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: JAPAN	**SEP**	**OCT**	**NOV**	**DEC**	**JAN 02**	**FEB**	**MAR**
CONSUMER ADVERTISING							
PRINT							
CULTURE/HISTORY:							
* Promotion, PR, Internet Integration							
* Industry Co-op Opportunities							
* City Living, Crea, Croissant, Be-Pal	HVCB						
CUISINE/SHOPPING/ENTERTAINMENT							
* Promotion, public relations, internet integration							
* Industry co-op opportunities							
* More, 33 Crea, Classy, Oggi, Very	HVCB+						
* Crea						O'ahu/DFS	
* Oggi						O'ahu/DFS	
Newspaper Free Standing Insert	HVCB						
* National/Local Evening Edition							
* Full Color/15 columns (1 page)							
* Promotion, PR, Internet Integration, Industry Co-op Opportunities							
Newspaper Free Standing Insert		Super Value	Super Value Hawai'i				
* 5 cities, b/w, full page		Hawai'i					
* Governor's letter (non-commercial) 1 insert followed by 4 inserts							
with specific commercial messages and CTA							
* Sellers/Suppliers Co-op Opportunities							
Newspaper - National (All Japan)							
* Regional editions of major publications: Asahi, Mainichi, Yomiuri							
* 4-color full page ads							
* Call-to-action to gohawaii.com							
* Co-op opportunity for Island Chapters and Industry Partners							

(event)	Emergency Funds	(event)+	Redirected CY200/2001 Budget	(event)	Original Funds

JAPAN 2001 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: JAPAN	**SEP**	**OCT**	**NOV**	**DEC**	**JAN - 02**	**FEB**	**MAR**
CONSUMER ADVERTISING							
Newspaper - Regional Cities							
* 4-color full page ads							
* Call-to-action gohawaii.com							
* Co-op opportunity for Island Chapters and Industry Partners							
(See co-op manual for details, pricing, schedule, timing, etc.)							
Tokyo					HVCB		
Osaka					HVCB		
Nagoya					HVCB		
Sapporo					HVCB		
Sendai					HVCB		
Fukuoka					HVCB		
Niigata					HVCB		
Hiroshima					HVCB		
INCREMENTAL BUSINESS: DESTINATION CO-OP							
CAMPAIGNS							
* Targeting slow and shoulder periods						HVCB	
* Integrated marketing program under the overall Aloha Magic Campaign							
* Co-op marketing funding from Industry Partners							
* Matching funds by HVCB Central and Island Chapters						HVCB/All Islands	
COLLATERAL:		HVCB					
Promotes Hawai`i and each island brand.							
*** Posters**							
*** Video**							
*** Pocket Maps**							
*** Posters**							
*** Super Value Hawai'i Special OPO (tbd)**		Super Value Hawai'i					
*** Brochure support for wholesale co-op marketing and tie-in**		Super Value Hawai'i					
with incremental campaign theme/logo including retail							
focus with Super Value Hawai'i coupons							

(event)	Emergency Funds	(event)+	Redirected CY200/2001 Budget	(event)	Original Funds

JAPAN 2001 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: JAPAN	**SEP**	**OCT**	**NOV**	**DEC**	**JAN - 02**	**FEB**	**MAR**
CONSUMER COMMUNICATIONS/PROMOTIONS							
INTERACTIVE MARKET-BASED PROMOTION PROGRAMS							
Oahu Promotion Co-op Project	HVCB						
$2 Million 50/50 Matching fund co-op (Partners/HVCB) to	Opinion Leaders - Magic Fukubukuro on Oahu (thru Jan 2002)						
stimulate incremental business to Oahu							
***Hawaii-based Partners**							
*Major Lodging Groups							
*Individual Lodging Companies							
*Major Shopping Complexes							
*Independent Retailers							
*Attractions /Activities/Ground Transportation Companies							
*Tour Wholesalers/Land Operators							
***Japan-based Partners**							
*Major Airlines							
*Tour Wholesalers and Travel Agents							
* **New Market Development**							
* School excursion program							HVCB
* Send soccer teams to Hawai'i promotion							HVCB
CULTURE/HISTORY							
Hawai'i Events							
* French Festivals			HVCB				
* Aloha Festivals	O'ahu						
* World Invitational Hula Competition			O'ahu				
Consumer Shows							
* Hiroshima Flower Festival (300,000 consumers)							
* Wedding/Honeymoon Fair							
- Sendai					HVCB		
- Tokyo		HVCB					
- Nagoya	HVCB						
* Tour Expo (400,000 consumers)							
- Osaka	HVCB/O'ahu						

(event)	Emergency Funds	(event)+	Redirected CY200/2001 Budget	(event)	Original Funds

JAPAN 2001 MARKETING ACTION PLAN - *Response Phase*

MMA: JAPAN	SEP	OCT	NOV	DEC	JAN - 02	FEB	MAR
CONSUMER COMMUNICATIONS/PROMOTIONS							
COMMUNICATIONS:							
Media Tie-ups	Maui		Maui				
* Magazine (Lifestyle Oriented)							
- Pro-active negotiations with select magazines							
* Television (Documentary/Variety)	HVCB						
- On-going discussion with network TV							
- Programming Directors to create/include Hawai'i in travel programs/							
documentaries, etc.							
* Assist media to create editorials featuring Hawai'i							Big Island
Opinion Leaders							
* Mrs.							
* Vacation							
Wedding/Bridal							
* Kekkon Pia							
Television		O'ahu					
* Proactive negotiations with network TV							
* Fuji TV "Watcher II" 2 minute Interview							
* Radio							
* Magazine							
* Local Newspapers							
Magazine Editorials							
* Extra value for magazine ad buys							
Media News Bureau Development						HVCB	
* News bureau/media resource							
* Lifestage/lifestyle-themed press kits							
* Media newsletter "Hawaiian Breeze"							
* Press kit update							Maui
Media Familiarization Tours							
* Press trips and familiarization tours							Maui
Customer Communication Center							
* Integrated Call Center and Information Services	HVCB					HVCB	
* E-mail responses to inquiries via gohawaii.com							

(event)	Emergency Funds	(event)+	Redirected CY200/2001 Budget	(event)	Original Funds

