

KOREA MARKETING COMMITTEE MEETING MINUTES
3:30 PM - Tuesday, February 15, 2022
GVB Main Conference Room
Gotomeeting - Virtual Conference Call

<u>Members Present:</u>	<u>Observers:</u>
<ol style="list-style-type: none"> 1. GVB Chairman - Milton Morinaga 2. KMC Chairman - Ho Eun 3. KMC Vice Chairman- Ben Ferguson 4. Fish Eye - Akihiro Tani 5. KGTA - Terry Chung 6. P.I.C. - Young Min Kim 7. Lotte Duty Free - Danny Chen 8. Vantage Advertising - Tae S. Oh 9. Baldyga Group - Tae Oh 10. Dusit Thani - Gun Park 11. I.D.C. - Jennifer McFerran 	<ol style="list-style-type: none"> 1. Baldyga Group - Annie Joo 2. Baldyga Group - Mari Oshima 3. Crowne Plaza - Alice Kim 4. Guam Premier Outlets - Monte Mesa 5. Guam Premier Outlets - Suzanne Perez 6. Guam Reef Hotel - Yuki Toshida 7. Hotel Nikko Guam - Jenny Cheon 8. Hotel Nikko Guam - Kazunori Atsuta 9. Hyatt Regency Hotel - Ki Young Kim 10. Jin Air - Hyong Ju Yi 11. Lam Lam Tours - Atsushi Ito 12. Lam Lam Tours - Hiroari Kamimori 13. Lam Lam Tours - Shirata Ichiro 14. Leo Palace Guam - Jong In Cheong 15. Micronesia Mall - Carmen San Nicholas 16. Onward - Miho Causing 17. PMT - Ichiro Shirata 18. Sentry Hospitality LLC - Valerie Blas 19. Sheraton Laguna Guam Resort - Nicole Han 20. The Tsubaki Tower - JM Suh 21. The Tsubaki Tower - Hiromi Marsuura 22. Tommy Hilfiger - Jenneth Patricio 23. Tumon Sands Plaza - Emmalou Cabrera 24. Westin Resort Guam - Hanna Kim 25. Westin Resort Guam - Nick Song 26. Westin Resort Guam - Yoshihisa Otani

<u>Members Absent:</u>	<u>GVB Mgmt. /Staff Present:</u>
<ol style="list-style-type: none"> 1. Hana Tour - In Soo Park 2. 7-Day Supermarket - Young Sook Hong 	<ol style="list-style-type: none"> 1. Vice President - Gerry Perez 2. Director of Global Marketing - Nadine Leon Guerrero 3. Marketing Manager, Korea - Colleen Cabedo 4. Marketing Coordinator, Korea - Margaret Sablan 5. Web & IT Coordinator - AJ Rosario 6. Air Service Development Manager - Brian Borja 7. GVB Korea, Country Manager - Jay Park 8. Next Paper, Account Director - Jessica Ham 9. Next Paper, Digital/PR Manager - Bianca Chu 10. Next Paper, Travel Trade Manager - Damian Lim 11. Next Paper, Marketing Coordinator - Ellie Park 12. GVB Japan, Account Executive - Yusuke Akiba 13. GVB Intern - Elthea Miguel

I. CALL TO ORDER

KMC Chairman Mr. Ho Eun called the meeting to order at 3:30p.m.

II. APPROVAL OF MINUTES

Mr. Gun Park made a motion, seconded by Mr. Young Min Kim to approve the KMC minutes of 01/18/2022. **Motion Approved.**

III. REPORT OF THE CHAIRMAN

- Chairman Eun spoke regarding the halt in Free PCR testing, GVB is currently working on the issue to secure additional funding and resume the program.

IV. REPORT OF MANAGEMENT

- Director of Global Marketing, Nadine Leon Guerrero introduced GVB Marketing Intern Ms. Elthea Miguel to the committee.
- Ms. Leon Guerrero, reiterated the PCR program was halted due to the Omicron issue and the cancellations in flights. GVB is currently supporting the student market PCR testing. Several student groups from Korea have been on island for educational purposes.

