

Travel Insights Report



At PacRim Marketing Group and PR Tech the wellness of our customers, associates and the community is important to us and we are closely monitoring the COVID-19 landscape.

UPDATES re COVID-19, Novel Coronavirus

As of October 16, 2020

GLOBAL

Global Coronavirus cases: 39,002,007

USA

Domestic Coronavirus cases (including Hawaii): 7,982,291

Hawaii cases: 13,764

CHINA

China Coronavirus cases (Domestic): 90,912

JAPAN

Japan Coronavirus cases (Domestic): 92,023

S. KOREA

South Korea Coronavirus cases (Domestic): 25,035

For updated figures on the disease toll in individual states, countries and worldwide, please visit:

<https://gisanddata.maps.arcgis.com/apps/opsdashboard/index.html#/bda7594740fd40299423467b48e9ecf6>

HAWAII

Hawaii's alert level remains at yellow - "Act with Care" - which enables more businesses to reopen. Everyone must continue to wear facial masks when entering places of business and as outlined in the governor's Emergency Rules. Four counties have different and varying guidelines.¹

On October 13 Governor David Ige signed the state's 14th supplementary emergency proclamation, which authorizes and clarifies a set of guidelines and restrictions to address the COVID-19 crisis.²

- Hawaii's "Safe Travels" program is designed to mitigate the spread of COVID-19 from trans-Pacific visitor and resident passengers arriving at airports/ports across the

¹ <https://www.gohawaii.com/special-alerts-information>

² <https://governor.hawaii.gov/newsroom/latest-news/office-of-the-governor-news-release-governor-ige-extends-covid-19-emergency-period-through-november/>

islands.³

- It includes a pre-travel testing program, which launched on October 15. The pre-test program provides travelers with an alternative to the 14-day mandatory quarantine. With a negative COVID-19 pre-test, taken within 72 hours of departure for Hawaii, travelers entering the state can avoid the quarantine.
 - All travelers ages five and over must show a negative Nucleic Acid Amplification Test (NAAT) from a certified Clinical Laboratory Improvement Amendment (CLIA) lab in order to bypass the State of Hawai'i's 14-day mandatory quarantine.
 - The State of Hawai'i will accept test results ONLY from trusted testing and travel partners: AFC Urgent Care, Bartell Drugs, Carbon Health, City Health Urgent Care, Color, CVS Health, Discovery Health MD, Kaiser Permanente, Quest Diagnostics, Vault Health and Walgreens (as of 10/13/20).⁴
- The test must be taken within 72 hours before flight departure time to Honolulu.
- A 14-day mandatory quarantine will be required for trans-Pacific travelers arriving WITHOUT a confirmed negative COVID-19 test taken within the 72 hours before departure of the final leg of their trip to Hawai'i. The quarantine was extended through November 30, 2020.⁵
- Travelers will not be able to obtain a Nucleic Acid Amplification Test (NAAT) upon arrival at any Hawaii airport.
- Hawaii's screening process includes a mandatory travel declaration and temperature checks upon arrival. Anyone with symptoms, including a fever of 100.4 and over must go through a secondary screening process upon arrival with trained healthcare staff.⁶
- Breaking the 14-day quarantine by anyone – a resident or a visitor— is a criminal offense punishable by a \$5,000 fine and up to a year in prison.
- Persons who are subject to the 14-day quarantine order may not rent vehicles.

County News/Neighbor Island Travel:

- Beginning October 15, Maui County (Maui, Molokai, Lanai) and Kauai will allow inter-county travel for travel among Kauai, Oahu, and Maui County. Travelers will need to follow similar procedures as the 72 hour pre-travel testing protocol.
- Hawaii County is still under the 14-day inter-county travel quarantine and not participating at this time. There is no inter-county quarantine in place for travelers to Oahu.
- Hawaii County will allow trans-Pacific travelers to arrive as part of the Safe Travels program on October 15.
 - Out-of-state travelers to Hawaii County who are participating in the state's pre-test program are also required to take a County administered COVID-19 test upon arrival to Hawaii Island. The tests will be administered at all three airports: Ellison Onizuka International Airport at Keahole, Waimea-Kohala Airport, and Hilo International Airport.
 - The cost of the rapid COVID-19 arrival test will be borne by Hawaii County. Testing will be managed by Hawaii County Civil Defense Agency staff and administered by Premier Medical Group Hawaii. This antigen test will provide results within 15-20 minutes. If a traveler tests negative for COVID-19, they will not be subject to self-quarantine. Those testing positive for COVID-19 will be required to take a subsequent PCR test immediately and will be required to self-

³ <https://hawaiicovid19.com/travel/travel-overview/>

⁴ <https://hawaiicovid19.com/travel-partners/>

⁵ <https://www.gohawaii.com/special-alerts-information>

⁶ <https://www.hawaiitourismauthority.org/news/alerts/covid-19-novel-coronavirus/>

quarantine per State Department of Health rules while awaiting those results of this test, which are expected within 36 hours.