JAPAN 2001 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: JAPAN	**SEP**	**OCT**	**NOV**	**DEC**	**JAN 02**	**FEB**	**MAR**
CONSUMER COMMUNICATIONS/PROMOTIONS							
Consumer Media Programs							
* Consumer magazine press media educational program							
- Invite press media to Hawai'i for in-depth study of Hawai'i; follow-up							
articles in regional newspapers							
* TV Production familiarization/site tour (HIFA)	HVCB						
- Co-op with HIFA, TV production familiarization tour with key							
programming directors to familiarize them with Hawai'i, and							
encourage them to use Hawai'i as a future location for network TV							
commercials and film							
Governor's Aloha Mission		Tokyo/Osaka					
* Governor and Mayors of 4 major islands accompanied by industry							
business leaders from Hawai'i to meet with top government and							
leaders to encourage recommendation to begin to travel again							
* Focus on consumer media coverage to spread the word to the consumer							
Media Visit/Blitz Program						HVCB/Maui	
- Tokyo							
- Osaka							
- Nagoya							
- Sapporo							
- Sendai							
- Fukuoka							
- Niigata							
- Hiroshima							
TRAVEL TRADE							
Trade Advertising							
* Travel Journal Advertorials/Insertions	HVCB						
- Pro-actively negotiating to strategically align							
- Color ads, support of current Hawai'i special sections							
- Hawai'i Special Editions with Aloha Magic							
- Call-to-action to gohawaii.com							
- Advertising							
* Travel Management	Big Island	Big Island	Big Island			Big Island	Big Island
* Travel Journal Hawai'i special issues							
- Featuring Neighbor Islands						Big Island	

(event)	Emergency Funds	(event)+	Redirected CY200/2001 Budget	(event)	Original Funds

JAPAN 2001 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: JAPAN	**SEP**	**OCT**	**NOV**	**DEC**	**JAN - 02**	**FEB**	**MAR**
TRAVEL TRADE							
Trade Shows/Events						Maui	O'ahu
* JATA Travel Fair/Hawai'i Travel Trade Show			HVCB/All Islands+				
- Tokyo							
- Incorporate travel agent education program							
* VUSA - Tokyo		HVCB/All Islands+					
* Miscellaneous Tradeshows TBD		Kaua'i	Kaua'i/Maui				
Wholesale Brochure Inserts	HVCB						
* Suppliers tie-in w/Aloha Magic							
* Incorporation of Aloha Magic Logo							
Wholesale/Retail Agent Familiarization Tour	OHPC/HVCB		Family				
* Coordinate w/airlines on theme-based program	KOA/LIH/HNL		OGG/HNL				
with activities emphasizing product diversity							
Educational/Themed Familiarization Tours							HVCB/O'ahu
* Student Excursion Program Agent Familiarization Tour							
- Working with DBEDT and HI-based							
educational org. to develop market (Tokyo)							
* Disable Travel Seminar Agent Familiarization Tour	HVCB-Culture	HVCB-Romance	HVCB-Shopping+	HVCB			
- Wholesale/Retail Agent (by region, tba)				Eco-Tourism+			
- Coordinate with airlines on a theme-based program with activities							
emphasizing product diversity							
Travel Agent Training/Development/Seminars							
* Affinity Group Training							
* Roadshow	Niigata+		Hiroshima+	Okayama+			
- Take the Aloha Magic theme to groups of Travel Agents and							
incorporate into sales training and product development seminars							
* Disable Travel - Agent Seminar in Japan							
Hawai'i Hotel Seminars							
* Work with major hotels to do seminars in 3 major cities in Japan		Tokyo, Nagoya,					
		Osaka+					

(event)	Emergency Funds	(event)+	Redirected CY200/2001 Budget	(event)	Original Funds

JAPAN 2001 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: JAPAN	**SEP**	**OCT**	**NOV**	**DEC**	**JAN - 02**	**FEB**	**MAR**
TRAVEL TRADE							
HVCB On-line Cities Roadshow Seminars							HVCB
* HVCB, Island Chapters and Industry Partners							
* Travel agent evening function							
* Entertainment, food presentations, prizes							
* Ke Kula O Hawaii self-study promotion		Osaka+					O'ahu
* Seller/supplier/wholesaler trade show							
* Co-sponsor opportunity for partners						HVCB	
* Cover * on-line cities							
- Tokyo						HVCB	
- Osaka						HVCB	
- Nagoya						HVCB	
- Sapporo						HVCB	
- Sendai						HVCB	
- Fukuoka						HVCB	
- Niigata						HVCB	
- Hiroshima						HVCB	
Aloha Magic New Campaign Announcement Seminars	HVCB						
* Wholesalers, travel agents, airlines, suppliers, media invited							
- Tokyo							
- Osaka							
Faxback Services		HVCB					
* Industry-based information resource service							
Trade Relations							
* Sales Blitz			O'ahu				O'ahu
* Trade Collateral - maps, golf, sales kit					O'ahu		
* Trade call/communications center					O'ahu		
* Trade fulfillment					O'ahu		
* News release distribution					O'ahu		
* Seminars						HVCB	
* Familiarization tours							
* Promotional events							
* JTB co-op						Big Island	
* Travel Agency Posters/POP		HVCB					
* Travel Agency Flyers		HVCB					
Travel Trade Communication							
* HVCB Weekly Japan Report		HVCB					
* Weekly Newsletter/Monthly Market Trends Report							
* Faxback Services	HVCB		HVCB				
- Industry-based information resource service							

(event)	Emergency Funds	(event)+	Redirected CY200/2001 Budget	(event)	Original Funds

DEVELOPING INTERNATIONAL MARKETS 01/02 MARKETING PLAN - *Response and Recovery Plan*

MMA: EUROPE	**SEP**	**OCT**	**NOV**	**DEC**	**JAN - 02**	**FEB**	**MAR**
CONSUMER ADVERTISING							
TELEVISION/CABLE:							
Brand Cable							
* Televised Events							
- Austria						HVCB	
FILM/TV EVENTS PROGRAMMING:							
Hawai'i Outdoors/TEAM Unlimited Television						HVCB	
Hawai'i sports/adventure/lifestyle TV programs							
International cable networks, Total Sports stations							
Call-to-action billboards, promotion and internet leverage							
* Xterra Planet Series							
PGA Tour/Aloha Season Program (HTA Events)							
Hawai'i tournament TV spots and on-site promo/client events							
Retail golf promotions, PGATour.com advertising/promo							
* Mercedes Championship					HVCB/Maui		
* Sony Open Hawai'i					HVCB		
* MasterCard Championship					HVCB/Big Island		
* Senior Skins					HVCB/Maui		
* Turtle Bay Championship		HVCB					
* Grand Slam			HVCB/Kaua'i				
INTERACTIVE MARKETING							
Search engines, on-line partner marketing							
- Germany						HVCB	
- United Kingdom						HVCB	
PRINT CO-OP:							
GENERAL TRAVEL MAGAZINE:							
Consumer Magazines							
- Germany						HVCB+	
- United Kingdom						HVCB+	
* 1/2 and full page brand ad		Maui					
* small space direct response							
* promotion, PR, Internet, direct mail opportunities							

(event)	Emergency Funds	(event)+	Redirected CY2001/2002 Budget	(event)	Original Funds

DEVELOPING INTERNATIONAL MARKETS 01/02 MARKETING PLAN - *Response and Recovery Plan*

