

Resident Sentiment Survey

Prepared for:



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Research Objectives

1. The RSS analyzes resident attitudes toward tourism and the tourism industry, both statewide and by county, including various actions or activities that are supported by the industry through the Transient Accommodations Tax (TAT) collections.
2. The RSS has been conducted six times since 1999, with the last survey in 2007. The RSS has as its primary objectives:
 - To track key resident attitudes toward tourism in Hawai'i over time.
 - To identify perceived positive and negative impacts of the visitor industry on local residents and to compare these ratings relative to other major industries.
 - To identify for the visitor industry and HTA, issues or concerns regarding tourism expressed by residents.

Sample Methods

The survey sample:

- Field Dates: August 27 to September 20, 2009
- Multi-staged, random sample of statewide residents
- All counties quota-sampled
- Total N=1,650; 600 Oahu and 1,050 Neighbor Island residents
- Weighted to reflect ethnic and age distribution in each county.

SAMPLING QUOTAS	O'AHU COUNTY	HAWAI'I COUNTY	MAUI COUNTY	KAUA'I COUNTY	TOTAL	Sampling Error at 95% Confidence Level
Random Sample	600	450	400	200	1,650	+/- 3.0%
Weighted Sample	1,155	226	187	82	1,650	
Weighted %	71%	13%	11%	5%	100%	
Industry Sample	277	50	91	28	446	+/- 5%
Industry % per County	24%	22%	49%	34%	27%	

