



KOREA MARKET PROJECTION AFTER QUARANTINE EXEMPTION

*Guam Chamber of Commerce
General Membership Meeting
March 30 (WED), 2022*

*Presented by
Ho S. EUN, GVB Korea Market Committee Chairman*





Agenda

1. KOREA MARKET OVERVIEW
2. KOREA MARKET TO GUAM
3. QUARANTINE EXEMPTION PROTOCOL
4. KOR-GUM AIRLINE SUPPLY PROJECTION
5. KOREA MARKET STRATEGY & MARKETING PLAN

A person is shown from the chest up, wearing a vibrant red flower lei. Their hands are raised in a celebratory gesture, with fingers slightly spread. They are wearing a black wristband on their left wrist. The background is a blurred night scene with warm, golden light from a building and a bright, out-of-focus light source on the left. The overall mood is festive and joyful.

KOREA MARKET OVERVIEW

Korea Market Overview

STEP Analysis

POLITICAL FACTORS

- **New President Election in 2022 March**
(transfer of power from liberal bloc to the conservative bloc)
- Fruitful relations with countries worldwide with the stable political environment

SOCIAL FACTORS

- **Approximately more than 51 million of population**
- Population Aging & Population growth rate slowing down
- Life expectancy on a steady rise since 2010
- Low total fertility rate among OECD Countries



ECONOMICAL FACTORS

- 10th World's highest annual nominal GDP in 2020
 - Growing downside risks due to recent **Russia – Ukraine War** and the upsurge in COVID-19
 - Expecting a recovery track with robust exports
 - 3 Percent of Economy Growth Outlook in 2022

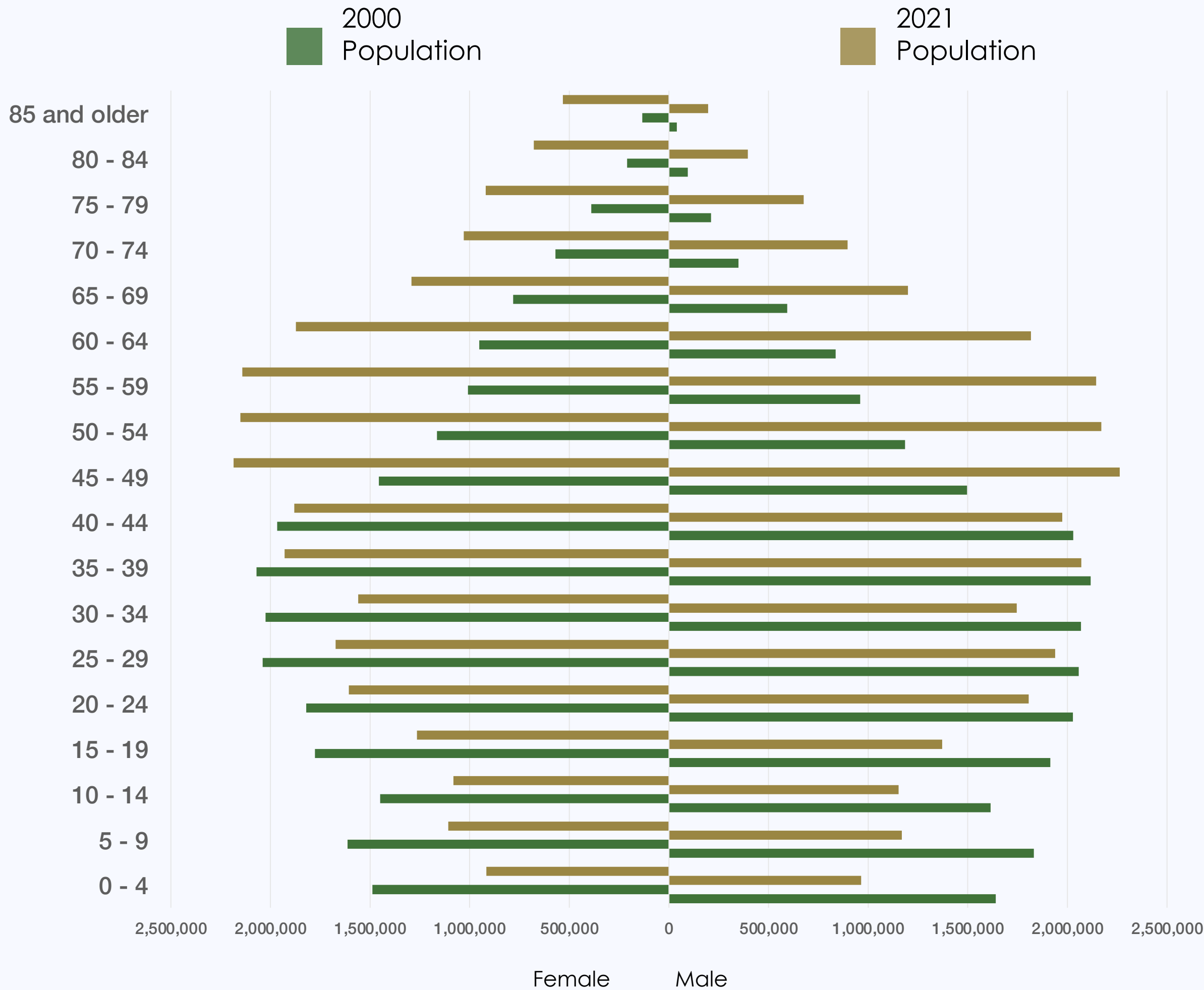
TECHNOLOGICAL FACTORS

- World's leading tech innovator in the field of aerospace engineering, biotechnology, and robotics
 - Heavily investing in **emerging technologies** such as 5G and AI to open doors for new industries.

Korea Market Overview

Korean Population Cliff & Pyramid Change

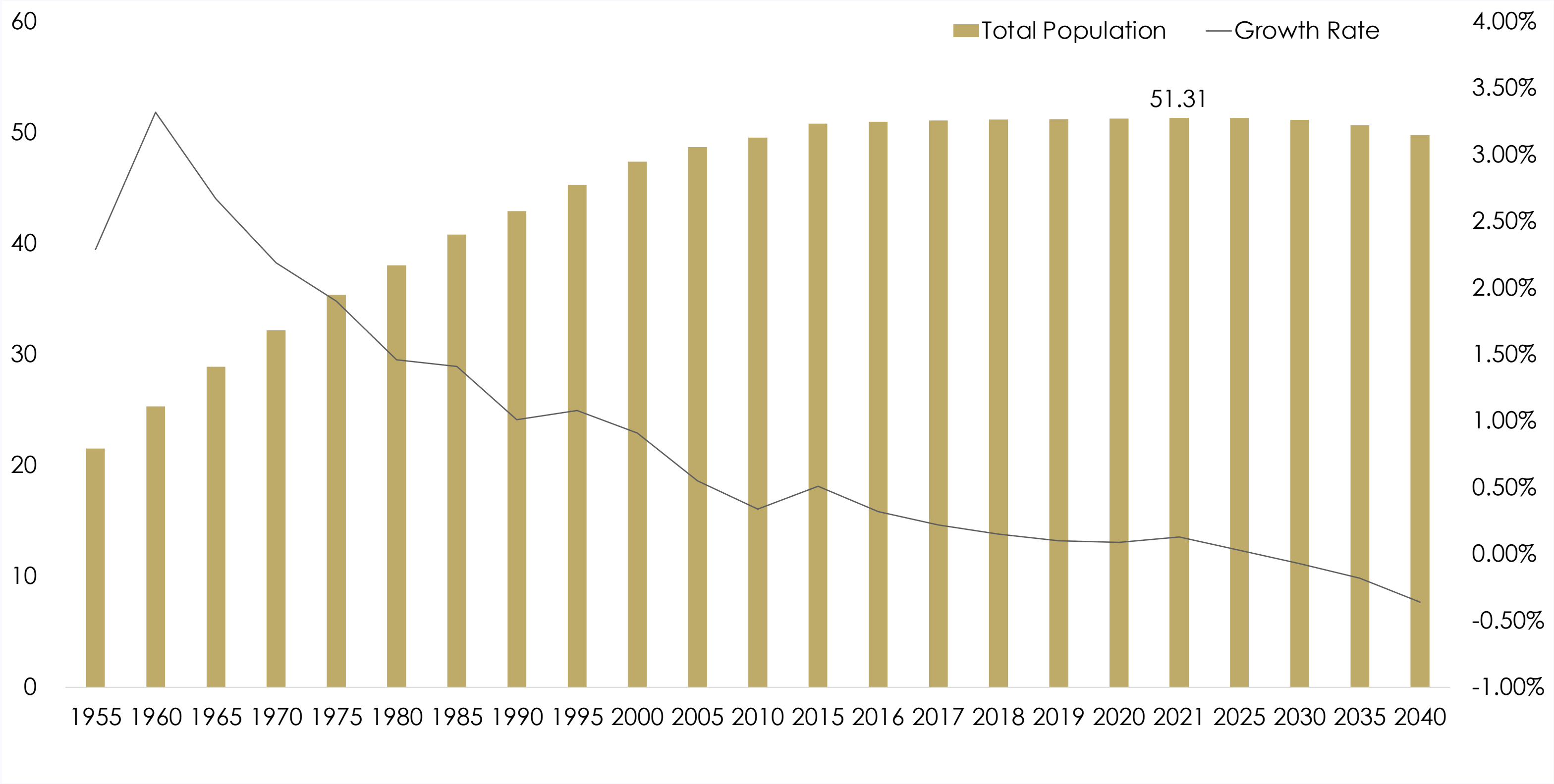
2000 & 2021 POPULATION PYRAMID COMPARISON
(KOSIS; Korea Statistical Information Service)