MMA: EUROPE	**SEP**	**OCT**	**NOV**	**DEC**	**JAN 02**	**FEB**	**MAR**
CONSUMER ADVERTISING							
Newspaper Co-op Campaigns						Maui	
Destination Co-op Campaigns (under development)							
* Co-op opportunities available with wholesalers, Hawai'i suppliers,							
HVCB Central and possibly Island Chapters							
- Germany							
- CANUSA, Est Reisen, Skytours						O'ahu	
- United Kingdom						HVCB+	
- TBD						O'ahu	
DIRECT MARKETING:							
Relationship Marketing Program							
* Targeted direct mail			HVCB				
* Targeted E-marketing							
* Self-funding through industry co-op							
LIFESTAGE/LIFESTYLE PROGRAMS							
HONEYMOON/WEDDINGS:							
Bridal Marketing Program		O'ahu					
SPORTS/ACTIVE ADVENTURE:							
Sports/Outdoor Adventure			HVCB				
CULTURE/HISTORY:			HVCB				
COLLATERAL:							
Promotes Hawai`i and each island brand.			HVCB		HVCB/Kaua'i/O'ahu/Moloka'i/Lana'i/Maui/Big Island		
*** Islands of Aloha - UK**							
*** Pocket Maps/Brochure - UK/Germany**							
*** Connections - UK**							
*** Posters - English, German**							
*** Video - English**							
CONSUMER COMMUNICATIONS/PROMOTIONS							
INTERACTIVE MARKET-BASED PROGRAMS							
Aloha Cities							
- Germany (HVCB/O'ahu)							21 - 22
- UK			HVCB/KVB/OVB/Maui/Big Island+				

(event)	Emergency Funds	(event)+	Redirected CY2001/2002 Budget	(event)	Original Funds

DEVELOPING INTERNATIONAL MARKETS 01/02 MARKETING PLAN - *Response and Recovery Plan*

MMA: EUROPE	SEP	OCT	NOV	DEC	JAN 02	FEB	MAR
CONSUMER COMMUNICATIONS/PROMOTIONS							
Consumer Shows							
- DETOURS - Germany					HVCB+		
- ITB - Germany							16 - 20
- Destinations Consumer Show - UK						1/31 - 2/3	
- Holiday Show, Excel, London							1 - 3
- WTM - UK			HVCB+				
- Coca Cola							O'ahu
- F(x) IPP						O'ahu	
Hawai'i Events							
* Aloha Festivals	Maui						
* Hawaii International Jazz Festival							
* Honolulu Marathon				O'ahu+			
* World Invitational Hula Competition			O'ahu+				
COMMUNICATIONS:							
Media Relations:							
Press Trips/Media Familiarization/							
News Bureaus/Upgraded Media Kits			O'ahu				
Media Tie-ups			O'ahu				
* Magazine							
- Germany						HVCB+	
* Television		HVCB					
Press Trips							
* Invite key national/regional media to attend lifestage/lifestyle							
themed press trips							
- Relaxation, rejunevation (O'ahu)						20 - 27	
TRAVEL TRADE							
Trade Advertising			HVCB (UK)				
			O'ahu				
- American Journal							
- Globo		Big Island					
- Stand By							Big Island
- Germany							HVCB+

(event)	Emergency Funds	(event)+	Redirected CY2001/2002 Budget	(event)	Original Funds

DEVELOPING INTERNATIONAL MARKETS 01/02 MARKETING PLAN - *Response and Recovery Plan*

MMA: EUROPE	**SEP**	**OCT**	**NOV**	**DEC**	**JAN 02**	**FEB**	**MAR**
TRAVEL TRADE							
	O'ahu						
Trade Media Activities	HVCB						
Tradeshows/Events		Maui					
* VUSA - Scandinavia		HVCB/KVB/OVB/Maui/Big Island+					
* PATA VUSAMART	HVCB						
* Germany							16 - 20
- CMT - Stuttgart					19 - 27+		
- Reisen Hamburg						6 - 10	
- CBR Munich						16 - 24	
- ITB (HVCB/Kaua'i/O'ahu)		HVCB					
- VUSA		HVCB					
- Aloha Cities (Maui)							Maui
- B.I,T. Itala (O'ahu)						20 - 22	
- TUR, Sweden (O'ahu)							23
* United Kingdom							
- Visit USA	HVCB						
- WTM		HVCB/KVB/OVB/Maui/Big Island+					
- PATA			HVCB				23
- Holiday Show							1 - 3
Airline/Wholesaler/Travel Agent/Consortia							
Programs							
* Product Launches							
* Other programs							
- Germany - Der Tour					HVCB+		
- LTU/Meiers Roadshow		O'ahu				O'ahu	
- UK/Germany (multiple wholesalers)		HVCB					
* Co-op marketing/promotions							
HVCB Road Shows							
* Germany (2 cities)							21 - 22
* UK (specific cities TBD)			HVCB				
Sales Blitz	O'ahu						
* Germany (2 cities)							HVCB/O'ahu+
* Munich					O'ahu		
* Zurich/Switzerland						O'ahu	
* Copenhagen/Denmark							O'ahu
Wholesaler Product Launches							
* Miscellaneous Product Launches TBD							

(event)	Emergency Funds	(event)+	Redirected CY2001/2002 Budget	(event)	Original Funds

DEVELOPING INTERNATIONAL MARKETS 01/02 MARKETING PLAN - *Response and Recovery Plan*

MMA: EUROPE	**SEP**	**OCT**	**NOV**	**DEC**	**JAN 02**	**FEB**	**MAR**
TRAVEL TRADE							
Travel Agent Training/Development/Seminars							
* Ke Kula O Hawai`i	HVCB				HVCB		
* Self-study Course (on-line, CD rom, workbook)							
* HVCB Central and Island Chapters							
* Germany - Visit USA	HVCB				HVCB		
* UK - Visit USA						HVCB	
Educational/Themed Familiarization Trips							
* Wholesale/Retail Agents							
- Germany							
- UK	HVCB						
* Wholesale/Retail Agents	O'ahu		O'ahu				6 - 14
Trade Collateral	HVCB						
* Pocketmaps, posters, image CD-Rom, itinerary piece,	HVCB						
video, order forms							
Trade E-Marketing	HVCB						
* Trade Web sub-site							

(event)	Emergency Funds	(event)+	Redirected CY2001/2002 Budget	(event)	Original Funds

DEVELOPING INTERNATIONAL MARKETS 01/02 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: ASIA	**SEP**	**OCT**	**NOV**	**DEC**	**JAN 02**	**FEB**	**MAR**
CONSUMER ADVERTISING							
TELEVISION/CABLE:							
Brand Televison							
Televised Events							
* Korea						HVCB+	
* China							HVCB+
FILM/TELEVISION EVENTS PROGRAMMING:							
Hawai`i Outdoors/Team Unlimited Television			HVCB+				
Hawai`i sports/adventure/lifestyle television programs							
National/international cable networks							
Call-to-action billboards, promotion and internet leverage							
* Xterra Planet							
* Hawai`i's Ocean Games							
INTERACTIVE MARKETING:							
INTERNET							
* Search engines, on-line partner marketing			HVCB				
- Korean						HVCB+	
- Chinese						HVCB+	
PRINT CO-OP:							
Consumer Magazines/Newspapers							
* Korea					HVCB+		
DIRECT MARKETING:			HVCB				
* Mailing to 800#/Web inquiries							
COLLATERAL/FULFILLMENT CENTER							
FOR SOUTHEAST ASIS LOCATED IN HONG KONG			HVCB				
CHINESE/KOREAN COLLATERAL:							
Promotes Hawai`i and each island brand.				HVCB			
* Islands of Aloha - Chinese, Korean							
* Pocket Maps/Brochure - Chinese, Korean							
* Vacation Planners			HVCB				
* Pocket Maps - Chinese, Korean			HVCB				