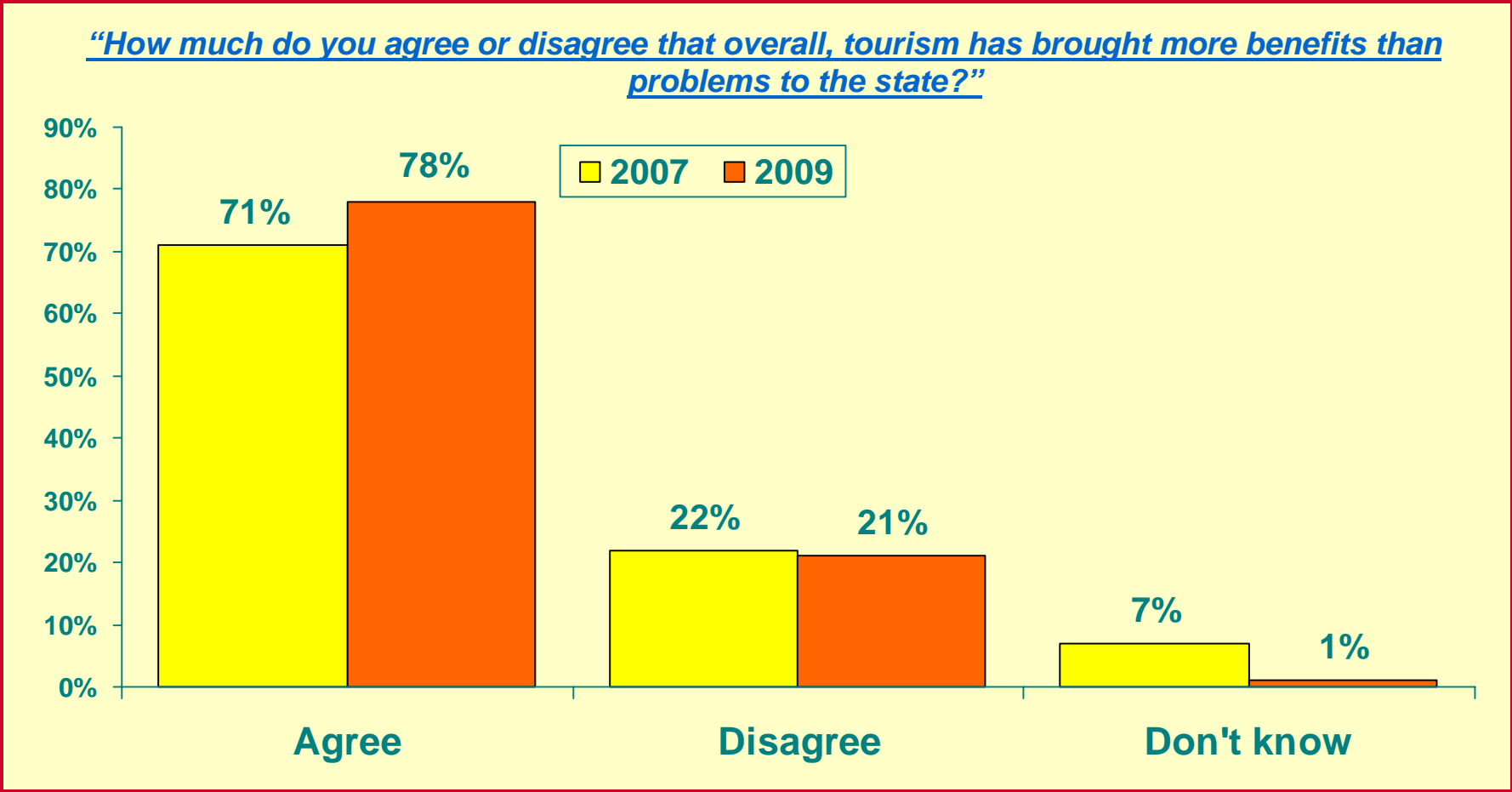
SUMMARY & CONCLUSIONS

Overall Opinion of Tourism : 2009

- Residents have an overall favorable attitude toward the visitor industry with 78% viewing the industry favorably and only 22% viewing it unfavorably.
- Within the competitive set of Hawai'i's key industries, **tourism ranks second to defense** (4% lower) and above the health care industry (4% higher). Despite outstripping defense in state GSP terms, tourism does not get full credit for the economic contribution.

Net Benefit of Tourism: Tracking 2008 to 2009

Favorable perceptions are tied to residents' feeling that the "tradeoffs" are of net benefit. Close to 80% of residents agree that tourism has brought "more benefits than problems to the state," with one-third strongly agreeing.



Base: 1,650 statewide residents.

Q3. "Using a 10-point scale where 10 means completely agree and 1 means do not agree at all, how much do you agree or disagree that overall, tourism has brought more benefits than problems to the state of Hawai'i?"

8 Statements About Tourism: Statewide Results

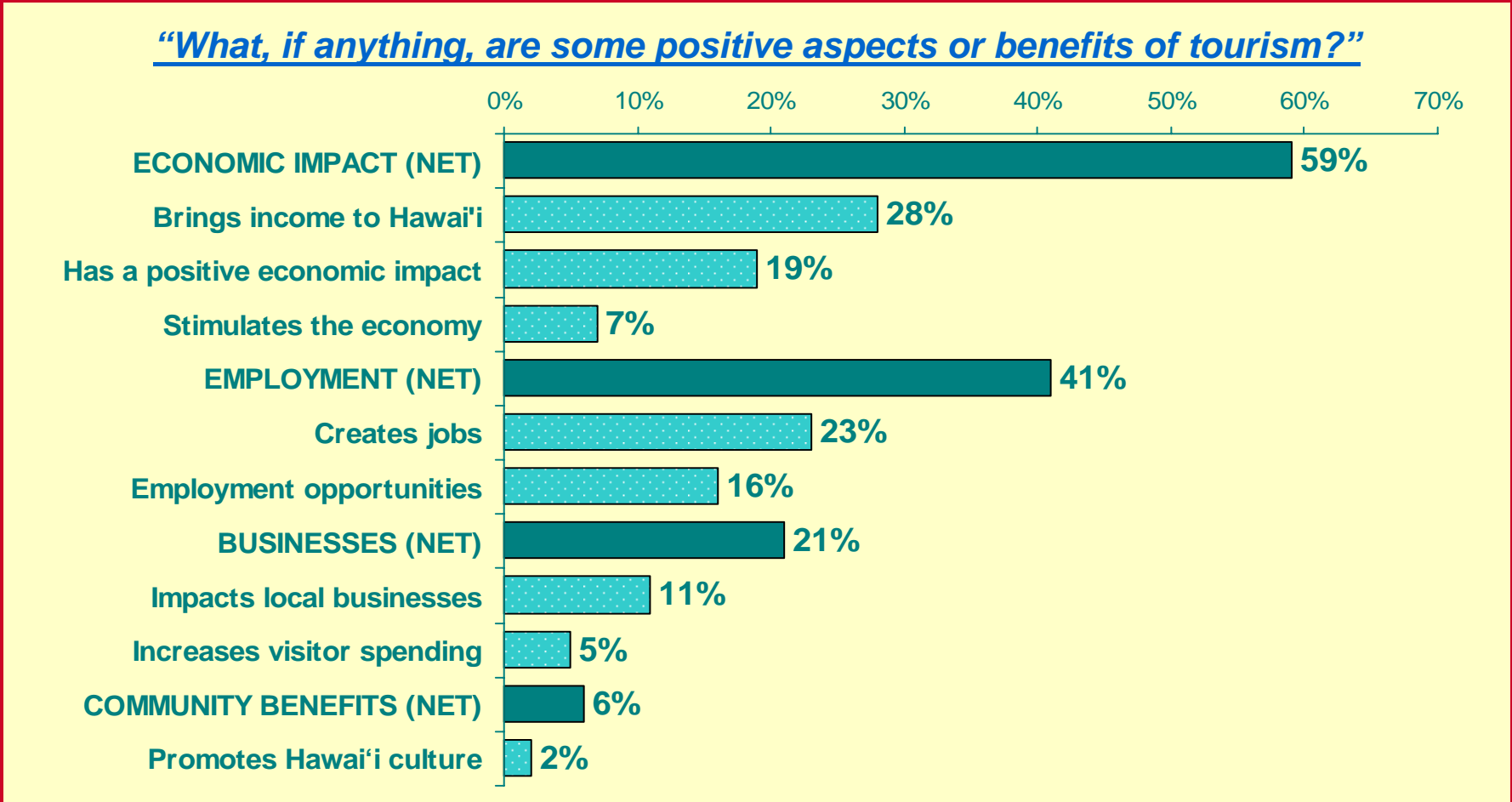
- Residents acknowledge that tourism's major benefit is economic – its multiplier effect on businesses and job creation.
- Although residents see “trade-offs” between economic benefits and negative impacts, they do not see tourism as the primary cause of traffic.
- Current visitor industry favorability must be taken with a cautionary note:
 - Historic analysis of public perceptions vs. Gross State Product (GSP) shows support of tourism is higher in bad times, so this may be a high water mark.
 - Neighbor Island perceptions are more concerned with impacts.