- Kauai and Maui Counties will implement a voluntary secondary test for trans-Pacific travelers upon arrival.

Travel from Japan:

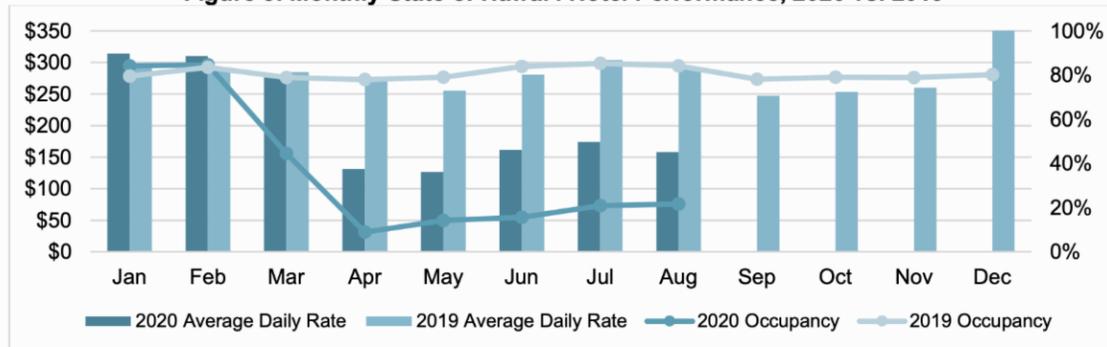
The Department of Health (DOH) has approved the COVID-19 Nucleic Acid Amplification Test (NAAT) authorized by Japan's Ministry of Health, Labor, and Welfare.⁷

- Proof of a negative test result from trusted testing partners in Japan will allow travelers from Japan to bypass the 14-day quarantine upon their arrival in Hawai'i.
- The DOH is currently in discussions with various Japanese medical institutions as it secures a list of trusted testing partners in Japan.
- Japanese nationals traveling abroad are still subject to a 14-day quarantine upon their return to the country. Travel restrictions on U.S. travel into Japan remain in place.

Hotel Performance

- In August 2020, Hawaii hotels statewide continued to report substantially lower revenue per available room (RevPAR), average daily rate (ADR), and occupancy compared to the previous August due to the COVID-19 pandemic.
- According to the *Hawaii Hotel Performance Report* published by the Hawaii Tourism Authority's Tourism Research Division, statewide RevPAR declined to \$34 (-85.9%), ADR decreased to \$158 (-45.5%), and occupancy fell to 21.7 percent (-62.4 percentage points)
- <https://www.hawaiitourismauthority.org/research/infrastructure-research/>

Figure 5: Monthly State of Hawai'i Hotel Performance, 2020 vs. 2019



Source: STR, Inc. © Copyright 2020 Hawai'i Tourism Authority.

AIRLINE INDUSTRY:

All incoming travel is subject to a 14-day quarantine⁸.

- Hawaii – Japan
 - JAL: All services between Hawaii - Japan are suspended through 11/30
 - ANA: Honolulu – Haneda (HND) & Narita (NRT) flights suspension extended until 11/30
- Hawaiian Airlines
 - HND – HNL: suspended through 11/30
 - HND – KONA: suspended through 11/30
 - NRT – HNL: suspended through 11/30

⁷ <https://governor.hawaii.gov/newsroom/latest-news/office-of-the-governor-news-release-health-department-approves-japans-testing-procedure-for-pre-travel-testing-program/>

⁸ <https://hawaiicovid19.com/travel/travel-overview/>

- FUK – HNL: suspended through 11/30
- KIT – HNK: suspended through 11/30
- CTS (Sapporo) – HNL: suspended through 11/30
- Delta: suspended until 12/18
- United: suspended until mid-December
- ZIPAIR: The low-cost carrier and subsidiary of JAL is in the progress of launching Japan – Honolulu flights in the coming months.
- Hawaii – Korea
 - Hawaiian Airlines (ICN – HNL): Suspended until 11/30
 - Korean Air (ICN – HNL / ICN – NRT – HNL): Suspended until 11/30
 - Asiana Airlines (ICN – HNL): Suspended until further notice

