Travel for the purpose of celebration, including weddings, honeymoons, and anniversaries, is a growing segment. Almost one-in-four U.S. overseas travelers see a vacation as a time to celebrate and mark a life milestone, and in fact, nearly one-in-three report that their most recent overseas vacation was actually taken to celebrate a special occasion such as a wedding, honeymoon or anniversary.

Hawai’i is at top-of-mind for travelers when selecting wedding and honeymoon destinations. Hawai’i’s romance visitor segment is growing and the state is well-positioned to capture its share of both romance and leisure travelers alike in 2015.

Scheduled air seats from the U.S. mainland and Canada continue to grow, with double-digit increases in capacity in the upcoming six month period. Travel prices to Hawai’i are also easing, thanks in part to the increased air seats and consumers’ growing interest in travel. All market indicators point to thriving months ahead for Hawai’i as a destination.
From weddings to vow renewals, honeymoons to anniversaries, the romance travel market makes up an important segment of Hawaii’s tourism industry. Nearly one-in-four marriages are destination weddings, accounting for approximately $16 billion in annual spending. The honeymoon industry alone contributes $12 billion in spending each year.

The overseas destination wedding market is growing. Nearly 3.5 percent of U.S. outbound travelers (1.7 million persons) report their most recent overseas vacation was to attend a wedding, up from 2.8 percent in 2011. Hawai’i, Mexico, and the Caribbean each capture 20 percent of the destination wedding market.

Honeymoon travel makes up an important segment of the romance travel market. Approximately 1.2 million American couples report their most recent overseas vacation was to celebrate their honeymoon, making up 2.5 percent of overseas outbound traffic. The Caribbean holds the largest share of overseas honeymoon travel (39%), while Hawai’i captures 13 percent of the market, Mexico has 11 percent, and Europe nine percent.

Of all romance travel, wedding anniversaries are the number one special occasion motivator for overseas travel in the past year, made up of 5.2 million couples.

**At a Glance: LGBT Romance Travel**

According to the latest TravelStyles data, gay and lesbian travelers account for 3.6 percent of the U.S. outbound leisure travel market. Of the 1.8 million Americans in the segment, males make up more than three-quarters of the LGBT overseas travel market. Overall, gay and lesbian travelers tend to skew somewhat younger than other outbound overseas travelers, with an average household income similar to that of the general overseas travel population, totaling just over $87,000.

**Romance Traveler Profile**

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**U.S. Travelers Most Recent Overseas Vacation**

- Attended a wedding 3%
- Went on a honeymoon 3%
- Celebrated an anniversary 11%

Source: HVCB analysis of TravelStyles: Americans as International Travelers, 2014

Continued on PG3
More than one-in-ten U.S. outbound travelers (10.4%) say their most recent overseas vacation was taken to celebrate a wedding anniversary, up from 9.6 percent in 2011. Anniversary travelers tend to spend more compared to others, with median trip expenditures totaling $2,081 per person, compared to $1,629 for all other travelers.

Hawai’i consistently ranks as one of the top romance travel destinations in the world, particularly among wedding and honeymoon travelers. Nearly five percent of all North American traffic in 2014 came to Hawai’i to get married or honeymoon.

After three continuous years of decline, Hawai’i’s romance market rebounded in 2014 according to preliminary HTA visitor arrival data. Just over 270,000 visitors from the U.S. and Canada traveled to Hawai’i to honeymoon or get married in 2014, up +12.1 percent over 2013. Of these, more than 228,000 traveled to Hawai’i to honeymoon, up +11.5 percent year-over-year. Wedding travelers also increased by +24.5 percent, to nearly 66,000.

Same-sex marriage is now recognized in 36 U.S. states and Canada, including Hawai’i as of December 2013. As a result of increased legalization, the percentage of gay and lesbian travelers who are married has tripled in just three years, from 8.3 percent in 2011 to 28.2 percent in 2014.

The approval of gay marriage by a growing number of states has helped fuel demand for LGBT romance travel. Same-sex couples spent $70 billion on travel in 2012. According to the latest available Department of Health data, a total of 1,086 same-sex marriage licenses have been issued to out-of-state couples through June 2014, which accounts for nearly 12 percent of all out-of-state licenses issued. According to a study done by The Knot, Hawai’i is one of the top three honeymoon destinations for same-sex couples, falling just behind the U.S. mainland and Europe, and tied with the Caribbean.
Recently released airfare data for the third quarter of 2014 indicates an easing in travel prices. Airfares grew at a rate of just +0.1 percent in the July through September period, significantly lower than the +12.5 percent and +12.8 percent growth seen in the first and second quarter of 2014.

Airfares from many of Hawai‘i’s key source markets moderated in the third quarter, including a drop in fares from Los Angeles (-5%), as well as only slight increases from San Francisco (+1.8%) and Chicago (+2.3).

In the first two quarters of 2014, airlines focused on driving revenue as opposed to passenger counts. As a result, the number of available seats fell below prior year levels while airfares skyrocketed. The number of scheduled air seats to Hawai‘i began to improve in the second quarter of 2014, with a full recovery by the third quarter. As a result of supply and demand, an increase in air seats to Hawai‘i in the third quarter resulted in an easing of airfare growth rates. In turn, visitor arrivals increased in the third quarter thanks to lower airfares and increased capacity.
Consumer Trends

Cost of a Hawai‘i Vacation Moderated for Visitors

The third quarter leveling-off of airfares helped to moderate the average cost of a Hawai‘i vacation, which had spiked in the first half of 2014 with a +7.3 percent price increase. Rising costs helped to reinforce Hawai‘i’s high-cost of travel perception among consumers in the first half of the year.

The average cost of a Hawai‘i vacation posted just a +1.6 percent gain year-over-year in the third quarter of 2014. Despite easing prices, travel costs still remain relatively high compared to historic levels.

Due to a continued increase in air seats, more moderate travel prices are expected to have continued through the final quarter of 2014 and potentially into the new year. More stable airfares may help mitigate the high cost perception among North American travelers and have a direct positive impact on U.S. arrivals in the near-term.

Average Cost of a Hawai‘i Vacation

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<tr>
<th>Quarter</th>
<th>Airfare + Hotel 2014</th>
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Source: HVCB analysis of Diio Mi data, February - July 2015

At a Glance: Air Outlook Continued

Visitors to Hawai‘i from the U.S. and Canada will find getting to the Neighbor Islands easier than ever, with nearly two-thirds of added air seats headed beyond O‘ahu. Both Kahului and Kona will see the largest year-over-year increases in scheduled seats in the next six months, posting a +20.2 percent and +22.5 percent gain respectively.

While current scheduled seats to Hawai‘i from the U.S. mainland and Canada have reached record levels, it is still important to note the cyclical nature of Hawai‘i’s air service.
December saw the largest monthly growth in visitors arrivals from the U.S. in 2014. Visitor arrivals from the U.S. grew +9.5 percent in the month, while arrivals from Canada posted more modest gains at +2.0 percent.

Overall, arrivals from the North American market ended the year at a +1.3 percent increase over 2013, totaling just under 5.5 million visitors. Arrivals from the U.S. mainland totaled nearly 4.98 million, a +1.3 percent gain year-over-year. 2014 was a record year for Canadian visitors, with nearly 524,000 arrivals, a +1.3 percent increase over the previous year.