Impacts of Tourism: By County

- Oahu residents (71% of State) are least likely to see tourism as primarily responsible for negative impacts.
- On Maui and Kaua'i, more residents feel strongly that tourism worsens traffic and overdevelopment, and that *tourists rather than local people are the priority*.
- The audiences least favorable to tourism: Neighbor Island residents and Native Hawaiians. Audiences most favorable: Industry employees and Filipino residents.

Positive Benefits of Tourism: Unaided Responses

There is little spontaneous appreciation of tourism’s non-economic contributions, such as environmental or community benefits. This is an important challenge because corporate citizenship is critical to maintaining support of the State’s largest industry.



Base: 1,650 statewide residents.

Q2b: “What, if anything would you say are some positive aspects or benefits of tourism?”

Visitor Industry Involvement Areas

The survey sought to measure 1) awareness in five specific areas of industry involvement and 2) satisfaction in seven areas of involvement.

AWARENESS that tax revenues generated from tourism go to...

Invest in the visitor industry workforce through job training programs

Fund multi-cultural events such as ethnic festivals, parades and attractions

Sponsor sport events like the Hawai'i Bowl and Ironman Triathlon

Support Native Hawaiian cultural practices such as hula, lei-making and music

Fund maintenance and enhancement of parks, trails and ocean areas

SATISFACTION that Industry...