(event) Emergency Funds (event)+ Redirected CY2001/2002 Budget (event) Original Funds

DEVELOPING INTERNATIONAL MARKETS 01/02 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: ASIA	**SEP**	**OCT**	**NOV**	**DEC**	**JAN 02**	**FEB**	**MAR**
CONSUMER COMMUNICATIONS/PROMOTIONS							
INTERACTIVE MARKET-BASED PROMOTIONS							
Aloha Cities							
- China	HVCB						
- Korea							HVCB/O'ahu+
- Taiwan				HVCB/O'ahu+			
Consumer Shows							
- China		HVCB+					
- Taiwan			HCB+				
- Beijing Festival	23-27+						
- Weddex - Korea					24 - 26		
Events							
* Aloha Festivals	O'ahu						
* Honolulu Marathon				O'ahu+			
* World Invitational Hula Competition			O'ahu+				
COMMUNICATIONS:							
Media Relations:							
Press Trips/Media Familiarization/	HVCB (Taiwan)	HVCB (Korea)					
News Bureaus/Upgraded Media Kits		Kaua'i				O'ahu - 20-27	
		O'ahu					
* TV Press Trip, Taiwan						HVCB - TBD	HVCB - TBD
* HVCB/Modern Bride/NMA/Pxenis Star TV, China						HVCB - TBD	
* Northwest Airlines, China							HVCB - TBD
* Channel "F", Korea							HVCB - TBD
Media E-Marketing	HVCB						
* e-response, Internet, e-follow up							
* media web sub-site							
TRAVEL TRADE							
Trade Advertising							
- Korea				Big Island			
- Travel Press Korea						HVCB+	
- Taiwan			HVCB				

(event)	Emergency Funds	(event)+	Redirected CY2001/2002 Budget	(event)	Original Funds

DEVELOPING INTERNATIONAL MARKETS 01/02 MARKETING ACTION PLAN - *Response and Recovery Plan*

MMA: ASIA	**SEP**	**OCT**	**NOV**	**DEC**	**JAN 02**	**FEB**	**MAR**
TRAVEL TRADE							
Tradeshows/Events		Kaua'i					
* China - CITM			HVCB/Maui				
* PATA - Malaysia							
* Pata Vusamart	HVCB/Maui						
* ITF - Taiwan				HVCB/O'ahu+			
Airline/Wholesaler/Travel Agent/Consortia							
- Korea							HVCB+
Travel Agent Training/Development/Seminars							
* Ke Kula O Hawai`i	HVCB						
* Self-study course (on-line, CD rom, workbook)							
* HVCB Central and Island Chapters							
- Taiwan			HVCB+				
- Korea							
- Taiwan			HVCB+				
TravelAgent Familiarization Tours			Kaua'i				
- Taiwan							HVCB
Road Shows/Sales Blitzes							
- China		O'ahu					HVCB+
- Taiwan	HVCB		O'ahu				
Trade Collateral	HVCB				HVCB		
* Pocketmaps, posters, image CD-Rom, itinerary piece,							
video, order forms							
Trade E-Marketing	HVCB						
* Trade Web sub-site							
* Co-op Marketing opportunities							

(event) Emergency Funds (event)+ Redirected CY2001/2002 Budget (event) Original Funds

DEVELOPING INTERNATIONAL MARKETS 01/02 MARKETING PLAN - *Response and Recovery Plan*

MMA: OCEANIA	SEP	OCT	NOV	DEC	JAN 02	FEB	MAR
CONSUMER ADVERTISING							
TELEVISION/CABLE:							
FILM/TELEVISION EVENTS PROGRAMMING:							
- Australia						HVCB+	
Hawai`i Outdoors/TEAM Unlimited Television						HVCB+	
Hawai`i sports/adventure/lifestyle programs							
International cable networs, Total Sports stations							
Call-to-action billboards, promotion and internet leverage							
- Australia							
INTERACTIVE MARKETING:							
Search engines, on-line partner marketing			HVCB				
- Australia						HVCB	
- New Zealand						HVCB	
PRINT CO-OP:							
Newspaper Co-op Campaign						Maui	
COLLATERAL:			HVCB				
Promotes Hawai`i and each island brand.							
*** Islands of Aloha**							
*** Pocket Maps/Brochure**							
*** Connections**							
*** Vacation Planners, pocket maps, video, CD rom**			HVCB			HVCB	
CONSUMER COMMUNICATIONS/PROMOTIONS							
INTERACTIVE MARKET-BASED PROMOTION PROGRAMS							
Aloha Cities		HVCB/Maui	HVCB				
- Australia/New Zealand						1 - 8	
- Buenos Aires		HVCB					
Consumer Shows							
- Australia		HVCB					
- New Zealand		HVCB				HVCB+	
Nissan Xterra Festivals							
* Extreme Sports Festival					HVCB+		HVCB+
* Media Exposure							
* 4 Markets							
- Yeppoon, QLD				10+			

(event)	Emergency Funds	(event)+	Redirected CY2001/2002 Budget	(event)	Original Funds

DEVELOPING INTERNATIONAL MARKETS 01/02 MARKETING PLAN - *Response and Recovery Plan*

MMA: OCEANIA	SEP	OCT	NOV	DEC	JAN 02	FEB	MAR
CONSUMER COMMUNICATIONS/PROMOTIONS							
COMMUNICATIONS:							
Media Relations:							
Media Tie-ups							
- New Zealand							HVCB+
Press Trips/Media Familiarization/			HVCB (NZ)				
News Bureaus/Upgraded Media Kits			O'ahu				
- Relaxation, rejuvenation						O'ahu	
- New Zealand							O'ahu
- Marriott/Air Canada, Australia					11 - 16		
Media Familiarization Tours							
- New Zealand						HVCB+	
TRAVEL TRADE							
Trade Advertising							
- Australia	Big Island						HVCB+
- New Zealand							
Tradeshows/Events		Kaua'i					
* Australia		HVCB				Kaua'i/Maui+	
* Getaway Expo - Sydney		HBCB/Big Island+					
* New Zealand		HVCB/Maui					
* Travel Show - New Zealand	Big Island						
* PATA							
* Pata Vusamart	HVCB						
* FIT Argentina - Melbourne		HVCB					
* Visit USA; Sydney/Brisbane/Melbourne (O'ahu)						5 - 7	
Airline/Wholesaler/Travel Agent/Consortia	HVCB						
Programs							
* Product Launches							
* Other Programs							
- Australia							
- Visit USA (Kaua'i)						5 - 13	
- New Zealand							
- Visit USA (HVCB/Kaua'i)						5 - 13	

Shaded areas denote HVCB programs unless otherwise noted.