Korea Market Overview

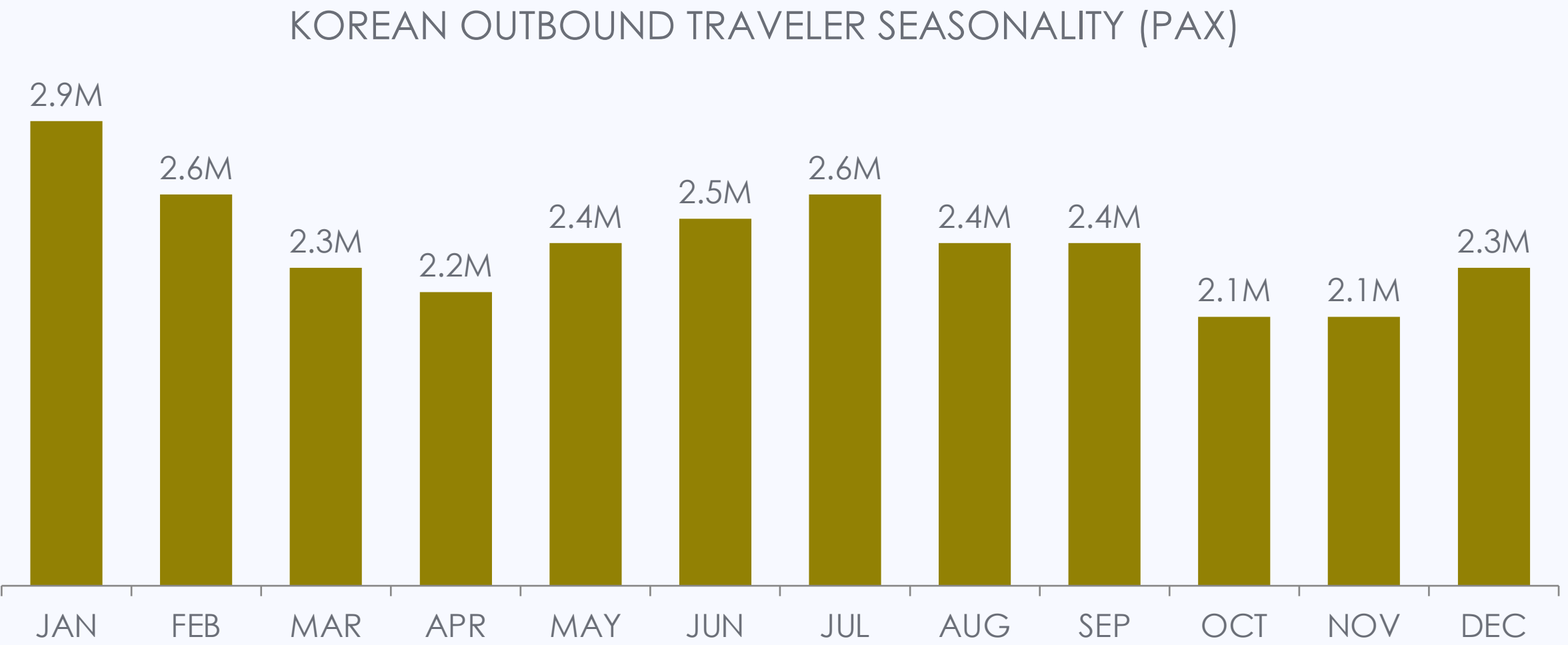
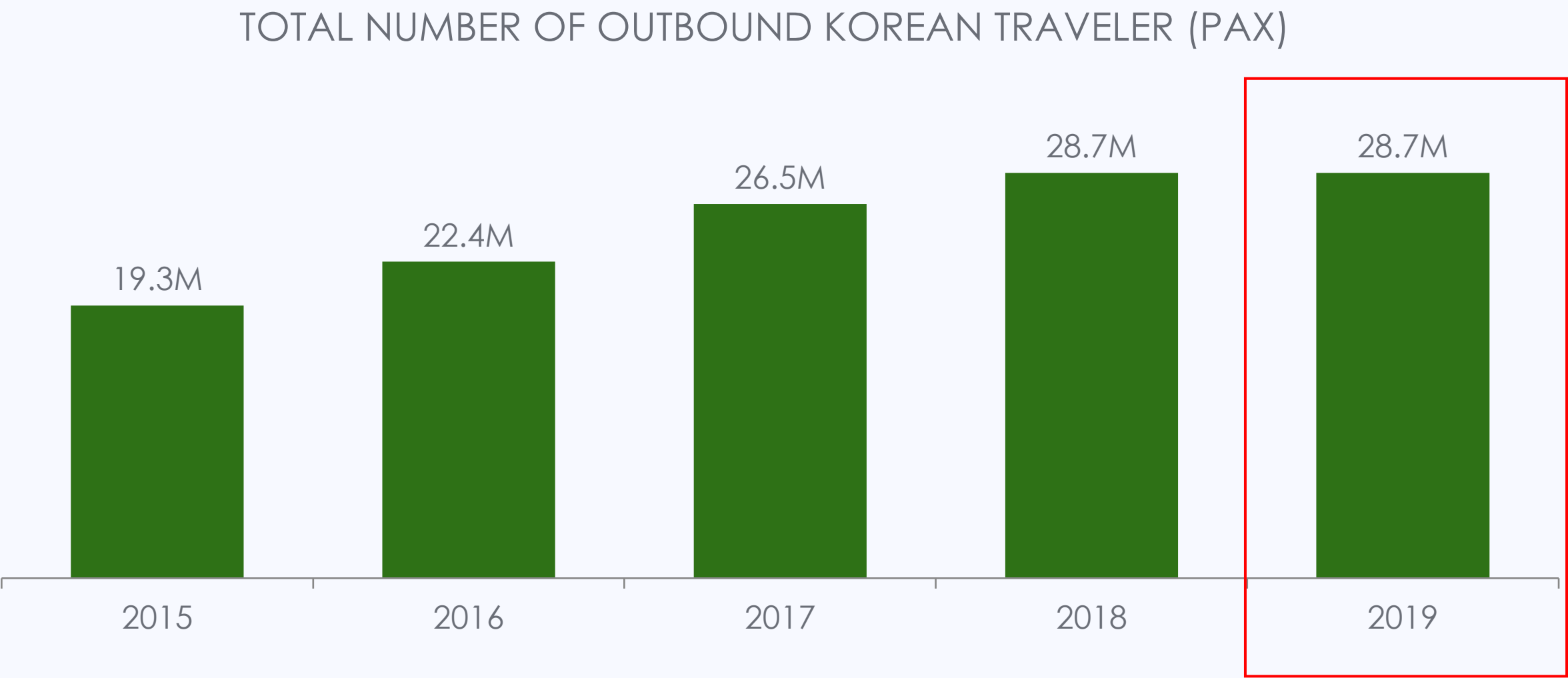
Korean Population Cliff & Pyramid Change