Contributes to a sustainable economy in Hawai'i

Respects Hawai'i's multi-cultural heritage

Works to make Hawai'i a safe place for residents and visitors

Sponsors sports events for residents and visitors

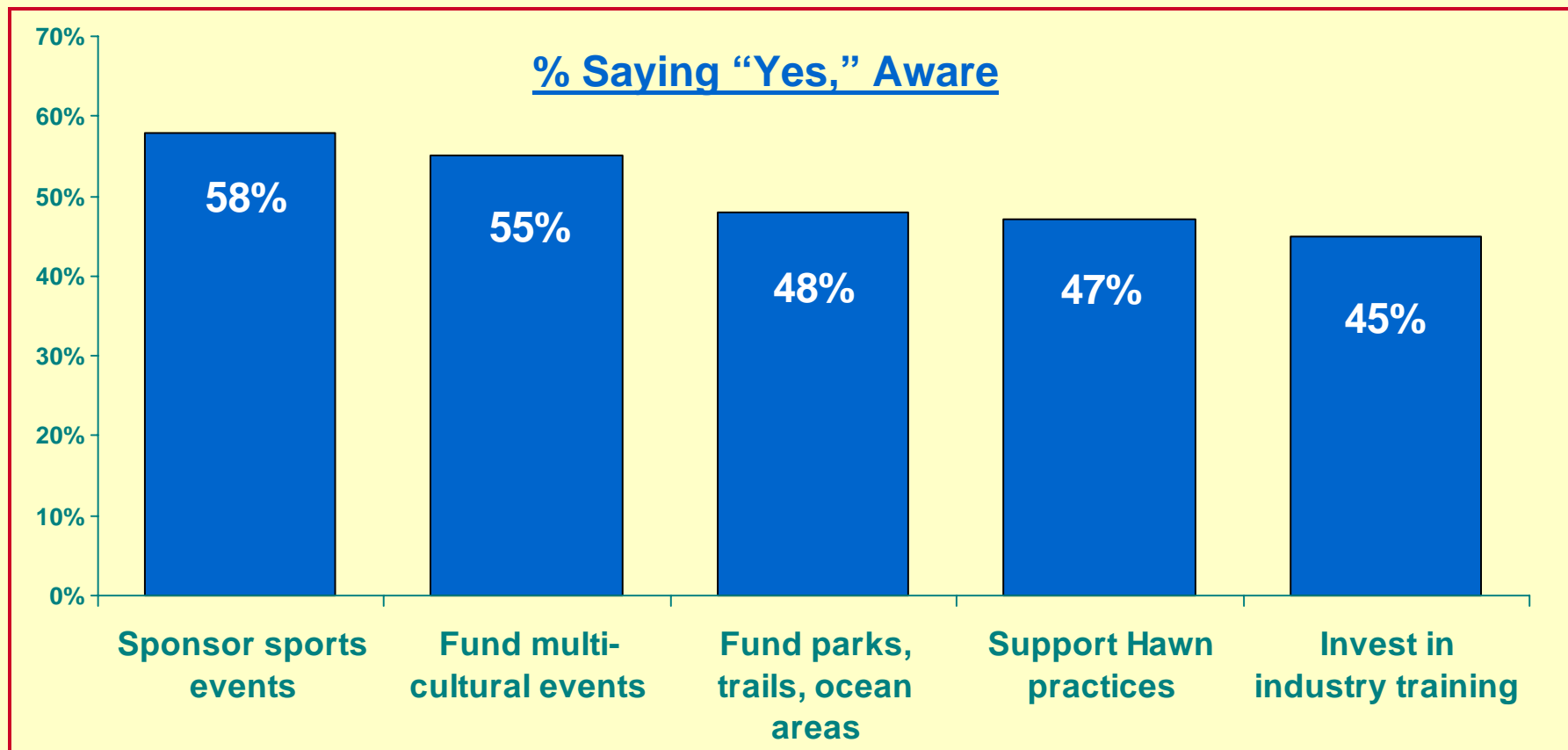
Helps to preserve Native Hawaiian language and culture

Helps to preserve Hawai'i's natural resources

Takes a leadership role in solving community problems

Awareness of Areas of Support: Statewide Results

Awareness of specific industry contributions averages 50%, with the best-known being the Industry-sponsored sports and cultural events, and the least-known being its investment in workforce training and support of Hawaiian cultural practices.



Base: 1,650 statewide residents.

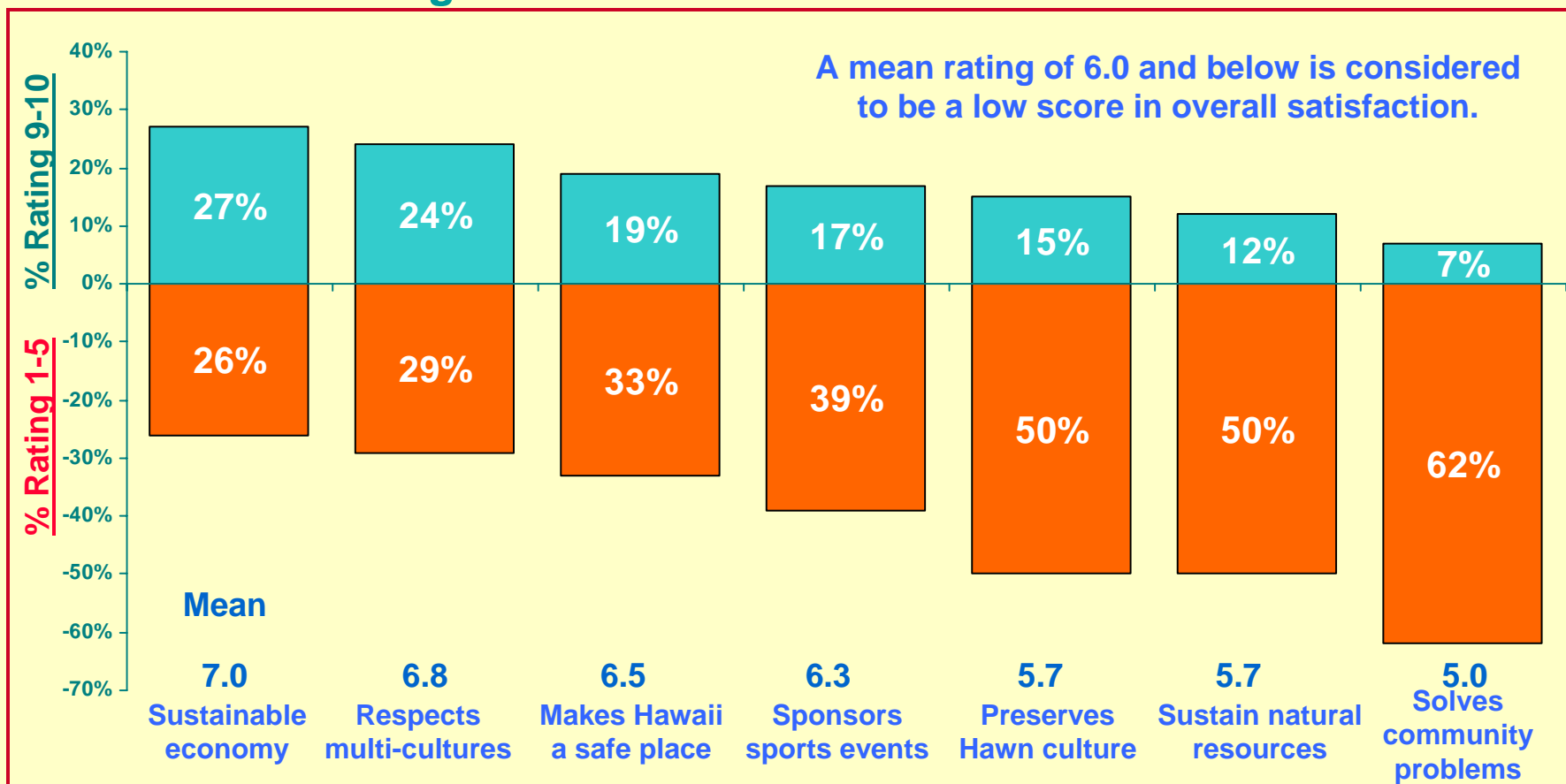
Q5. "Are you aware that tax revenues generated from tourism go to...?"