- Ms. Leon Guerrero mentioned that the original budget for the PCR program was \$1.6 million. We have spent about \$1.1 million, leaving a balance of a little over \$500,000 to restart the program. GVB acknowledges that once regular flights resume, the current balance will not be enough to sustain the program. GVB is looking for funding to at least match the start amount of the initial program.
- Chairman Eun stated that upon restart of the program, it would be beneficial to determine a timeline - start and end date for all clinics so it is clear to visitors and all parties regarding the duration of testing.
- Ms. Leon Guerrero noted that SDA was in a unique situation, as many travelers had pre-booked with them online, prior to our notification of halting the program. SDA was allowed to honor their prior bookings and continue to offer testing with their issued purchase orders.
- Vice Chairman Ferguson recommended to restart the program immediately and let the visitors who are currently here or for those that will arrive before month's end avail of the PCR testing. Mr. Perez and Ms. Leon Guerrero noted the possibility of that request.
- Mr. Perez stated that as a follow up to what was discussed at the BOD meeting, GVB's goal is to secure funding to offer PCR testing to the end of March 2021. He stated that the Bureau feels encouraged as it was able to receive its full allotment from last quarter.
- Vice Chairman Ferguson would like to have a set date for the resumption of services. Mr. Perez stated that he would discuss with management, but presumes March 01, 2021 as the possible start date.
- Vice Chairman Ferguson stated that we want to be effective in our communication to the markets. Mr. Perez said it will probably happen soon as restrictions have started to ease up in Korea and other source markets. Vice Chairman Ferguson asked if we could possibly start sooner than March 01 and cater to the trickle of visitors who are arriving and reward them as they will have to deal with the established quarantine upon their return to their home country. He is requesting management to come back to the KMC with sooner start date.
- Ms. Leon Guerrero mentioned it is possible to start earlier with the current funds, but based on January arrival numbers it could possibly only last for two weeks. Vice Chairman Ferguson noted that even though arrival numbers were at 6,066, majority of those visitors hailed from the US/Hawaii and would not be availing of the PCR test. Ms. Leon Guerrero clarified that they are still eligible for the testing and some of those visitors do utilize them as Hawaii and other locations may be there final destination.
- Chairman Eun mentioned that since the Government of Japan and the US now allows antigen tests, the actual number could be less than 6,000. Vice Chairman Ferguson mentioned that for the sake of forecasting, it would make sense to isolate numbers from Japan and Korea as they probably make up 90% of those utilizing the testing. Ms. Leon Guerrero agreed with that conclusion. Vice Chairman Ferguson noted that if

we solely utilize Japan and Korea numbers as a baseline for calculation, it would be interesting to see what those numbers would look like.

- Chairman Eun noted that based on Korea and Japan January arrivals numbers which is approximately 1,000 pax times \$150, the funds could possibly last for (3) months till around May 2021.
- Ms. Leon Guerrero noted that we would need to check if the Japan Government would accept our Antigen tests.
- Vice Chairman Ferguson stated that with roughly \$500,000 left in the budget for PCR testing, there is a need to reassess and reallocate funds for the continuation of the program. He stated that it would be safe to restart the program sooner than later with the assumption that GVB is going to figure out some additional funding moving forward. He would like to restart as soon as Monday, February 21st, but understands that management will need to figure out the mechanics for the restart. He asked GVB management to discuss the issue and come back to the KMC with a definitive start date so it can be communicated to all industry partners.
- Mr. Tae S. Oh, inquired whether the \$175 cost was a set price for PCR testing. Ms. Leon Guerrero stated that an inquiry was sent out to all the clinics and a determination was made by our procurement procedures. She noted that in addition to the testing, the clinics have to adhere to certain reporting requirements and complete the process within a certain frame. Mr. Oh asked if GVB was to reinstate the procurement process to come up with a better rate that if that would not be feasible at this point. Ms. Leon Guerrero noted that if Monday, Feb. 21st was the target start date then we would just need to restart the program. The program was not cancelled, GVB had just noted that we would halt it for the time being.
- Mr. Perez added that the \$175 cost was more of the average rate amongst clinics. There were other higher quotes submitted and we were able to depress those numbers and get the clinic to agree to the same price.
- Chairman Eun added that there were some clinics that came with a lower price point, but also had limitations in their offerings and testing, so GVB was not able to select them due to that and their capacity issues. GVB made the decision to select various clinics to achieve a greater capacity and offer more access to visitors.
- Mr. Oh inquired about the prospect of additional funding. Ms. Leon Guerrero said that GVB's situation looked better. Mr. Perez added that after we received our allocation from last quarter, we feel somewhat more confident that we can continue to receive other allocations moving forward. Mr. Oh mentioned that GVB would not want to start the program, then have to halt it after two weeks. Ms. Leon Guerrero mentioned that if we were able to announce a restart we wouldn't be able to announce it further out without it affecting the Korea budget.
- Mr. Perez said we could carry it out to the end of March and if additional funds are found, it could then be added to continue the program. Mr. Oh noted that since the budget at this point is very finite, that strategically it might be better to hold off a few weeks until tourism opens up again. Ms. Leon Guerrero reiterated that was the reason