JAPAN

- Yoshihide Suga was elected Japan's prime minister in a parliamentary vote on September 16, 2020.
- Japan's cumulative total of confirmed infections with the novel coronavirus topped 90,000 on October 11, 2020.⁹
 - Death toll climbed to over 1,600
 - Tokyo has the largest number of infections among the country's 47 prefectures with over 27,000.
- Japan is in talks with U.S. health care conglomerate Johnson & Johnson about securing allocations of its potential COVID-19 vaccine as the company prepares to kick off human trials.
 - Japan is relying heavily on contact tracing and testing
 - Downloads of its contact-tracing app have slowed since its debut last month
 - Conducting more tests now than it was during the first outbreak, it's still lagging far behind most nations
 - Japan needs to "massively expand" its testing capacity.
- Japan pledges \$130 million for fair access to COVID-19 vaccines.¹⁰
 - The disbursement to the COVAX Facility is part of roughly \$300 million in financial support Japan offered in June to the global vaccine alliance Gavi for five years from 2021
 - Japan has already extended more than \$1.54 billion worth of aid to fight the pandemic over a few months since February
- The Japanese government has decided to set up a system to exempt athletes competing at next year's Tokyo Olympic and Paralympic Games from entry restrictions currently placed on 159 countries and regions due to coronavirus.¹¹
 - Athletes will be expected to monitor their own health and test negative for the coronavirus within 72 hours of leaving their own country and will be tested again upon entering Japan.
- 80% of universities in Japan plan to hold both in-person and online lessons this semester.
- Japan's savings rate rose to its highest level in two decades as anxiety over the economic outlook encouraged people to pocket cash handouts from the government instead of spending them.
- Suicides rose in Japan in August during the pandemic.
 - Suicide has taken over 13,000 lives while total COVID-19 fatalities number is

⁹ <https://english.kyodonews.net/news/2020/10/cec60eefba1b-japans-cumulative-total-of-coronavirus-infections-tops-90000.html>

¹⁰ <https://www.japantimes.co.jp/news/2020/10/09/national/fair-access-covid-19-vaccines/>

¹¹ <http://www.newsonjapan.com/html/newsdesk/article/128478.php>

less than 2,000

- Four Japanese industries looking to have a debt crisis¹²
 - Many small and mid-sized Japanese firms in four industries, including lodging and restaurants, will have difficulty repaying debts if the coronavirus continues to wreak havoc on their businesses through 2021
 - Four industries include lodging, restaurants, entertainment (movie theaters, karaoke outlets, etc.) and lifestyle services such as hair and beauty salons

Travel/Hospitality:

Business travelers and returnees will soon be exempt from Japan's 14-day quarantine policy, government sources say.¹³

- Japan plans to exempt business travelers from 14-day self-isolation directive.¹⁴
 - Government decided to exempt Japanese nationals and foreign nationals with residency status returning to Japan from an overseas business trip from the current 14-day self-quarantine (as long as they refrain from using public transportation and follow other public health measures)
 - A formal decision will be made by the end of this month for a November 1 target start date
 - This will promote economic recovery
 - As part of its efforts to promote overseas business, the government plans to lower the travel advisory and warning for 12 countries and regions including China, from Level 3 "Avoid all travel" to Level 2 "Avoid non-essential travel" starting next month.
 - Along with China, the list includes Hong Kong, Macau, Taiwan, South Korea, Thailand, Vietnam, Australia, New Zealand, Singapore, Brunei and Malaysia
 - Entry refusal from those 12 countries and regions will be lifted and virus testing will no longer be required upon entry.
 - Presently, 159 countries and regions are at level 3
 - Tourists will continue to be banned from entering Japan

Tokyo became part of the country's Go To Travel campaign

- Bookings are now open for trips to and from Tokyo under the Go To Travel program which was launched in July excluding the capital due to a spike in coronavirus cases.
- Campaign started including Tokyo from October 1
- The government will cover half of travelers' costs, up from the current one-third.
- Japan received just 8,700 foreign travelers in August, down 99.7% from a year ago.
- The number of outbound travelers dropped 98.2% from a year earlier to about 37,100 but nearly doubled from July.