Satisfaction With Industry Involvement

- Despite efforts, residents have low awareness of what the industry supports through TAT collections.
- This leads to low satisfaction. Residents lean towards dissatisfaction in 4 of 7 areas tested and do not feel the industry...
 - Takes a leadership role in solving community problems
 - Helps to sustain Hawai'i's natural resources
 - Helps to preserve Native Hawaiian language and culture
 - Works to make Hawai'i a safe place for residents and visitors
- Residents **lean negative** on the industry's role in helping to preserve Hawaiian culture and sustain natural resources. From other research, Native Hawaiian culture and natural beauty are seen by visitors as **assets** of this destination.

Satisfaction: Statewide Results

Satisfaction is highest on the economy, but is low on taking a *leadership role in solving community problems*, in helping to *sustain natural resources*, and in *preserving Native Hawaiian Culture*. Neighbor Island dissatisfaction is higher than that on Oahu.



Base: 1,650 statewide residents.

* In OmniTrak's analysis, Top Box=9-10; Mid-Box=6-8; Bottom Box=1-5.

Q8. "Using a 10-point scale where 10 means extremely satisfied and 1 means not satisfied at all, how satisfied are you overall that the Visitor Industry...?"

Driving Improvement in Perceptions of Tourism

- Improving perceptions of Tourism's Net Benefit depends on not only its economic benefits but also quality of life benefits and mitigation of downsides.
- OmniTrak's Driver Analysis™ suggests that residents expect tourism to provide not only economic but quality of life benefits. Focusing on quality of life benefits may be strategically more feasible and effective since downside impacts are difficult to manage and have less direct impact on perceptions.
- Quality of life encompasses both social benefits and community benefits. Social benefits include perceptions of how the industry enriches life in the Islands and includes entertainment and a sustainable economic environment. Community benefits relate more specifically to good corporate citizenry.

Key Conclusion: Improve Awareness of Support Areas

1. For the industry to derive “credit” for its efforts, it is recommended that awareness of current support efforts be substantially increased.
2. **Boosting awareness** of Industry contributions through communications efforts a) increases opinion of tourism by 4% to 6%, and b) increases satisfaction with specific support areas in the range of 7% to 20%.
3. Greater awareness will also facilitate assessment of where residents and the industry are aligned and not aligned on quality of life benefits and corporate responsibility.
4. This communications strategy ideally would also **build stronger branding of the Hawai'i Tourism Authority**, its core values, and its role in enriching the visitor experience and residents' quality of life.

Key Conclusion: Consider an Expanded Role

1. By itself, communications about current programs is not sufficient to move the needle long-term.
2. Concern persists among some residents that the Industry is essentially insular and is **not doing enough** to give back to the welfare of broader local communities in which it operates. This is the **issue of corporate responsibility** which contributes to sustainable support for business.
3. Residents are more likely to perceive a net benefit from tourism if they also perceive the Industry as **taking a leadership role** in solving the problems of the broader communities which tourists visit.