KOREA POPULATION STATUS / PROJECTION
(KOSIS; Korea Statistical Information Service)



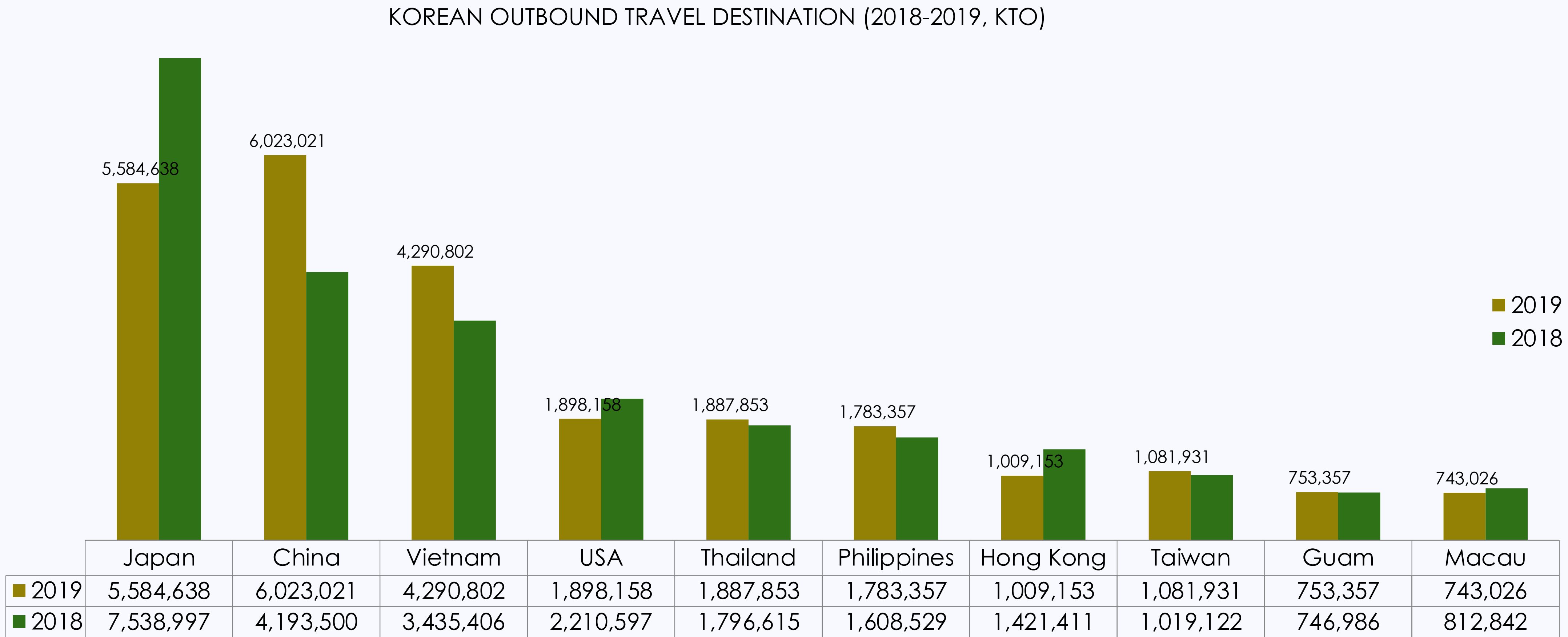
Korea Market Overview

Overall Korea Outbound Travel Market in 2019



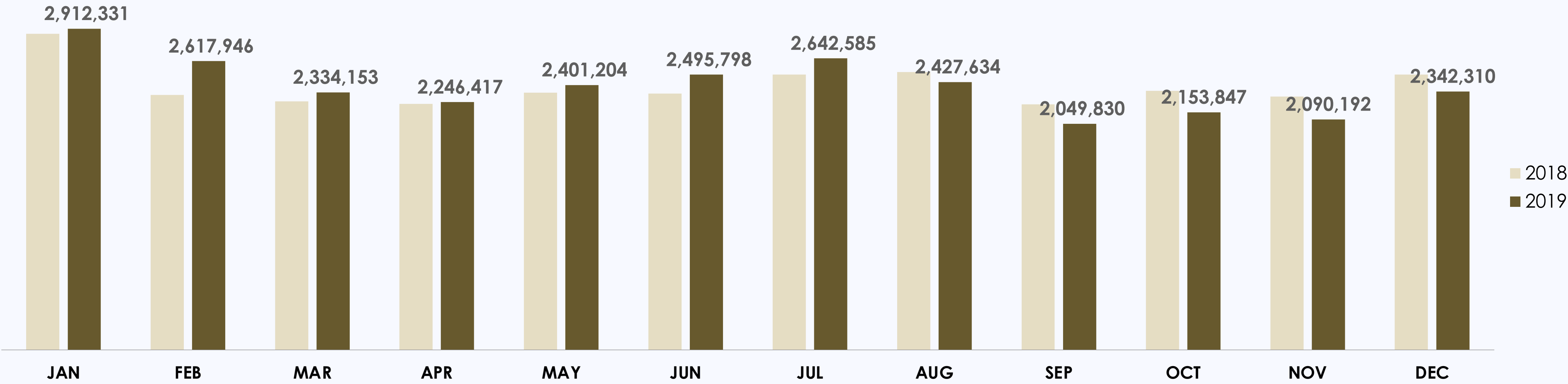
Korea Market Overview

Most Popular Overseas Destination in 2019



Korea Market Overview

Guam Portion out of Total Outbound in 2019



2019	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Total Outbound	2,912,331	2,617,946	2,334,153	2,246,417	2,401,204	2,495,798	2,642,585	2,427,634	2,049,830	2,153,847	2,090,192	2,342,310	28.7M
Guam Visitor	69,288	59,423	53,980	54,072	60,735	62,364	67,866	65,330	61,412	67,124	62,163	71,513	753,357
Market Share (%)	2.4%	2.3%	2.3%	2.4%	2.3%	2.5%	2.6%	2.7%	3.0%	3.1%	3.0%	3.1%	2.6%

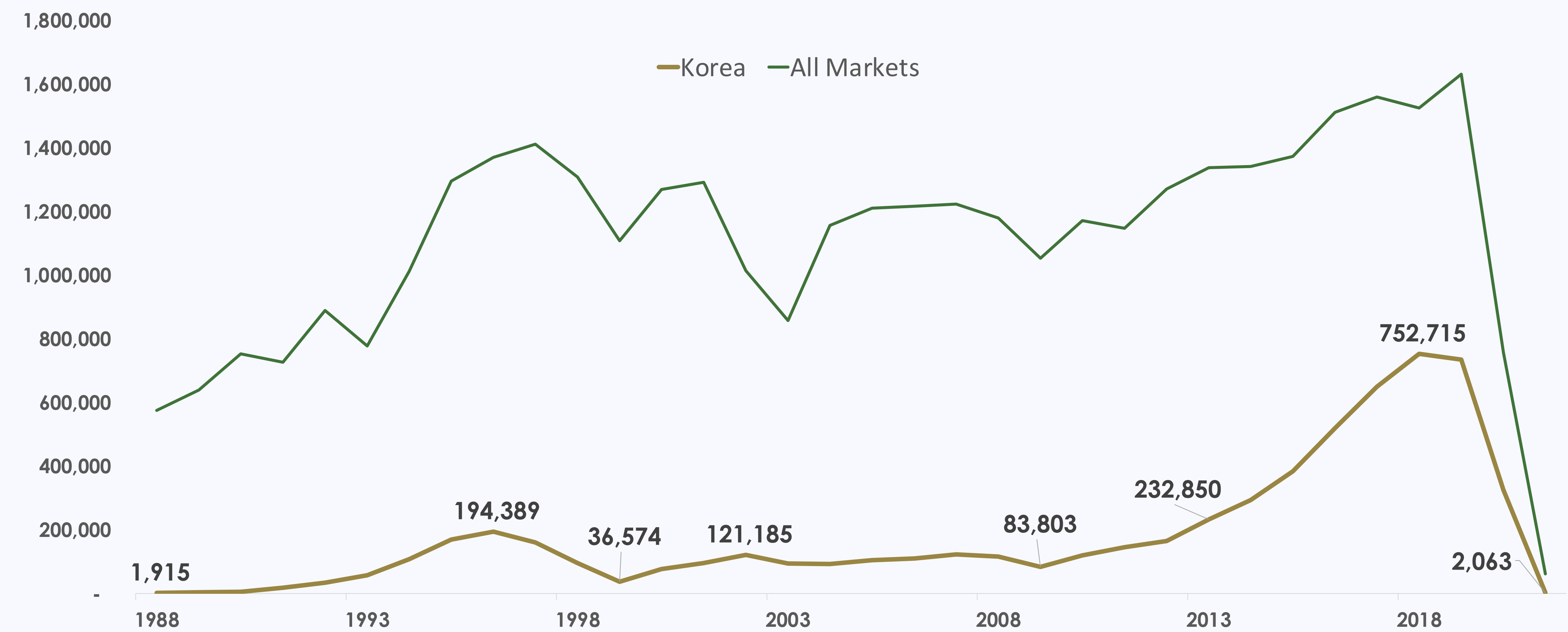
* Reference: Korea Tourism Organization <http://kto.visitkorea.or.kr/kor/notice/data/statis/profit.kto>