Japan will loosen border enforcement measures to allow in new arrivals as early as October¹⁵

- Including entry for residents with permission to stay more than three months and international students, regardless of where they come from.
- Will not cover tourists

¹² https://www.japantimes.co.jp/news/2020/10/10/business/debt-crisis-japanese-industries/?utm_source=piano&utm_medium=email&utm_campaign=72&pnespid=b8I.xkumYWYAZy00YjOsr2ieiM9UFGyZPPJH

¹³ https://www.japantimes.co.jp/news/2020/10/08/national/business-travelers-returnees-coronavirus-quarantine/?utm_source=piano&utm_medium=email&utm_campaign=72&pnespid=fcc5IRu_KCsA..710m.o39_bcFikaPzpEWH1

¹⁴ <https://the-japan-news.com/news/article/0006849388>

¹⁵ https://www.japantimes.co.jp/news/2020/09/23/national/japan-coronavirus-entry-curbs/?utm_source=piano&utm_medium=email&utm_campaign=72&pnespid=e4xsihuilCsAl.x9gD3QX4XBtIC.nRiJpZ8V

- So far, Japan has resumed business travel with countries including Thailand and Vietnam and resumed short-term business travel with Singapore.
- Tourists spots in Tokyo busy during Silver Week holidays (September 19-22, 2020)¹⁶
 - Last Tuesday, the Tokyo metropolitan government lifted a request for alcohol-serving business operators such as restaurants and bars in the capital's 23 wards to close at 10 p.m.
 - Rules limiting the size of crowds at sports matches, movie theaters and other events were also relaxed starting Saturday, the first day of the four day holiday through Tuesday.
 - People appeared less cautious about traveling and returned to tourist spots.
- Tour operator HIS started selling long-term stays of 15 days or 30 days departing after November 1 named "LIVING TRAVEL." The tours will enable "traveling like living," and destinations include Honolulu, Bali, Bangkok, Cairns, and Amsterdam with more cities to be added in the future. They hope to boost demand for "workcations" and leisure by offering hotels that feature a kitchen and Wi-Fi.¹⁷

Lifestyle/Entertainment:

- Camping has been growing in popularity and sales of related goods have risen in recent months in Japan as people look to go out with friends and family members amid the pandemic turn to outdoor recreation.¹⁸
- Japanese firm (Ushio Inc.) launches world's first UV lamp that safely kills coronavirus¹⁹
- Service robots emerging amid the pandemic to maintain safety and social distancing²⁰
 - ZMP Inc.'s PATORO is an unmanned, self-driving security robot that provides services such as patrolling and disinfecting ticket vending areas in train stations
- Noh theater relies heavily on staging shows and facing an existential crisis amid the pandemic.
 - Some theaters have launched crowdfunding campaigns to cover expected losses for shows they hope to stage in the fall.
- The sardine (*iwashi*) is a fish that has increased in popularity due to the availability and affordability²¹
 - Fall in Japan has always been the season for oily fish but rising temperature of the seas in Japan has resulted in low numbers of catch of the Pacific saury (*sanma*) and mackerel.
- Japan newlyweds can receive up to 600,000 yen to start a new life.²²
 - With Japan's low birth rate, the government is trying to boost the number of marriages in the nation by covering 600,000 yen in rent and other costs to start a new life for newly married couples.
 - Both husband and wife have to be under the age of 40 as of the registered date

¹⁶ <https://japantoday.com/category/national/japan-sees-week-low-312-virus-cases-tourist-spots-busy-on-holidays>

¹⁷ <https://www.traicy.com/posts/20200912181274/>

¹⁸ https://www.japantimes.co.jp/news/2020/09/20/national/japan-campsites-coronavirus/?utm_source=piano&utm_medium=email&utm_campaign=72&pnespid=btY.wOq6Lz8A.emr0uBs8tnq4sGo9_luQOEg

¹⁹ <https://www.japantimes.co.jp/news/2020/09/22/national/japan-first-uv-lamp-kills-coronavirus/>

²⁰ https://www.japantimes.co.jp/news/2020/09/19/business/coronavirus-japanese-robots/?utm_source=pianoT5&utm_medium=email&utm_campaign=295&pnespid=bY09wBi3emoApxym2go2St0lfiE5rVocEO5b

²¹ https://www.japantimes.co.jp/life/2020/09/19/food/fish-sardines-recipe/?utm_source=piano&utm_medium=email&utm_campaign=72&pnespid=O8ZtIfu0fDUAXpFzkm4UWKYdEm3NK27P0RQO

²² <https://www.japantimes.co.jp/news/2020/09/20/national/social-issues/japan-newlyweds-aid/>

- of marriage and have a combined income of less than 5.4 million yen.
- 281 municipalities (15% of all cities, towns, and villages) in Japan have adopted the program as of July
- Core machinery orders rose in August which is highlighting resilience in capital spending despite the economy during pandemic²³
 - Orders for cars and car parts rose for the third straight month in August, while those for chemicals and chemical products provided a big drag.
 - Overseas orders rose the fastest since April 2014
 - The world's third-largest economy is gradually rebounding from the pandemic, with the government last Wednesday saying economic activity likely stopped contracting in August.