Respondent Comments

Why did you rate the Visitor Industry [1-3] out of 10 for “takes a leadership role in solving community problems?”

- *“I don’t feel they care about the community. They are only run as a business.”*
- *“The visitor industry is all about money, not taking care of local people.”*
- *“I never heard the visitor industry doing this. Maybe only in Waikiki, but not in other communities. The industry only wants to protect the Waikiki tourist.”*
- *“The visitor industry could do more in areas other than Waikiki. They should be involved throughout the island.”*
- *“The industry is not really involved in the community. The employees are the ones helping to make their communities into better places.”*

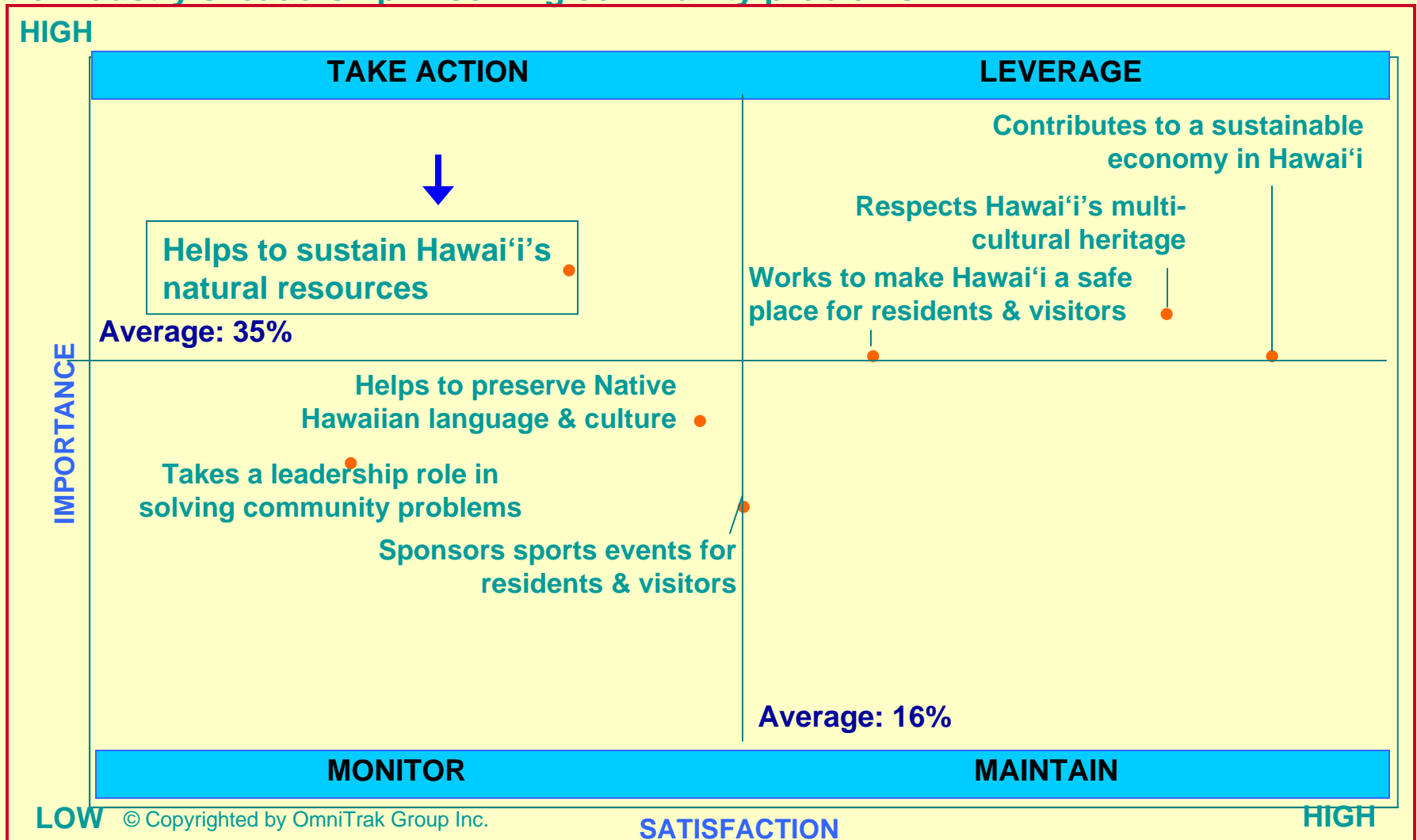
Key Conclusion: Take Leadership on Quality of Life

1. Issues of priority to residents are those that are of value to both residents and visitors: **Safety, preservation and respect of the State's multi-cultural heritage, especially among Native Hawaiians, sustainability of natural resources and sports events.**
2. **Natural resource sustainability is a clear “need gap” area among residents, meaning that expectations exceed satisfaction.**
3. **These areas are potentially win-win because improvement of quality of life and the natural environment also enhances the in-destination visitor experience. In past research, visitors report that residents are a key driver of in-destination satisfaction.***

* Based on findings of a 2000 O'ahu Visitor Survey conducted for the State DBEDT by OmniTrak Group.