we initially halted the program. Chairman Eun added that if we base our calculations on January arrival numbers, we can assume that funding will last for about 3 months.

- Ms. Leon Guerrero asked for clarification if the testing was specifically for Japan and Korea or if other markets would be included. Chairman Eun expressed that the process has to be fair and consistent and include all markets. He agreed with Vice Chairman Ferguson to start as early as possible even if there may be a budget issue as we can possibly reconcile with the 3-month time frame that we have now.
- Mr. Terry Chung clarified that if the budget runs out, will GVB would need to stop the PCR Program? Chairman Eun added that it would depend on the situation. As an example, Japan is changing their requirement from PCR to an antigen option. A change in testing would dramatically change the dollar figure amount and costing for GVB. The Korean government could change the requirement as well and the \$175 cost could go down to \$50. He mentioned that it is important to give the signal to Korea and Japan that we are supportive of them and show our sincerity by providing these services. Mr. Chung reiterated the need for a clear time frame rather than just going off budget.
- Mr. Perez added that once the markets start gearing up again, we really need the funds to allocate for that purpose. Ms. Leon Guerrero added that if flights start resuming and we see a sudden influx, will the markets be willing to cut their budgets and allocate to the testing so we can commit to a time frame?
- Chairman Eun reiterated Korea's 7-day quarantine and noted that it may go down. He feels confident that we can restart and commit testing to the end of March or until further notice, while the GVB board decides how to find and transfer additional funding.
- Vice Chairman Ferguson asked Mr. Perez regarding the discussion at the most recent board meeting about management's upcoming proposal on what the new vision will look like. Mr. Perez added that GVB will account for its latest allotments and anticipate similar future allotments. The team will come back to the board regarding the reallocation of funds for the 3rd quarter.
- Vice Chairman Ferguson added that he hopes the Board will discuss the additional funding for PCR testing alongside an assessment of possible reallocation of marketing dollars towards this endeavor.
- Korea Marketing Manager, Colleen Cabedo presented the Korea Arrival numbers for CY2022 and FY2022.
- Korea Country Manager, Jay Park presented an update on Market News, Airline & Industry Intelligence, Destination Comparison, Market Trends and FY2022 Quarter 2 activities.
- Korea Marketing Manager, Colleen Cabedo also presented a breakdown of FY2022 Quarter 3 plans.

KOREA MARKETING COMMITTEE MEETING
FEBRUARY 15, 2022

January 2022 

January 1-31, 2022

Total: 6,066 (+148.7%)

% Market Mix	Origin	2020	2021	2022	% to LY
13.9%	Korea	78,594	104	841	708.7%
3.7%	Japan	60,765	76	223	193.4%
0.3%	Taiwan	2,544	9	17	88.9%
0.3%	China	1,818	10	17	70.0%
60.4%	US/Hawaii	6,462	1,700	3,661	115.4%
4.4%	Philippines	918	189	264	39.7%
0.0%	Hong Kong	291	1	3	200.0%

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

Note: January 2022 Daily Arrivals reflect Civilian Air arrivals only

Fiscal Year to Date 2022



October 2021 - January 31, 2022

Total: 30,861 (+226.5%)