KOREA MARKET TO GUAM

Korea Market to Guam History & Profile

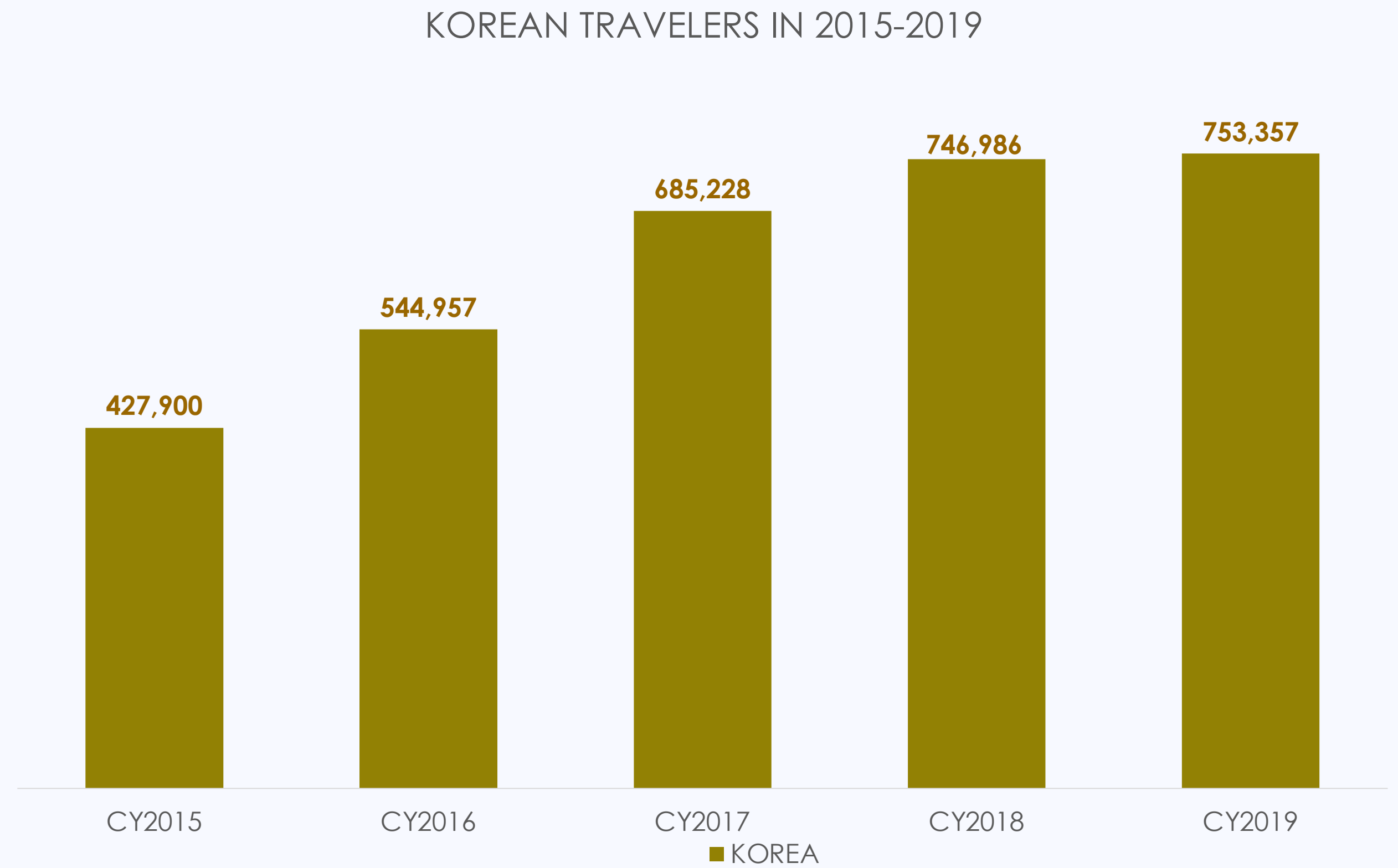
South Korea Arrivals in Guam (FY)



Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau.