Need Gap Analysis

“Need Gaps” occur when satisfaction lags perceived importance, implying a need to act to bring satisfaction up to par with expectations. A need gap exists on sustaining Hawai‘i’s natural resources and secondarily, Native Hawaiian cultural preservation and the industry’s leadership in solving community problems.



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Respondent Comments

Why did you rate the Visitor Industry [1-3] out of 10 for “helps to sustain natural resources?”

- ☞ “A tremendous amount of resources is consumed to keep the industry going.”*
- ☞ “The visitor industry depletes our natural resources. Building hotels and golf courses creates runoff that goes into the ocean and damages reefs.”*
- ☞ “Because wherever they go, tourists use up our land, our water, our fish. They are horrible to our natural habitat. They use up our environment without any regard for it.”*
- ☞ “I believe they can do a better job and do things in tourism that are more sustainable and more eco-friendly. Tourists need to be educated regarding the ecology of Hawai‘i.”*

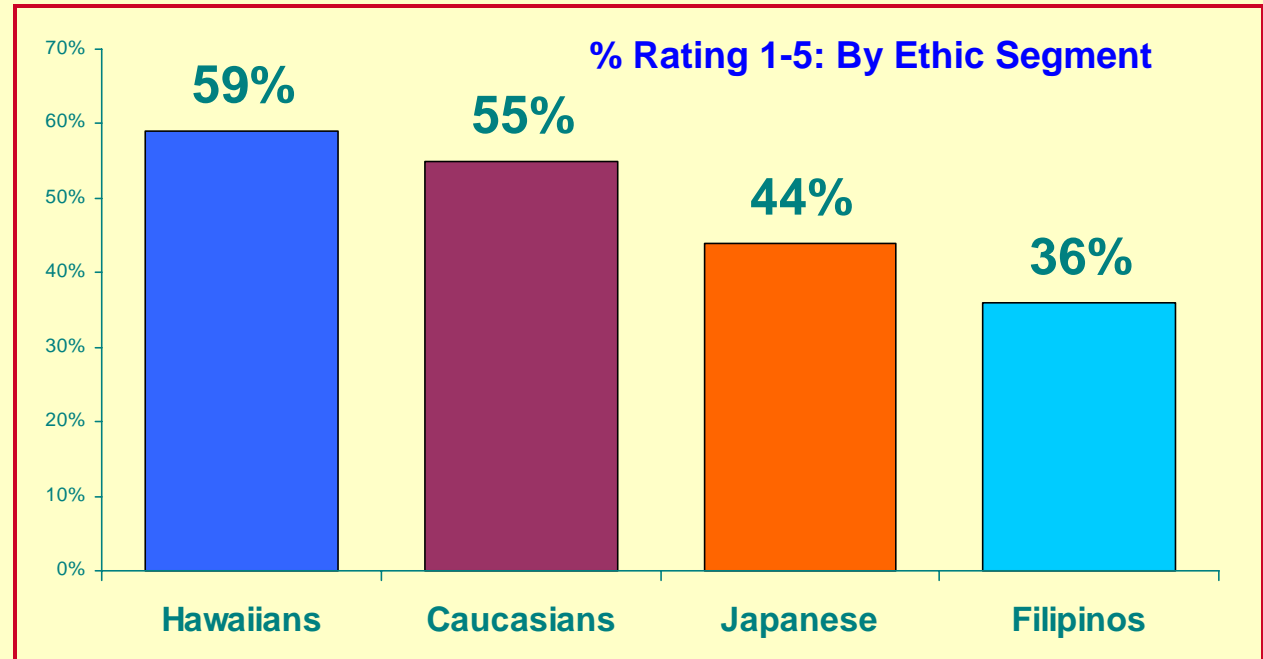
Key Conclusion: Focus on Native Hawaiians

1. Native Hawaiians have a lower level of support for the visitor industry and are less aware of current initiatives and support.
2. We suggest strengthening current initiatives to preserve the Native Hawaiian language and cultural practices.
3. Despite what the industry may be doing currently, in the public view, and especially among Native Hawaiians, the **Visitor Industry does not have the reputation of respecting Hawaiian culture and of presenting the Hawaiian arts authentically and accurately.**

Dissatisfaction with Native Hawaiian Support Areas

“Helps to Preserve Native Hawaiian Language and Culture.”