(event)	Emergency Funds	(event)+	Redirected CY2001/2002 Budget	(event)	Original Funds

DEVELOPING INTERNATIONAL MARKETS 01/02 MARKETING PLAN - *Response and Recovery Plan*

MMA: OCEANIA	**SEP**	**OCT**	**NOV**	**DEC**	**JAN 02**	**FEB**	**MAR**
TRAVEL TRADE							
Travel Agent Training/Development/Seminars							
* Ke Kula O Hawai`i			HVCB			HVCB	
* Self-Study Course (on-line, CD rom, Workbook)							
* HVCB Central and Island Chapters							
* Australia						HVCB+	
* New Zealand						HVCB+	
Familiarization Tours							
- New Zealand							HVCB+
Educational/Themed Familiarization Tours							
- Australia			HVCB				
MARKET TRENDS							
Consumer and Trade Research							
* Lifestage/lifestyle			HVCB				
Competitive Research							
* Long haul competition			HVCB				

(event)	Emergency Funds	(event)+	Redirected CY2001/2002 Budget	(event)	Original Funds

DEVELOPING INTERNATIONAL MARKETS 01/02 MARKETING ACTION PLAN - *Respoonse and Recovery Plan*

MMA: LATIN AMERICA	SEP	OCT	NOV	DEC	JAN 02	FEB	MAR
CONSUMER ADVERTISING							
INTERACTIVE MARKETING							
Search engines, on-line partner marketing							
- Argentina				HVCB			
- Brazil				HVCB			
PRINT CO-OP:							
Consumer Magazines/Newspapers							
- Argentina					HVCB+		
- Brazil					HVCB+		
COLLATERAL:							
Promotes Hawai`i and each Island Brand.				HVCB			
*** Islands of Aloha - English**							
*** Pocket Map/Brochure - Spanish**							
*** Pocket Maps**							
CONSUMER COMMUNICATIONS/PROMOTIONS							
INTERACTIVE MARKET-BASED PROGRAMS							
Aloha Cities:							
* Buenos Aires		HVCB+					
Media Tie-ups			O'ahu				
* Television							
* Magazine							
- Argentina							
- Brazil							
COMMUNICATIONS:							
Media Relations:							
Media/News Bureau Development		Kaua'i					
			O'ahu				
- Argentina			HVCB+				
- Brazil						HVCB+	

(event)	Emergency Funds	(event)+	Redirected CY2001/2002 Budget	(event)	Original Budget

DEVELOPING INTERNATIONAL MARKETS 01/02 MARKETING ACTION PLAN - *Respoonse and Recovery Plan*

MMA: LATIN AMERICA	SEP	OCT	NOV	DEC	JAN 02	FEB	MAR
CONSUMER COMMUNICATIONS/PROMOTIONS							
Media Tie-ups							
* Broadcast						HVCB+	
* Magazines							HVCB+
Press Trips							
* Relaxation, rejuvenation (O'ahu)						20 - 27	
TRAVEL TRADE							
Trade Advertising							
- Argentina						HVCB+	
- Brazil						HVCB+	
Tradeshows/Events		Kaua'i					
* B-ABAV	HVCB						
* FIT		HVCB+					
* La Cumbre							
* PATA				Kaua'i			
* PATA Vusamart	HVCB						
* Pow Wow							
* Visit USA - Sao Paulo							
* Destino USA - Buenos Aires							
* AVIESP - Sao Paulo	27-29 Cxld						
Airline/Wholesaler/Travel Agent/Consortia							
Programs							
* Product Launches							
* Other Programs							
- Argentina						HVCB+	
- Brazil							HVCB+
- Mexico							
Travel Agent Training/Development/Seminars							
* Ke Kula O Hawai`i				HVCB			
* Self-Study Course (on-line, CD rom, workbook)							
* HVCB Central and Island Chapters							
- Argentina							
- Brazil			HVCB				
- Mexico							

(event)	Emergency Funds	(event)+	Redirected CY2001/2002 Budget	(event)	Original Budget

DEVELOPING INTERNATIONAL MARKETS 01/02 MARKETING ACTION PLAN - *Respoonse Phase*

MMA: LATIN AMERICA	SEP	OCT	NOV	DEC	JAN 02	FEB	MAR
TRAVEL TRADE							
Familiarization Tours							HVCB
Trade Collateral			HVCB				
MARKET TRENDS							
Consumer and Trade Research							
* Lifestage/lifestyle			HVCB				
Competitive Resarch							
* Long haul competition			HVCB				

	(event)	Emergency Funds	(event)+	Redirected CY2001/2002 Budget	(event)	Original Budget

Outcomes

Visitor Results: Post 9/11 Response/Recovery Plan

Indicators of Recovery

	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun
2000-01 Total Spending ($mil)*	NA	NA	NA	NA	NA	$966.6	$834.9	$904.4	$822.1	$820.9	NA
2001-02 Total Spending ($mil)	NA	NA	NA	NA	NA	$897.3	$857.7	$857.6	$708.4	$785.4	NA
% of Prior Year	NA	NA	NA	NA	NA	92.8%	102.7%	94.8%	86.2%	95.7%	NA
2000-01 Total Visitor Days	5,466,582	4,369,177	4,730,770	4,614,238	5,608,391	5,605,239	4,972,879	5,420,565	4,795,286	4,439,766	5,433,521
2001-02 Total Visitor Days**	5,736,075	3,108,538	3,523,995	3,735,964	4,894,496	4,871,679	4,718,769	4,999,374	4,100,547	4,435,465	5,462,023
% of Prior Year	104.9%	71.1%	74.5%	81.0%	87.3%	86.9%	94.9%	92.2%	85.5%	99.9%	100.5%
2000-01 Total Arrivals	631,138	533,849	555,581	533,497	580,461	554,710	554,688	614,261	558,253	527,944	599,194
2001-02 Total Arrivals	646,452	352,110	387,163	388,561	486,871	463,357	502,376	567,870	476,046	507,680	590,575
% of Prior Year	102.4%	66.0%	69.7%	72.8%	83.9%	83.5%	90.6%	92.4%	85.3%	96.2%	98.6%
2000-01 Total Scheduled Air Seats***	806,425	750,332	767,998	745,455	786,891	788,480	717,915	795,174	712,488	699,403	708,905
2001-02 Total Scheduled Air Seats	750,559	614,438	613,118	598,604	655,294	646,856	586,924	672,775	638,756	651,721	705,492
% of Prior Year	93.1%	81.9%	79.8%	80.3%	83.3%	82.0%	81.8%	84.6%	89.7%	93.2%	99.5%
2000-01 Hotel Occupancy	79.3%	74.7%	76.1%	75.2%	67.8%	76.3%	86.2%	78.5%	69.4%	67.2%	71.8%
2001-02 Hotel Occupancy	78.4%	57.6%	55.9%	58.1%	57.4%	64.4%	75.9%	72.1%	64.8%	65.4%	72.2%
% of Prior Year	98.9%	77.1%	73.5%	77.3%	84.7%	84.4%	88.1%	91.8%	93.4%	97.3%	100.6%
2001-02 Unemployment Rate	4.5%	4.6%	5.3%	5.6%	5.0%	4.8%	4.7%	4.3%	4.4%	4.2%	4.5%