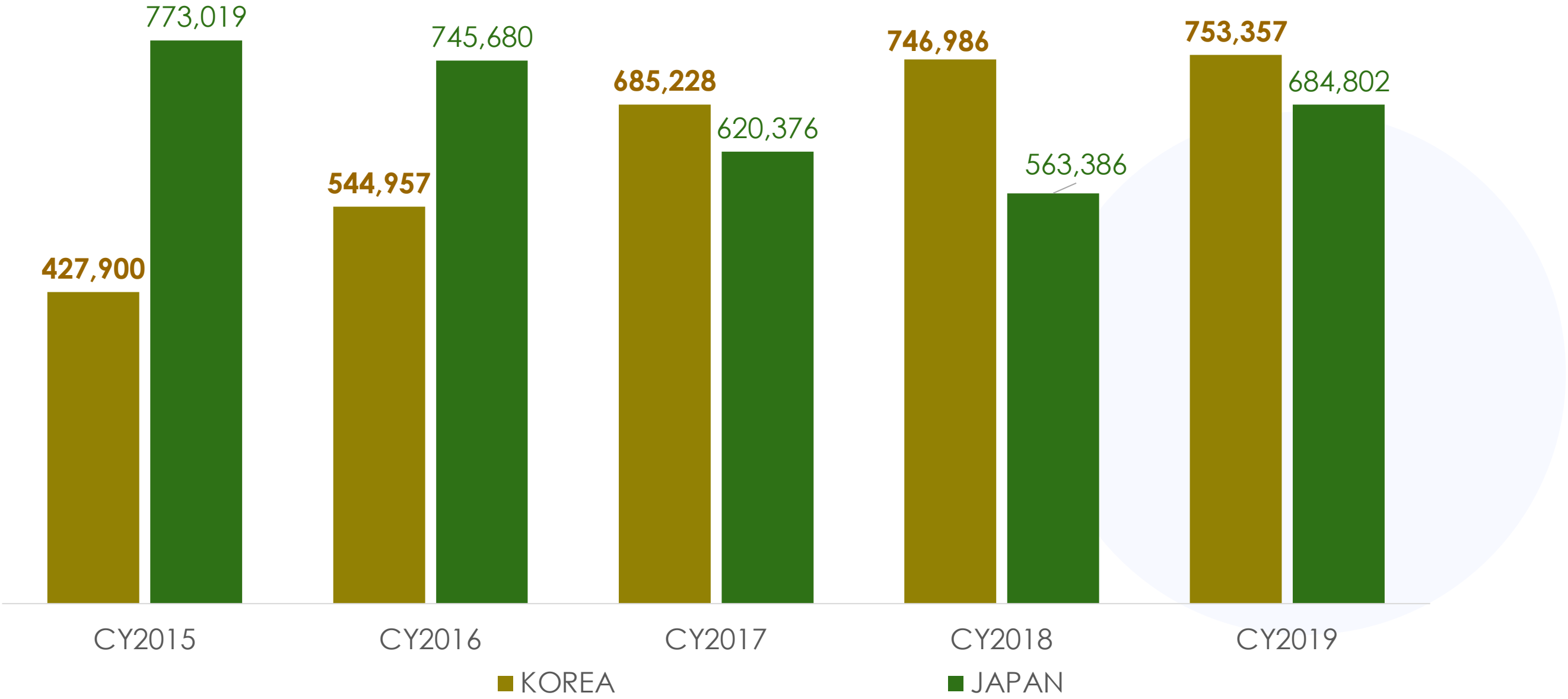
Korea Market to Guam History & Profile

Korean Travelers in 2015 - 2019

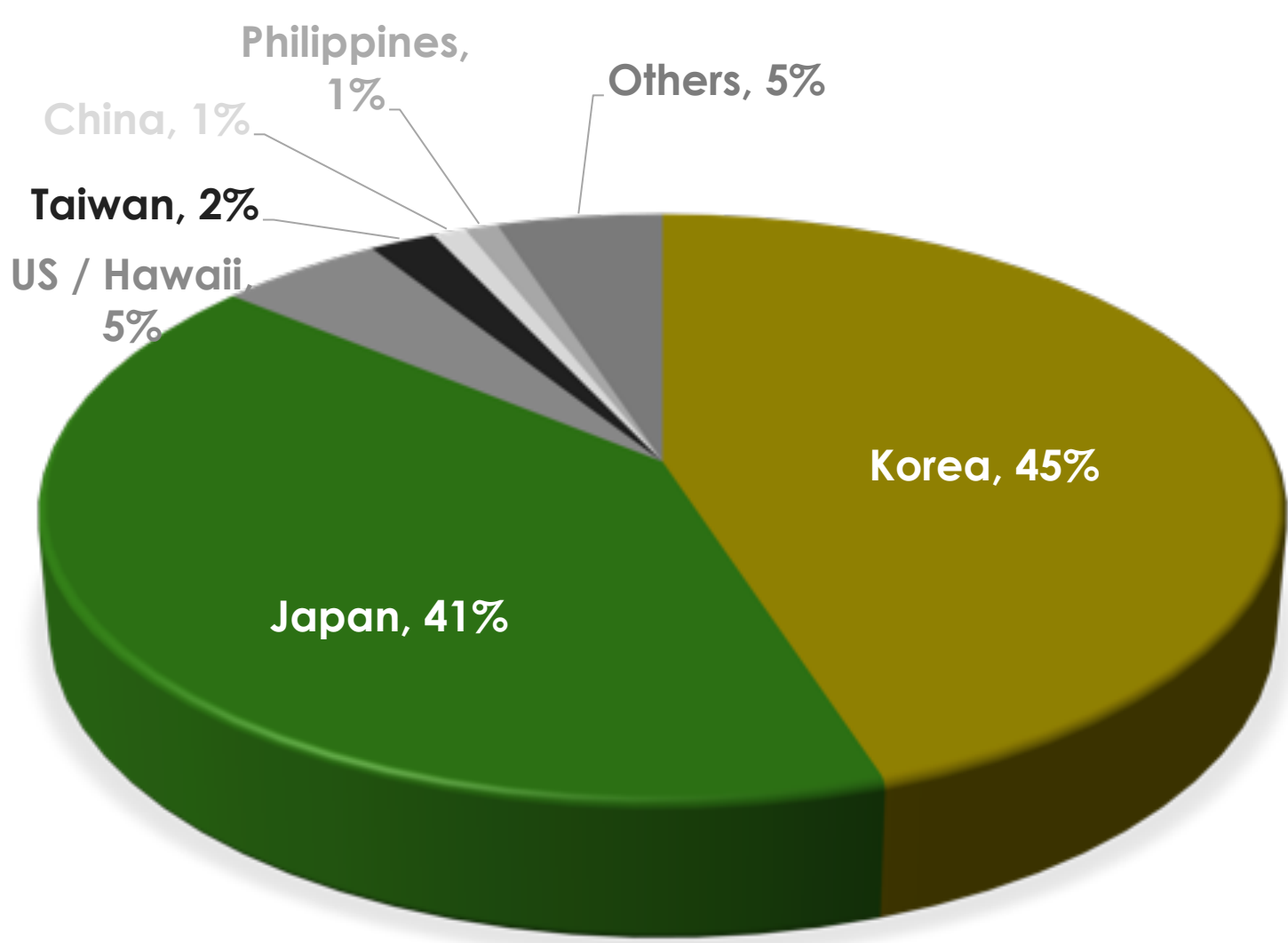


Korea Market Overview

Korea Market Share in Guam Arrival



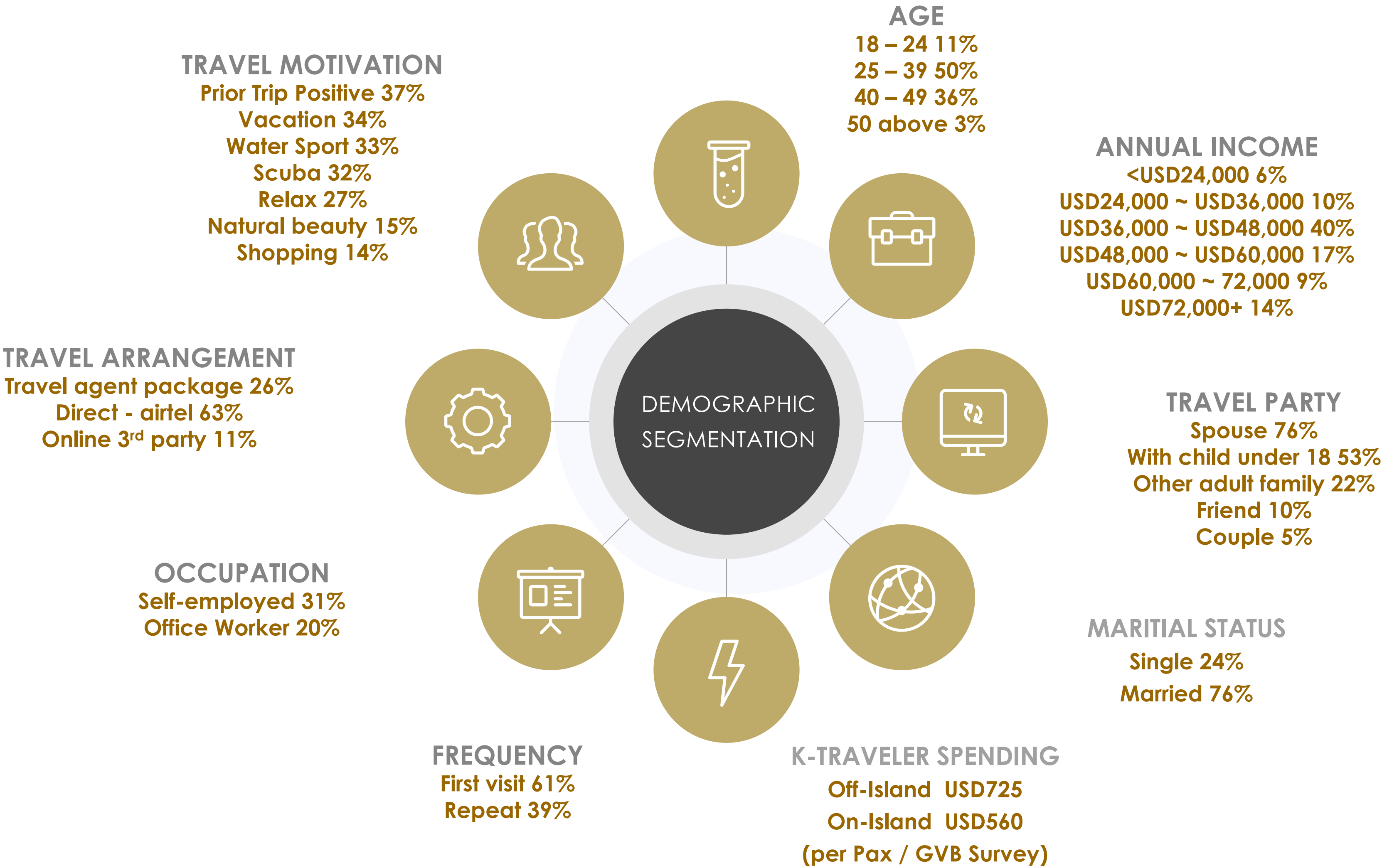
KOREA & JAPAN ARRIVAL COMPARISON



2019 MAJOR MARKET SHARE

Korea Market Overview

Guam Market Profile in 2019



A photograph of a sailboat on a body of water during sunset or sunrise. The sky is a mix of blue and orange, with scattered clouds. The water is calm, reflecting the boat and the sky. The text 'QUARANTINE EXEMPTION & PROTOCOL' is overlaid in white, bold, sans-serif font across the middle of the image.

QUARANTINE EXEMPTION & PROTOCOL

Quarantine Exemption Policy & Protocol

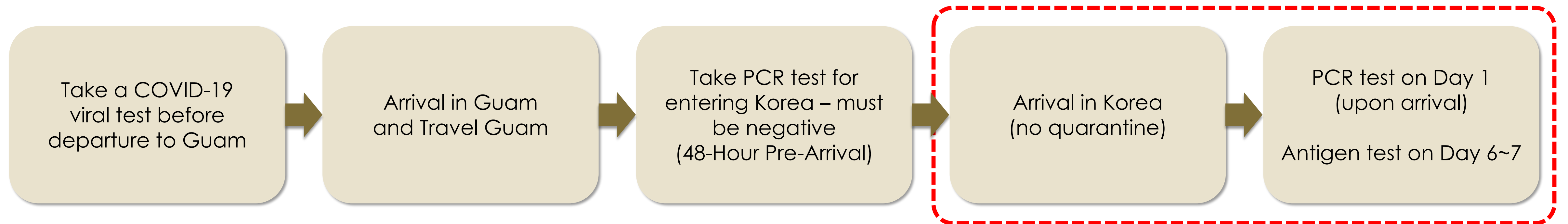
Quarantine Protocol Update: Travel Between Korea - Guam

April 1, 2022~



If I am Vaccinated in Korea (Nationals, Foreigners) or registered on COOV

If I am Vaccinated in overseas and registered vaccination history via Q-code (Foreigners): [Q-code - Quarantine covid19 defence \(kdca.go.kr\)](https://kdca.go.kr/q-code)

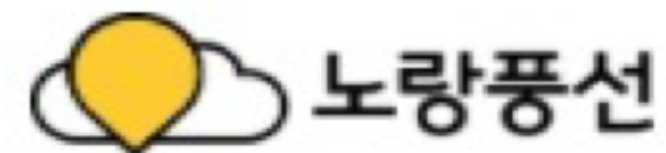


Quarantine Exemption Policy & Protocol

B2B / B2C Sentiment

Travel trade partners all preparing for the full-scale marketing with quarantine lift measure

Overseas travel is expected to be activated in earnest with the announcement of quarantine lift measure, which is effective from March 21, and the subsequent marketing promotions of diverse travel agencies.



- Reinforced US products with diverse travel theme
- Ex. Long term / honeymoon / aurora/ living two weeks in US



- Launched new marketing campaign "Dreams come true"