% Market Mix	Origin	2020	2021	2022	% to LY
22.5%	Korea	279,743	261	6,937	2557.9%
4.5%	Japan	242,805	543	1,404	158.6%
0.3%	Taiwan	8,709	77	99	28.6%
0.3%	China	4,097	23	78	239.1%
54.9%	US/Hawaii	28,912	6,554	16,942	158.5%
4.1%	Philippines	7,389	566	1,266	123.7%
0.0%	Hong Kong	1,040	11	11	0.0%

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

Note: January 2022 Daily Arrivals reflect CHMisa Air arrivals only

AGENDA

MARKET NEWS

- COVID-19 Status
- Specific Issues in Korea
- Expected Flow

AIRLINE & INDUSTRY INTELLIGENCE

- Korea Travel Industry Update
- KOR-GUM Airline Schedule Update
- FY/CY2022 Airline Operations Plan

DESTINATION COMPARISON

- Global Tourism Trend
- Competitive Destination Update

MARKET TRENDS

- Potential Market Segment
- Emerging Markets & Sales Channels

OLD BUSINESS - FY2022 ACTIVITIES

NEW BUSINESS - FY2023 ACTIVITIES

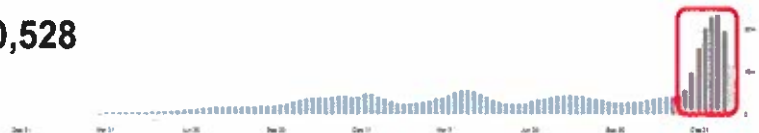


MARKET NEWS

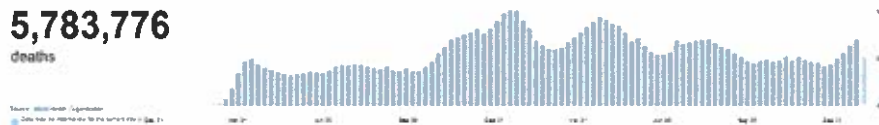


GLOBAL COVID-19 STATUS

404,910,528
confirmed cases



5,783,776
deaths



AMERICA

- The daily average cases are falling in nearly every state while COVID-19 deaths have been on the rise in recent weeks, which seems to surpass 1 million in April.

EUROPE

- Omicron is sweeping across the continent, WHO warning that half of Europe will have caught the Omicron within the next six to eight weeks.

ASIA

- Many countries are facing a similar pattern with COVID-19, a spike in confirmed cases after the widely-celebrated Lunar New Year holidays.

PACIFIC

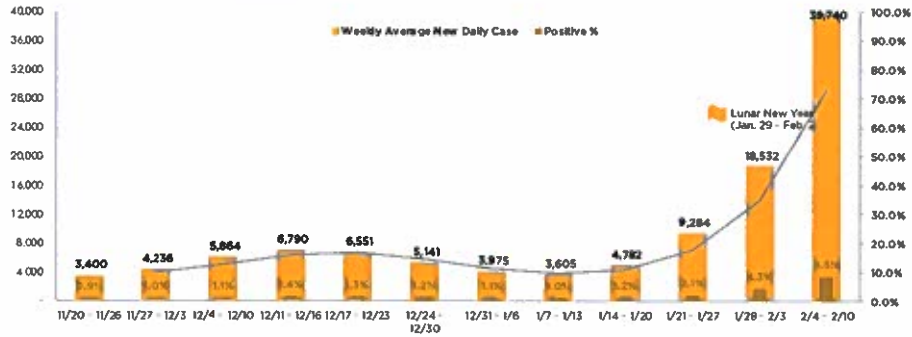
- Despite the well-managed COVID-19 status for nearly 2 years, a record surge in cases is overwhelming hospitals and fragile health systems in the Pacific.