*Monthly total visitor spending statistics for 2001 not available. DBEDT started releasing monthly total spending statistics on two-month lag beginning with January 2002 results

**Total visitor days originally reported for May 2002 were 100.4% of 2001's level. However, May numbers were revised by DBEDT in June

*** Airlines have added and/or announced plans for new and increased domestic services (including flights from five new Mainland gateways: Denver, Sacramento, Burbank, Ontario and Phoenix) to Hawai'i, representing 489,720 additional seats to the state in 2002. Air service from Japan expected to return to pre-Sept. 11 levels by summer

Sources: Visitor Days/Arrivals calculated from DBEDT reports; air seats from OAG airline schedules, occupancy comparisons calculated from Hospitality Advisors, LLC/Smith Travel Research; unemployment statistics from DLIR reports

Visitor Results: Post 9/11 Response/Recovery Plan

Indicators of Recovery

U.S. WEST	Aug.	Sep.	Oct.	Nov	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun
2000-01 USW Visitor Days	2,387,370	1,602,520	1,829,377	1,846,400	2,230,630	1,900,128	1,689,860	1,873,420	1,997,180	1,808,180	2,382,040
2001-02 USW Visitor Days	2,551,730	1,330,020	1,582,424	1,787,310	2,193,020	1,879,828	1,774,630	1,934,010	1,818,900	1,897,460	2,527,941
% of Prior Year	106.9%	83.0%	86.5%	96.8%	98.3%	98.9%	105.0%	103.2%	91.1%	104.9%	106.1%
2000-01 USW Sched Air Seats	414,551	376,028	385,253	371,565	378,908	370,683	342,365	385,171	357,575	352,188	371,012
2001-02 USW Sched Air Seats	395,208	327,682	331,115	346,287	364,271	356,901	317,128	364,133	350,978	354,958	408,782
% of Prior Year	95.3%	87.1%	85.9%	93.2%	96.1%	96.3%	92.6%	94.5%	98.2%	100.8%	110.2%
U.S. EAST	Aug.	Sep.	Oct.	Nov	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun
2000-01 USE Visitor Days	1,276,810	1,144,530	1,333,800	1,258,100	1,533,650	1,831,462	1,640,170	1,670,990	1,254,560	1,305,850	1,642,170
2001-02 USE Visitor Days	1,333,420	799,180	1,053,920	1,066,700	1,382,920	1,611,533	1,573,590	1,528,910	1,096,390	1,271,060	1,636,146
% of Prior Year	104.4%	69.8%	79.0%	84.8%	90.2%	88.0%	95.9%	91.5%	87.4%	97.3%	99.6%
2000-01 USE Sched Air Seats	86,304	82,170	84,369	78,306	91,423	100,101	95,544	103,083	72,639	77,109	75,570
2001-02 USE Sched Air Seats	76,188	57,922	63,054	61,020	62,978	65,742	71,586	83,127	72,430	68,727	66,510
% of Prior Year	88.3%	70.5%	74.7%	77.9%	68.9%	65.7%	74.9%	80.6%	99.7%	89.1%	88.0%
JAPAN	Aug.	Sep.	Oct.	Nov	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun
2000-01 Japan Visitor Days	1,027,030	840,970	776,533	765,390	906,800	843,925	805,920	885,920	819,070	733,060	828,350
2001-02 Japan Visitor Days	1,185,240	552,674	452,145	349,600	655,670	632,288	646,660	733,380	580,090	733,060	683,855
% of Prior Year	115.4%	65.7%	58.2%	45.7%	72.3%	74.9%	80.2%	82.8%	70.8%	100.0%	82.6%
2000-01 JPN Sched Air Seats	216,368	205,319	208,510	193,205	204,233	205,349	180,609	193,564	185,643	192,740	262,323
2001-02 JPN Sched Air Seats	207,621	170,571	154,013	127,087	148,909	144,192	125,312	143,042	148,978	166,726	230,200
% of Prior Year	96.0%	83.1%	73.9%	65.8%	72.9%	70.2%	69.4%	73.9%	80.2%	86.5%	87.8%

Sources: Visitor Days/Arrivals calculated from DBEDT reports; air seats from OAG airline schedules