- Ex. Hana Live broadcast, time sale, early bird promotion, Safety&Joy program



- Opened eco-friendly Europe tour (small FIT group)



- Opened 2022 overseas honeymoon promotion
- Provision of benefits for each resort in Maldives

Quarantine Exemption Policy & Protocol

B2B / B2C Sentiment

“The pent-up demand for overseas travel, which has been suppressed due to the mandatory quarantine, is expected to explode as the government announced **quarantine exemption.”**

A collage of news articles and images related to the relaxation of COVID-19 entry restrictions for overseas travelers in South Korea. The central text reads: "The pent-up demand for overseas travel, which has been suppressed due to the mandatory quarantine, is expected to explode as the government announced quarantine exemption." The collage includes headlines such as "21일부터 접종완료한 해외입국자, 7일격리 안해도 된다" (From 21st, vaccinated overseas arrivals don't need 7-day quarantine), "21일부터 해외 입국자 격리 면제...접종이력 등록 필수" (From 21st, quarantine exemption for overseas arrivals...vaccination record registration mandatory), and "21일부터 '백신 접종 완료자', 입국시 7일 면제" (From 21st, 'vaccinated', 7-day exemption at entry). Images show airport scenes with health checks, people in quarantine, and a large airplane.

Quarantine Exemption Policy & Protocol

B2B / B2C Sentiment

Many SNS users strongly express their desire to travel overseas!



“Can I travel without any inconvenience finally?
Excited to enjoy quarantine exemption policy!”



“Wow! This is the very good news I have been longing for!”



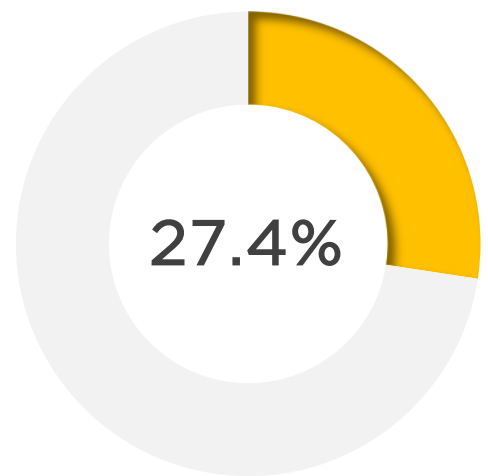
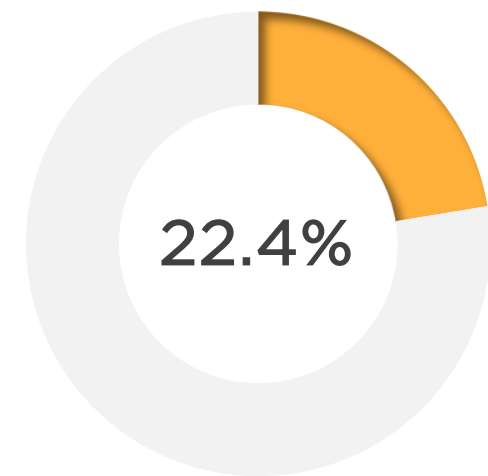
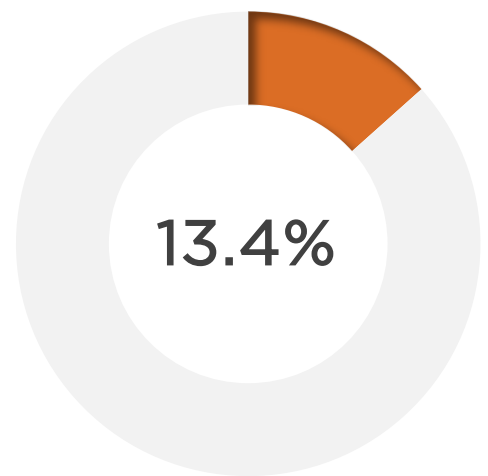
“Finally! Quarantine exemption measure is announced which everyone just waited!”