MARKET NEWS



KOREA COVID-19 STATUS

Source: Central Disaster and Safety Countermeasures Headquarters as of February 10

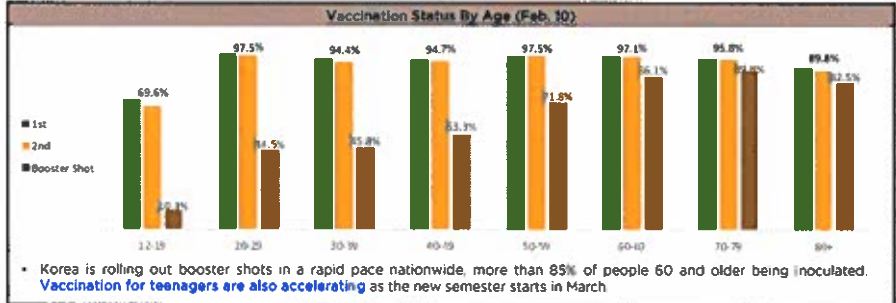
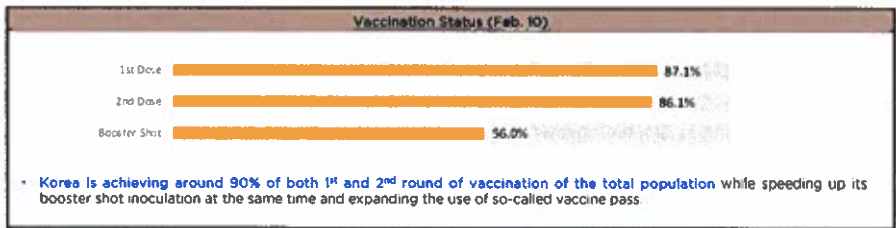


COVID19 Test	Confirmed Case	Death	Vaccination (Age 18+)
130 M	1.2M (0.9%)	6,963 (0.6%)	2 nd Dose: 95.8% Booster: 64.6%

MARKET NEWS



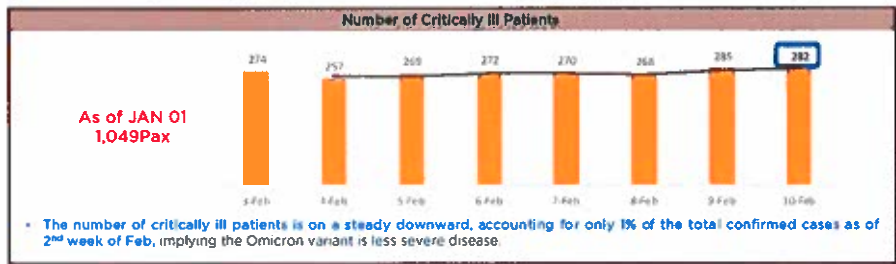
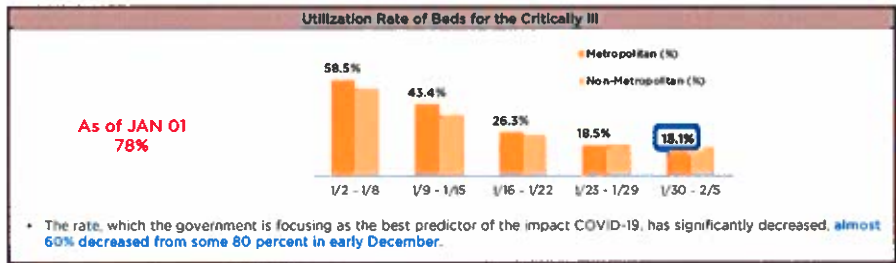
SPECIFIC ISSUES



MARKET NEWS



SPECIFIC ISSUES



MARKET NEWS



SPECIFIC ISSUES (HIGHLIGHT)