Visitor Results: Post 9/11 Response/Recovery Plan

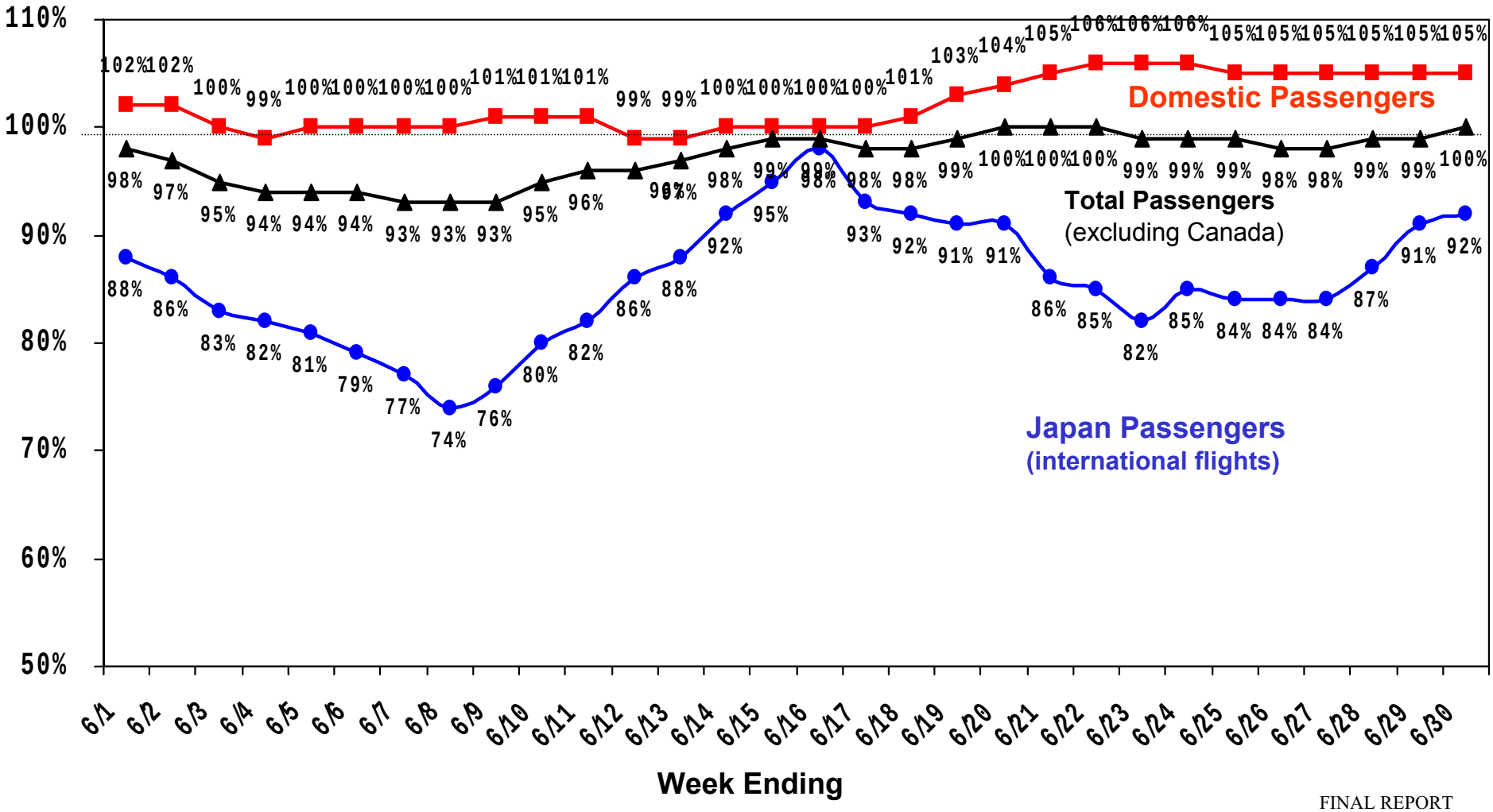
Key Levers For Visitor Expenditure Growth

	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2000-01 Avg. Length of Stay	8.66	8.18	8.53	8.65	9.67	10.10	8.97	8.82	8.59	8.41	9.07
2001-02 Avg. Length of Stay	8.87	8.83	9.10	9.61	10.05	10.51	9.39	8.80	8.61	8.78	9.25
% of Prior Year	102.4%	107.9%	106.7%	111.1%	103.9%	104.1%	104.7%	99.8%	100.2%	104.4%	102.0%
2000-01 % First Time	37.3%	44.9%	44.5%	40.7%	36.5%	37.9%	39.2%	41.8%	41.6%	42.6%	41.7%
2001-02 % First Time	36.0%	42.8%	40.6%	36.3%	31.2%	32.6%	36.6%	37.5%	38.7%	41.4%	40.1%
% of Prior Year	96.5%	95.3%	91.2%	89.2%	85.5%	86.0%	93.4%	89.7%	93.0%	97.2%	96.2%
2000-01 % Business*	7.4%	12.2%	15.1%	14.1%	9.3%	15.4%	14.7%	12.1%	12.5%	11.9%	9.6%
2001-02 % Business*	7.5%	10.1%	13.7%	12.2%	6.9%	13.9%	14.5%	12.6%	14.3%	12.9%	11.4%
% of Prior Year	100.4%	82.4%	90.7%	86.9%	74.7%	90.3%	98.7%	104.4%	114.4%	108.4%	118.3%

Source: HVCB Market Trends analysis based on DBEDT data

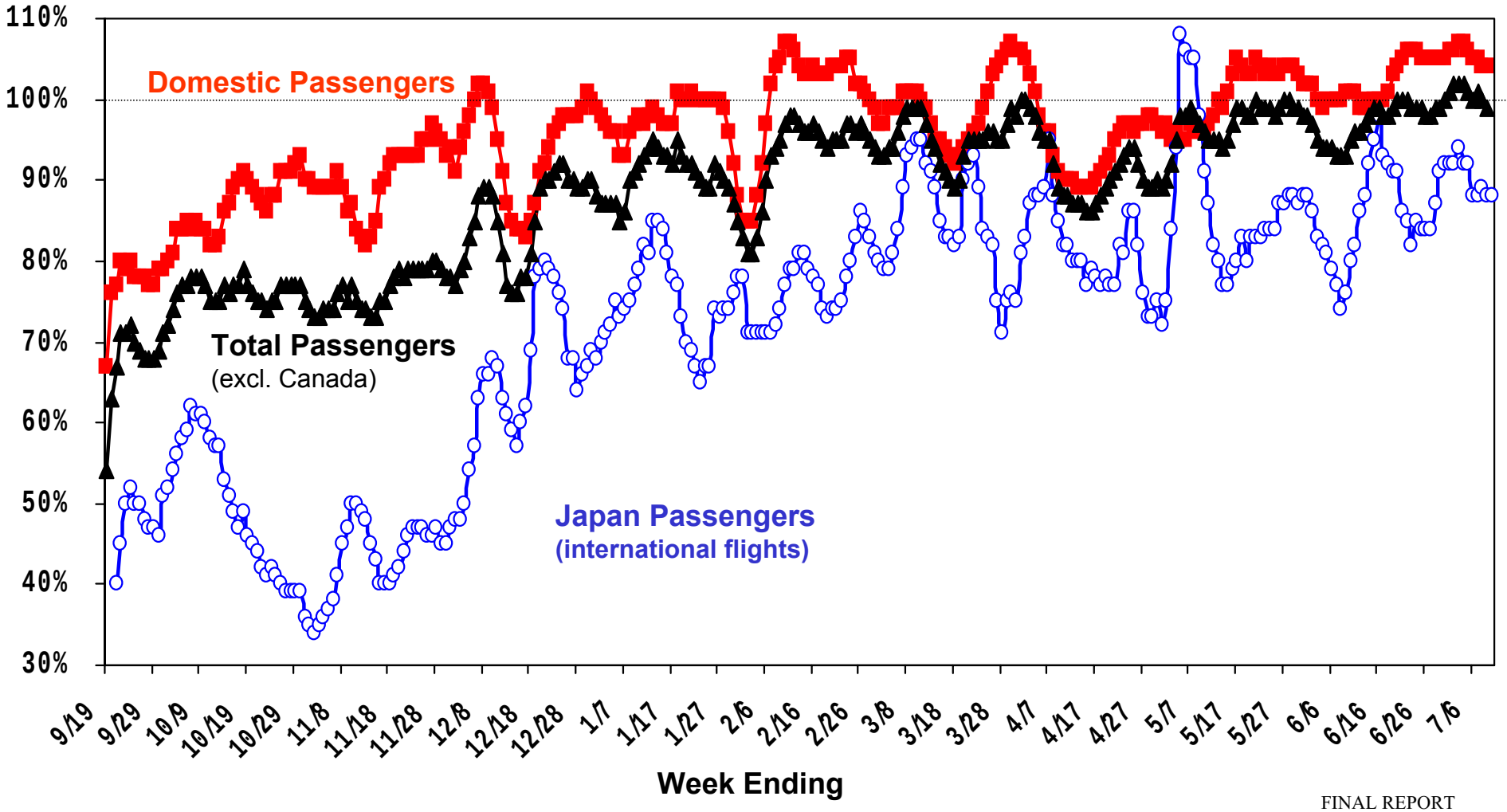
*Business arrivals consist of MCI, Other Business, and Gov't/Military arrivals