KOR-GUM AIRLINE SUPPLY PROJECTION

KOR-GUM Airline Supply Projection




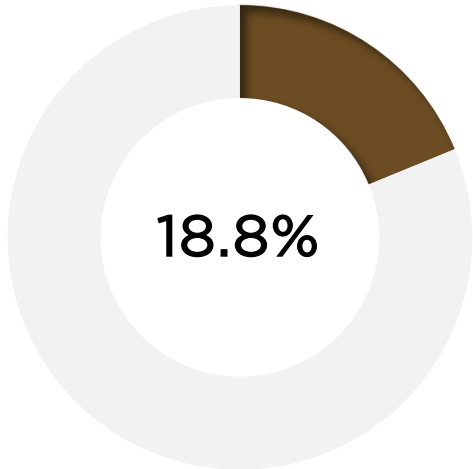
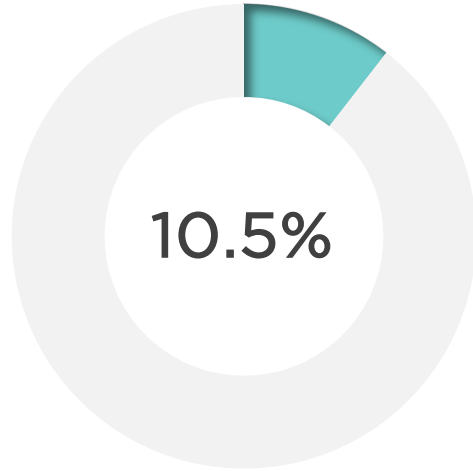
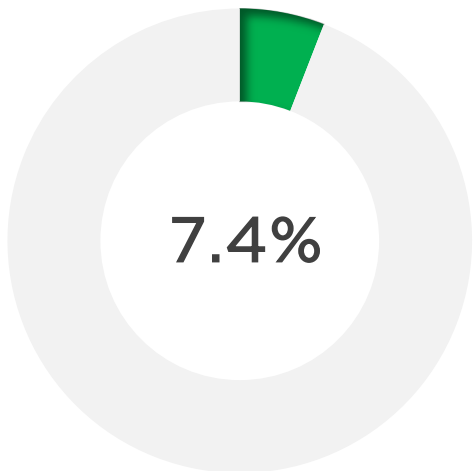
Airline's Specific Update & Operation Plan

	KOREAN AIR	JIN AIR	t'way
CY2022 KOR-GUM Seat Supply & Market Share (%)	 <p>27.4%</p> <p>Korean Air 95,471</p>	 <p>22.4%</p> <p>Jin Air 78,057</p>	 <p>13.4%</p> <p>T'way 46,872</p>
CY2022 Operation plan (KOR-GUM)	<p>[ICN-GUM] March ~ April: 2x weekly May ~ June: 4x weekly July ~ September: Daily</p>	<p>[ICN-GUM] March: weekly, April 17th ~ May: 4x weekly June ~ September: Daily</p> <p>[PUS-GUM] April 16th ~ June: 2x weekly July ~ September: 3x weekly</p>	<p>[ICN-GUM] April 23rd ~: 2x weekly May ~ September: Daily</p>
Issues	<p>✓ Conditional approval of Korean Air-Asiana merger, six other major countries are still reviewing the deal</p> <p>✓ Pursue two-track strategy for the "passenger" business and "freight" business in the wake of post-corona</p>	<p>✓ Progress of Guam promotion following the quarantine release period</p> <p>✓ Planning to operate PUS-GUM route from Apr.16</p> <p>✓ Issue of integration between LCC subsidiaries due to KE-OZ merger</p>	<p>✓ Planning to deploy mid- to long-distance routes such as Singapore, Sydney, Hawaii by introducing new A330-300</p> <p>✓ Considering cargo business</p>

As of March 23

KOR-GUM Airline Supply Projection

Airline's Specific Update & Operation Plan

	<div>  </div>	<div>  </div>	<div>  </div>
<div> <div>CY2022 KOR-GUM Seat Supply & Market Share (%)</div> </div>	<div>  <div> <div>18.8%</div> <div> <div>Jeju Air</div> <div>65,583</div> </div> </div> </div>	<div>  <div> <div>10.5%</div> <div> <div>Air Busan</div> <div>36,740</div> </div> </div> </div>	<div>  <div> <div>7.4%</div> <div> <div>Air Seoul</div> <div>25,935</div> </div> </div> </div>
<div> <div>CY2022 Operation plan (KOR-GUM)</div> </div>	<div> <div> <div>[ICN-GUM]</div> <div>May 5th ~ : 2x weekly</div> <div>June: 4x weekly</div> <div>July ~ September: Daily</div> </div> <div> <div>[PUS-GUM]</div> <div>May ~ September: 2x weekly</div> </div> </div>	<div> <div> <div>[PUS-GUM]</div> <div>April 30th ~ June: 2x weekly</div> <div>July ~ September: 4x weekly</div> </div> </div>	<div> <div> <div>[ICN-GUM]</div> <div>May 4th ~ : 2x weekly</div> <div>June ~ September: 4x weekly</div> </div> </div>
<div> <div>Issues</div> </div>	<div> <div> <div>✓Aggressive marketing for Guam early bird promotion and consumer event</div> <div>✓Operation of Saipan route (2x weekly from Busan from Mar.30)</div> <div>✓Planning to revitalize international flights at local airports such as Busan and Muan</div> </div> </div>	<div> <div> <div>✓Expanded Saipan route (2x weekly from Mar.16)</div> <div>✓No-landing overseas flight operation</div> <div>✓Active promotions for overseas travel with duty-free business</div> </div> </div>	<div> <div> <div>✓Preparing for the operation of Saipan route (2x weekly from Mar.30)</div> <div>✓Various marketing promotions with consumer brand collaboration</div> </div> </div>

KOR-GUM Airline Supply Projection

CY2022 Airline Supply Forecast

**Airline schedule is flexible, subject to change. As of March 23*

ICN - GUM	FLIGHT NO.	CAPACITY	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
KOREAN AIR	KE111	269	0	0	0	0	0	0	0	0	0	8,339	8,070	8,339	24,748
KOREAN AIR	KE113	269	4,968	2,208	2,484	2,152	4,573	4,842	8,339	8,339	8,070	8,339	8,070	8,339	70,723
JEJU AIR	7C3102	189	378	0	0	0	1,512	3,402	5,859	5,859	5,670	5,859	5,670	5,859	40,068
JIN AIR	LJ641/771	189	1,134	756	945	2,457	3,402	5,670	5,859	5,859	5,670	5,859	5,670	5,859	49,140
T'WAY	TW301	189	0	0	0	567	5,859	5,670	5,859	5,859	5,670	5,859	5,670	5,859	46,872
AIR SEOUL	RS101	195	0	0	0	0	1,560	1,755	1,755	1,755	1,560	1,755	1,755	1,755	13,650
AIR SEOUL	RS103	195	0	0	0	0	0	1,755	1,755	1,560	1,755	1,755	1,755	1,950	12,285
ASIANA AIR	OZ607	188	0	0	0	0	0	0	0	0	0	0	0	0	0
ICN - GUM TOTAL			6,480	2,964	3,429	5,176	16,906	23,094	29,426	29,231	28,395	37,765	36,660	37,960	257,486

PUS - GUM	FLIGHT NO.	CAPACITY	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
JEJU AIR	7C3154	189	0	0	0	0	1,512	1,701	1,701	1,512	1,701	5,859	5,670	5,859	25,515
JIN AIR	LJ647	189	0	0	0	945	1,701	1,512	2,457	2,646	2,268	5,859	5,670	5,859	28,917
AIR BUSAN	BX614	220	1,100	0	0	220	1,980	1,760	3,960	3,740	3,740	6,820	6,600	6,820	36,740
PUS - GUM TOTAL			1,100	0	0	1,165	5,193	4,973	8,118	7,898	7,709	18,538	17,940	18,538	91,172

KOR-GUM	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
KOR - GUM TOTAL	7,580	2,964	3,429	6,341	22,099	28,067	37,544	37,129	36,104	56,303	54,600	56,498	348,658
KOR - GUM ACTUAL ARRIVAL	841	311											1,152
LF %	11%	10%											



CY2022 TOTAL SEAT CAPACITY FORECAST (KOR-GUM): 348,658 SEATS

A woman in a traditional hula costume, featuring a yellow strapless top and a dark, fringed skirt, stands on a beach. She has a flower in her hair and is holding a bouquet. The background shows a lush green hillside and a body of water under a warm, golden sunset sky. The text "KOREA MARKET STRATEGY & MARKETING PLAN" is overlaid in white, bold, sans-serif font across the middle of the image.