KOREA

Society/Economy:

- Australia's prime minister says his government is giving priority to reopening air services to Japan, Singapore and South Korea. Prime Minister Scott Morrison said on Oct 15 that he had discussed reopening air routes with the leaders of all three countries. He described Japan and South Korea as "two countries that have done particularly well" in dealing with the pandemic.
- South Korea has reported 110 new cases of the coronavirus, half of them linked to a hospital in Busan. The numbers released by the Korea Disease Control and Prevention Agency on Thursday brought the national caseload to 24,988, including 439 deaths.²⁴
- At least 54 infections were reported in a hospital for the elderly in the southern port city of Busan. More than 40 others came from the densely populated Seoul metropolitan area, tied to places including hospitals, churches, schools and offices.
- The steady rise in infections is a cause of concern in a country that has just lowered its social distancing measures, allowing high-risk venues like nightclubs and karaoke bars to reopen and spectators to return to professional sports.
- Health officials are planning to test 160,000 employees at hospitals, nursing homes and welfare centers for senior citizens in Seoul and nearby areas as part of efforts to prevent outbreaks.
- South Korean health experts were split on the government's decision to ease the level of social distancing in its virus fight as some of them said that the move could worsen the country's virus situation. Health authorities on Oct 11 announced Level 1 distancing, the lowest in the country's three-tier social distancing scheme, ending the Level 2 distancing that has been in place for nearly two months.²⁵
- Under the eased measures, operations of 10 kinds of high-risk facilities, such as karaoke rooms, gyms, buffets, and large-scale cram schools with more than 300 registered students will be allowed, though they must follow antivirus measures, such as wearing face masks and keeping entry logs. Sports teams can admit crowds up to 30 percent of stadium capacity, while in-person religious services are also allowed in the greater Seoul area with limited admissions.
- Korea Tourism Organization (KTO) has launched a new campaign - #TakeMeBackToKorea for travelers to relive their past adventures and dream about moments when they can explore their favorite destinations again.²⁶ Based on the desire of vacationers to "escape" from the confinement of their homes and look back on their travel memories, #TakeMeBackToKorea seeks to evoke exhilaration to visit this vibrant destination soon.

²³ <https://www.japantimes.co.jp/news/2020/10/12/business/economy-business/japan-machinery-orders-august/>

²⁴ <https://www.startribune.com/asia-today-skorea-reports-110-cases-half-in-busan-hospital/572748501/>

²⁵ <http://koreabizwire.com/health-experts-split-on-relaxed-social-distancing-measures/171527>

²⁶ <https://www.traveltrendstoday.in/news/international/item/8819-korea-launches-takemebacktokorea-campaign>

- Seoul began providing coronavirus cash (up to \$421) relief for foreign residents starting 8/31.

GREATER CHINA (China, Hong Kong, Taiwan)