% Dissatisfied By Ethnic Group



- ☉ *“Speaking as a part-Hawaiian, I don’t see where tourism has any effect on Native Hawaiian language and culture.”*
- ☉ *“Because they have not done anything until recently. There are only 2 or 3 hotels that do anything for tourists having to do with Hawaiian culture. On Maui, there is only one hotel teaching people about Hawaiian language.”*
- ☉ *“The Hawaiian culture that tourists see is very tourist-oriented. Tourists don’t see the authentic culture... they put on leis and sing ‘Tiny Bubbles’.”*

Key Conclusion: Expand Visitor/Community Links

1. As a long-term goal, consider reducing physical and psychological barriers separating the Visitor Industry and local communities.
2. In (unofficial) focus groups,* residents expressed a certain desire to interact with visitors but felt excluded from tourism venues and locales like Waikiki.

* In June 2009, OmniTrak volunteered to conduct 2 focus groups for HTA as unofficial, non-contractual research exploring tourism issues among residents with the goal of deriving input for the design of the survey questions.

Key Conclusion: Promote Economic Diversification

1. The People's Pulse, a newsletter sponsored by Hawai'i Business Roundtable and Pacific Resource Partnership and resident focus groups on the economy, continue to suggest a high level of concern that Hawai'i is too dependent on tourism.
2. While there is agreement that tourism has a high multiplier, there is little awareness that the visitor industry lends support to other economic sectors.
3. We therefore suggest strengthening efforts to communicate the visitor industry's role in economic diversification, such as use of agricultural products by hotels, biotechnology conferences in the Convention Center, etc.

Respondent Comments

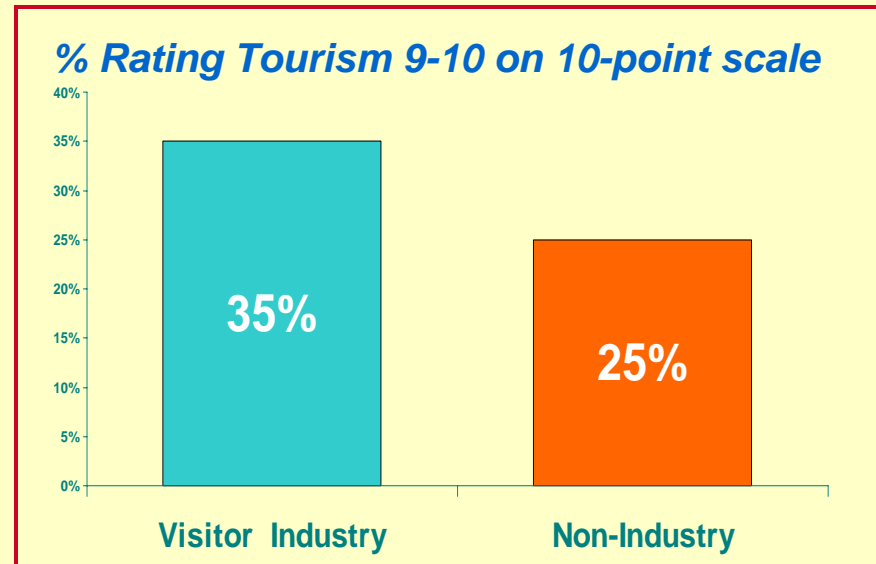
Why did you rate the Visitor Industry [1-3] out of 10 for “contributes to a sustainable economy?”

- ⇒ “Whenever tourism goes down, the economy collapses. We need to diversify.”*
- ⇒ “Hawai‘i needs more ways of bringing money into the state. We cannot depend on tourists any more.”*
- ⇒ “Sustainable means that we can support ourselves. But tourism makes the people dependent on a single industry. It creates dependence, not sustainability.”*
- ⇒ “I would like to see more hotels and restaurants purchase more local beef, fruits and vegetables to make Hawai‘i more sustainable. They can do a better job on this.”*

Final Conclusion: Industry-Wide Effort Needed

1. The Industry's dominance in Hawai'i and level of government support leads to high expectations of corporate citizenship or "giving back."

35% of Industry households are tourism advocates – not high considering their Industry affiliation and dependence.



2. To move the needle on opinion, it is suggested that the industry make a bigger impact on residents' quality of life via involvement in various areas to improve the welfare of both resident and visitor communities.
3. This will likely require a broad-based Visitor Industry effort that includes HTA, key Industry players and resort developers (who are viewed as part of the visitor industry as providers of high-end homes) as well as other stakeholders.

Mahalo!