KOREA MARKET STRATEGY & MARKETING PLAN

Korea Market Strategy & Marketing Plan
#GuamAgain Campaign



Guam Again from
**Beautiful
Nature**



Guam Again from
**Chamorro
Culture**



Guam Again from
**Exciting
Activity**

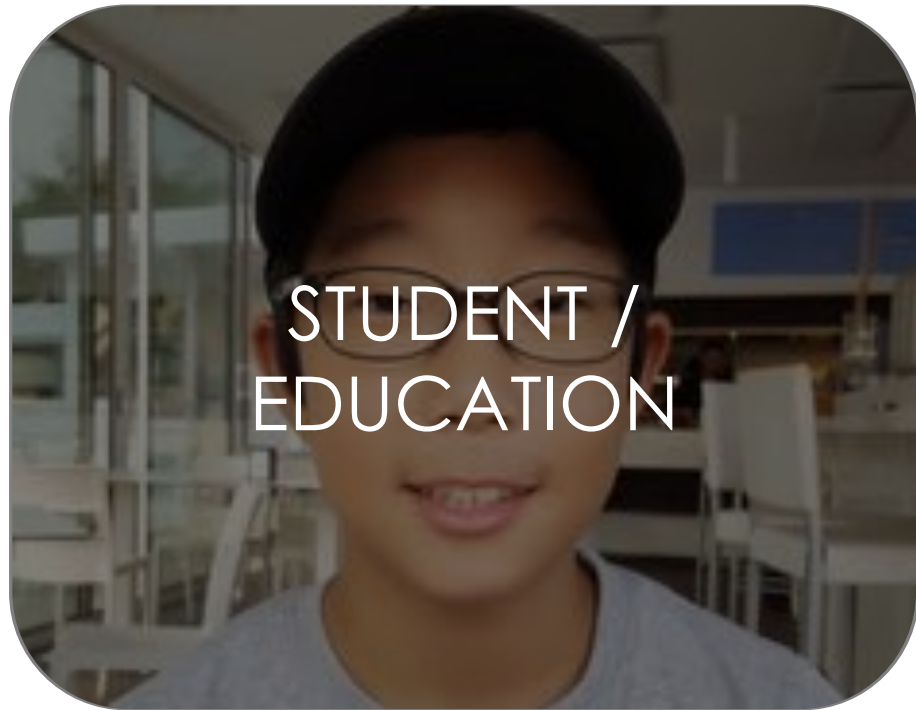


Guam Again from
Your Love

Guam has safe protocols with high vaccination and Guam is ready to welcome visitors again!
#GuamAgain

Korea Market Strategy & Marketing Plan

Primary Target Market



Korea Market Strategy & Marketing Plan

FY2022 Q3-Q4 Strategy

>MAR ~ APR



Warming Up &
Market Test
Period

- Korean government, COVID19 related policy, quarantine protocol still unstable
- Monitoring competitors' activities and communicating with trade partners

OBJECTIVE:
Maximize awareness
of Guam travel is
in line with our USPs

>MAY ~ JUN



Recovery Period

- Expect easier quarantine protocol for overseas travel
- Airlines will expand / increase international flights
- Focus on support trade partners

OBJECTIVE:
Increase the number
of direct flights from
Korea to Guam

>JUL ~ AUG



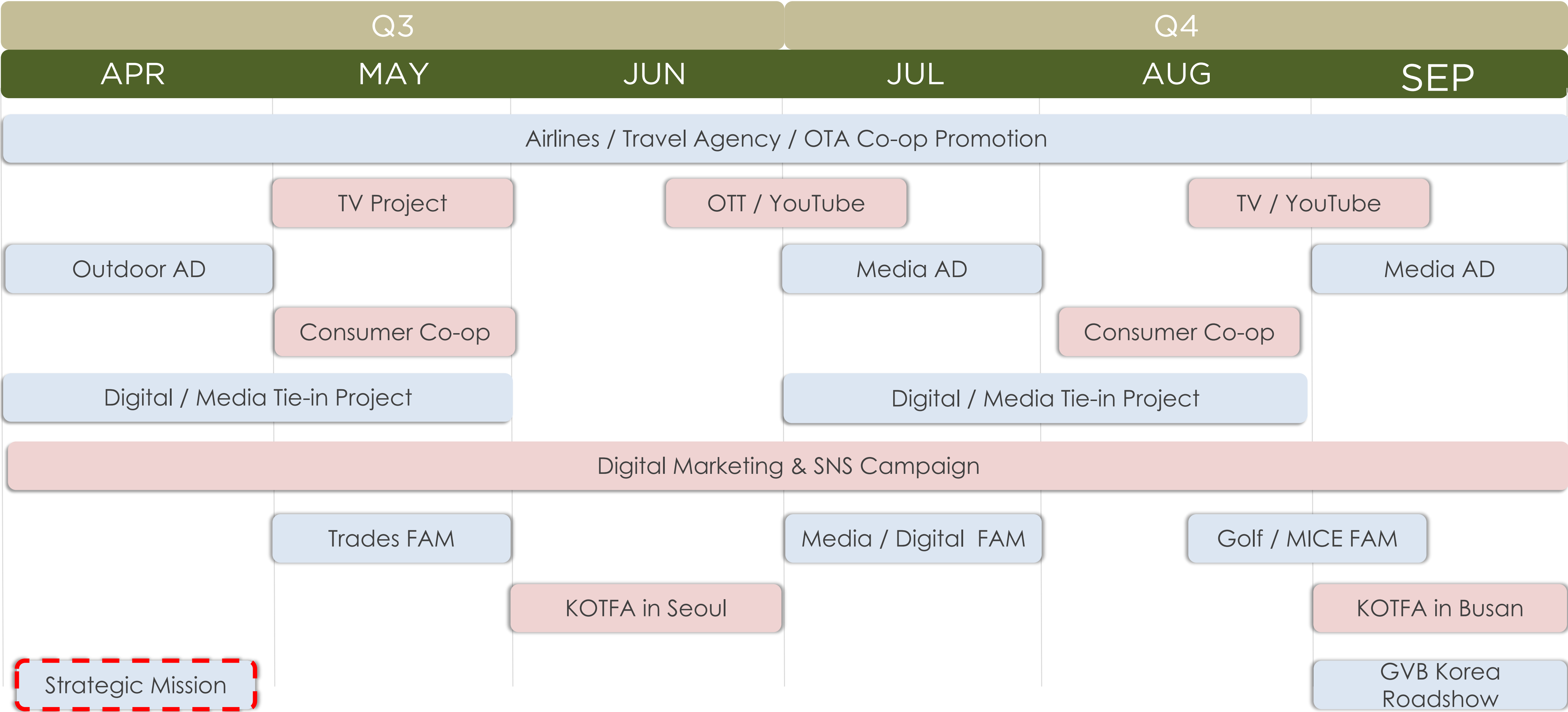
Boost Up Period

- Expect unrestricted overseas travel for summer vacation since 2020 JAN
- Implement proactive marketing project for both B2B and B2C

OBJECTIVE:
Maximize market
share among the
competitive
destinations and
expand the target
market segments

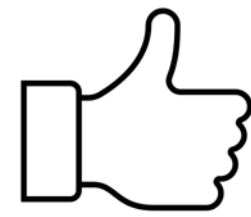
Korea Market Strategy & Marketing Plan

FY2022 Q3-Q4 Marketing Plan



Key Points for "Guam Again": Tourism Recovery

01



Fully Lift Quarantine

**Easier PCR test
requirement for
oversea arrivals**

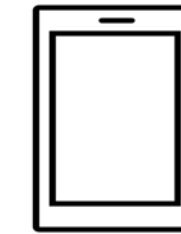
02



Seat Capacity

**Recover airline seat
supply &
increase/maximize
seat capacity
(still 50% level vs. 2019)**

03



Proactive Marketing

**Support airlines and travel
agencies** for promotion
and sales
**Co-op with media,
consumer brand, and
digital influencers** to
optimize Guam's brand
awareness.

Si Yu'os Ma'åse'

*Presented by
Ho S. EUN, GVB Korea Market Committee Chairman*