- China-Japan tensions over activity in the East China Sea continue.²⁷ Chinese Coast Guard ships that entered Japanese territorial waters near the Senkaku Islands over the weekend stayed there for a 57-hour stint, breaking the previous record by around 18 hours, the Japan Coast Guard said.
- Although China continues to have many restrictions on entertainment facilities, 80% of the people who live in China feel like they have returned to their daily lives.
- In Shanghai, preparations for the 3rd China International Import Expo in November are underway.
- Relaxation of overseas expatriate visa applications have started and with that, it is expected that companies start to recover its system including transportation, starting in the late September.
- According to the latest data released by the Ministry of Commerce, online consumption in China accelerated, with 100 million more users in the first half, compared to a year earlier. <https://bit.ly/32jixlp>
- Search engine Baidu, which is listed on Nasdaq, is growing in terms of use by Chinese people, with more than 200 million users as of the end of June 2020.
- Baidu's financial results for the second quarter of 2020 reflected a 40% increase in net income. Sales for the current term were down from the previous year, but sales of new businesses using AI recorded double-digit growth, and mobile internet related business and marketing cloud platforms are growing steadily. <https://bit.ly/2FwZpUR>
- Local sentiment among the younger generation is that coronavirus is expected to be over in the next few months and traffic will return to normal by the end of the year.
- Hong Kong's [national security law](#) is making its presence felt, more than 100 days since the Beijing-imposed legislation came into force, and the implications are reflected in the news carried by the South China Morning Post (see links).
- The [first person to be charged under the new law](#) is facing a long stretch behind bars if convicted after his case was moved to a higher court with no sentencing cap.
- Teachers are in the spotlight in the context of the sweeping legislation after the Education Bureau [banned a primary school teacher for life](#), accusing him of advocating independence. The bureau is following up on similar "relatively serious" complaints against teachers.
- A hospital president and the director of the health commission in the northern Chinese city of Qingdao have been fired after China's latest coronavirus outbreak, authorities said Thursday. A brief notice on the Qingdao city government's official microblog Thursday said Health Commission Director Sui Zhenhua and Deng Kai, president of Qingdao's thoracic hospital to which the cases have been linked, were placed under further investigation. No other details were given. Authorities ordered testing of all 9 million people in the city after a total of 12 cases, including those not displaying symptoms, were discovered over the weekend, accounting for China's first local transmissions in about two months.²⁸

²⁷ https://www.japantimes.co.jp/news/2020/10/14/national/china-japan-senkaku-record-57-hours/?utm_source=pianoT5&utm_medium=email&utm_campaign=295&pnespid=OoEvxUzjc2EAM3XR_XAkseHmNxlaON6I07_t

²⁸ <https://apnews.com/article/virus-outbreak-asia-pacific-china-qingdao-065e74102f202c055e6f7a01cec622af>

Consumer Trends:

- The "street vendor economy" was encouraged as a measure for economic recovery. Although some have discouraged its continuation, it is still being practiced in downtown areas and other places. Recently, a flea market style that uses the trunk of a car has become popular, and it is being carried out at various shopping malls. In some car exhibition events, this style was adopted in some cases.
- China's first small IKEA store, "IKEA City" and loft opened. The store is very busy and attracting the attention of Shanghai residents. At IKEA, a QR code is attached to the product, and you can purchase it online as well, so that the O2O purchase experience will be emphasized. You can see the importance of offline branding activities.
- Hong Kong and Singapore have agreed "in principle" on the world's first two-way COVID-19 travel bubble.²⁹
 - The travel arrangement eliminates quarantine requirements for residents of both cities, requires travellers to prove they have tested negative for coronavirus.
 - Bubble could launch within 'weeks', Hong Kong's commerce minister says
- EGL Tours, Hong Kong's largest travel agency, launched a grocery EC site, while it also operates its online travel agency operating in countries around the world including Japan. The OTA KLOOK tours is also developing a food delivery service business on an online platform.
- In Hong Kong new trials have begun, such as the delivery of foodstuffs related to staycations, kitchenware manufacturing, and the development of live commerce for delivery foods.
- Sales of the e-commerce platform "Japan Mall" increased by 300% compared to last year. "Japan Mall" established by Japan External Trade Organization (JETRO) is expected to reach 3 billion yen in 2020, which is about three times as much as last year's transaction sales. Japan Mall sells products of small and medium-sized enterprises in Japan on online EC platforms overseas, and is currently linked to platforms of more than 60 companies in 26 countries. <https://bit.ly/3iUwhp3>
- Since Japan cannot be visited from China, the demand for Japanese promotions and products is increasing.
- On August 7, the long-established Yokohama specialty store "Sakiyoken" first landed in Taiwan. The first overseas store for Sakiyoken drew a great deal of media interest. Japanese companies are enjoying widespread popularity in Taiwan.

PacRim
MARKETING GROUP INC.



30
ANNIVERSARY

PRTech



vector



Are you prepared for inbound travel?

PacRim Marketing Group has the talent and experience to assist with digital solutions, traffic builders, web development, copywriting, video, design, and more. Let us help you build business in Japanese, Korean, Chinese and English.

²⁹ https://www.scmp.com/news/hong-kong/hong-kong-economy/article/3105607/coronavirus-hong-kong-singapore-set-reveal?utm_medium=email&utm_source=mailchimp&utm_campaign=enlz-scmp_global_impact&utm_content=20201015&tpcc=enlz-china_coronavirus&MCUID=69feb60189&MCCampaignID=b955ea7fbf&MCAccountID=3775521f5f542047246d9c827&tc=1