June 2002: 7-Day Moving Average Daily Passenger Volume (2002 Volume as Percentage of 2001 Volume)



Source: HVCB analysis based on data from DBEDT

7-Day Moving Average Daily Passenger Volume (Passenger Volume as Percentage of Previous Year's Volume)



Source: HVCB analysis based on data from DBEDT

Act 002, SLH 2001,
Third Special Session

ACT 002

APPENDIX B

HOUSE OF REPRESENTATIVES
TWENTY-FIRST LEGISLATURE, 2001
THIRD SPECIAL SESSION
STATE OF HAWAII

H.B. NO. 9 H.D. 1

A BILL FOR AN ACT

MAKING AN APPROPRIATION FOR THE IMMEDIATE IMPLEMENTATION OF AN INTEGRATED MARKETING PLAN TO MARKET AND PROMOTE THE STATE OF HAWAII AS A VISITOR DESTINATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

SECTION 1. On September 11, 2001, four commercial aircraft were hijacked by terrorists. Two of the aircraft were flown directly into the "twin towers" of the World Trade Center in New York City resulting in the destruction of both towers and the tragic death of thousands of innocent people. A third aircraft was flown directly into the Pentagon building resulting in its partial ruin and the tragic death of more innocent people. The fourth aircraft crashed into an open site in Pennsylvania due to the heroic acts of the passengers which prevented the aircraft from causing further tragedy.

In response to these terrorist attacks, the Federal Aviation Administration immediately ordered all aircraft to be grounded from September 11, 2001, until limited authorization was provided to allow commercial aircraft to fly into designated airports on September 13, 2001. Various airlines have reduced their flights after September 11, 2001. Although security measures at all

1 airports were significantly enhanced after September 11, 2001,
2 passenger confidence to travel by air was greatly impacted.
3 As a result of the terrorist attacks on September 11, 2001,
4 the national economy and consumer confidence was severely
5 impacted. The lack of confidence in traveling by air has
6 emerged as a major consumer barrier as uncertainty over future
7 terrorist actions persists. Travelers reacted to the terrorist
8 attacks by canceling near-term leisure and business trips. A
9 recent poll of United States residents indicated that
10 approximately 42 per cent to 59 per cent are less willing to fly
11 now. Likewise, a poll in Japan indicated that approximately 46
12 per cent of the 367 surveyed said they would keep their travel
13 plans to Hawaii through February 2002. Twenty-three per cent
14 said they will not visit Hawaii, and 24 per cent said they had
15 not decided. As an island State, Hawaii relies primarily upon
16 air transportation as the manner of travel for traveling to
17 Hawaii for business and leisure.
18 The drop in passenger counts in September 2001, has been
19 dramatic, falling by about forty per cent for the period
20 September 11, 2001, to September 30, 2001, as compared to the
21 same period last year. The numbers of passengers on domestic
22 flights have recovered to about eighty per cent of what they

were in the first week of October 2000, but Japanese arrivals are still at about sixty per cent of what they were. The department of business, economic development and tourism has estimated that if visitor losses average thirteen per cent for the rest of the year, or about the same as experienced during the Gulf War of 1991, layoffs of approximately 11,000 employees would occur and the gross state product would decline by nearly $500 million. If visitor industry losses equate to a thirty per cent downturn for the remainder of 2001, the State is looking at layoffs exceeding 27,000 employees, and as much as a $1 billion loss in the gross state product for the year.

Immediately after the terrorist attacks, Hawaii experienced a near term cancellation of leisure and business trips, and shortly thereafter Hawaii visitor industry employees had to reduce their hours, share jobs, accept a furlough, voluntarily accelerate their vacation, and be laid off. According to data from the department of labor and industrial relations, initial unemployment filings in Hawaii's air transportation industry are at seven times typical levels, retail unemployment filings at eight times last years numbers, and hotel workers a disturbing twenty times higher than the previous year.

1 The legislature finds that the State of Hawaii is in an
2 economic crisis as a direct result of the terrorist attacks on
3 September 11, 2001. In response to this economic crisis, the
4 State must take immediate steps to minimize the severity and
5 length of the negative economic spiral, especially within the
6 visitor industry.
7 One such step is to support an integrated marketing plan to
8 promote the State of Hawaii as a visitor destination for
9 business and leisure. The marketing plan will capitalize on
10 Hawaii's uniquely positive global brand and focus on visitor
11 travel to and from Hawaii during the period October 2001, to
12 March 2002. The goal of the marketing plan will be to stabilize
13 visitor levels to 2001 levels by the end of the second quarter
14 of 2002.
15 The purpose of this Act is to fund the immediate
16 implementation of an integrated marketing plan that will address
17 the lack of confidence by visitors in traveling by air arising
18 from the terrorist attacks and any other factors that
19 immediately impact travel to Hawaii.
20 SECTION 2. There is appropriated out of the tourism
21 special fund of the State of Hawaii the sum of $10,000,000 or so
22 much thereof as may be necessary for the fiscal year 2001-2002

for the immediate implementation of an integrated marketing plan to market and promote the State of Hawaii as a visitor destination. The marketing plan shall respond to the changed market conditions resulting from the terrorist attacks of September 11, 2001. Existing tourism marketing contracts may be amended to implement the purposes of this Act.

SECTION 3. The sum appropriated shall be expended by the Hawaii tourism authority for the purposes of this Act and in addition to the amount previously appropriated to the authority under Act 259, Session Laws of Hawaii 2001.

SECTION 4. The Hawaii tourism authority, with assistance from the Hawaii Visitors and Convention Bureau, shall report to the legislature by March 1, 2002, on its implementation of an integrated plan to market and promote the State of Hawaii as a visitor destination in response to the changed market conditions resulting from the terrorist attacks of September 11, 2001. The report shall include the details on how the $10,000,000 was expended, and how these expenditures relate to other expenditures by the Hawaii tourism authority for marketing.

SECTION 5. This Act shall not be applied so as to impair any contract existing as of the effective date of this Act in a

manner violative of either the Hawaii Constitution or section 10 of Article I of the United States Constitution.

SECTION 6. This Act shall take effect upon its approval.

APPROVED BY THE
GOVERNOR ON

NOV 0 2 2001

Report Title:
Appropriation; Tourism Marketing

Description:
Appropriates $10,000,000 for tourism marketing; report to the legislature by March 1, 2002. (HD1)