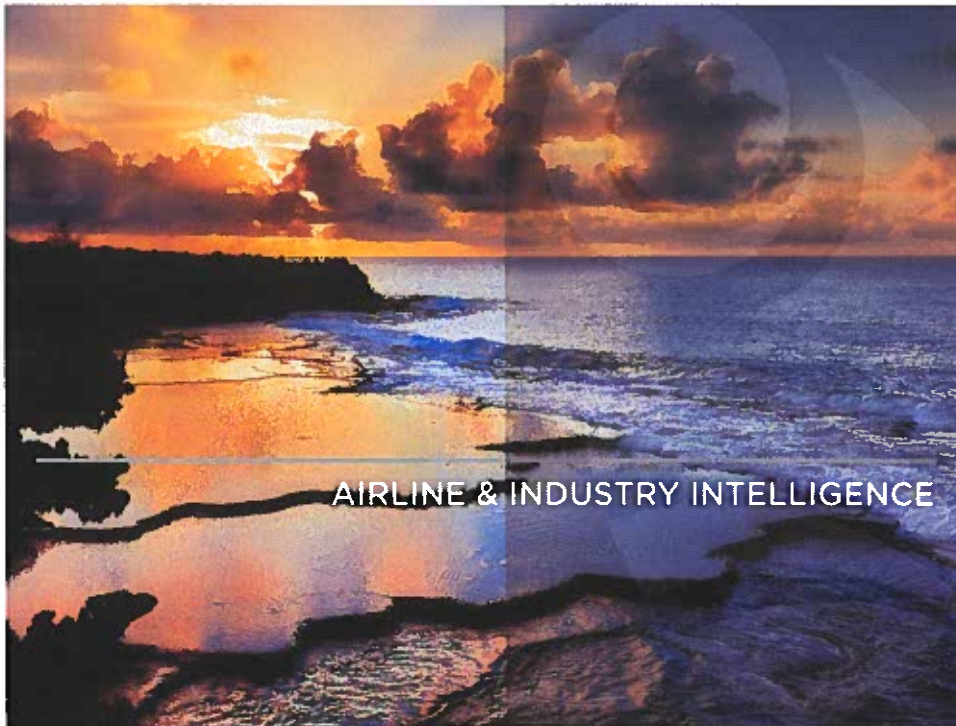
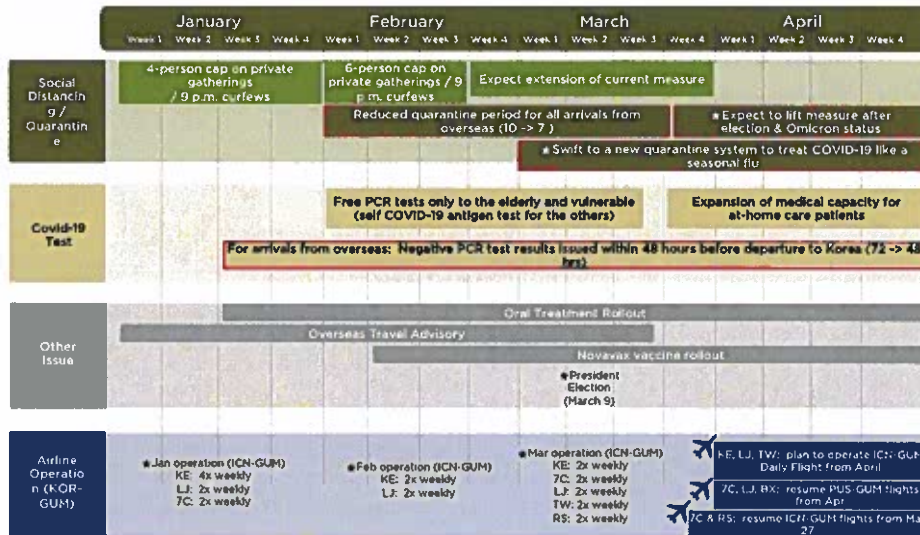
- 01** South Korea hinted at changing the current quarantine system to manage COVID-19 like a **seasonal flu** for the first time, as severe cases decline despite the rapid increase in the spread.
- 02** **Mandatory quarantine period** for all overseas arrivals has been reduced from **10 to 7 days** from February 4, along with the recent changes to the country's pandemic response system.
- 03** **The first oral antiviral pills** Pfizer's Paxlovid, are being dispensed across the country to the elderly and immunocompromised patients for a supplementary measure to stem the spread of infections.
- 04** Korea has switched to a **new COVID-19 management scheme** to focus on **priority groups** and to **prevent the medical system from being overwhelmed** by Omicron cases.

 - Free PCR tests only to the elderly and vulnerable (self COVID-19 antigen test for the others)
 - Do-it-yourself contact tracing

MARKET NEWS



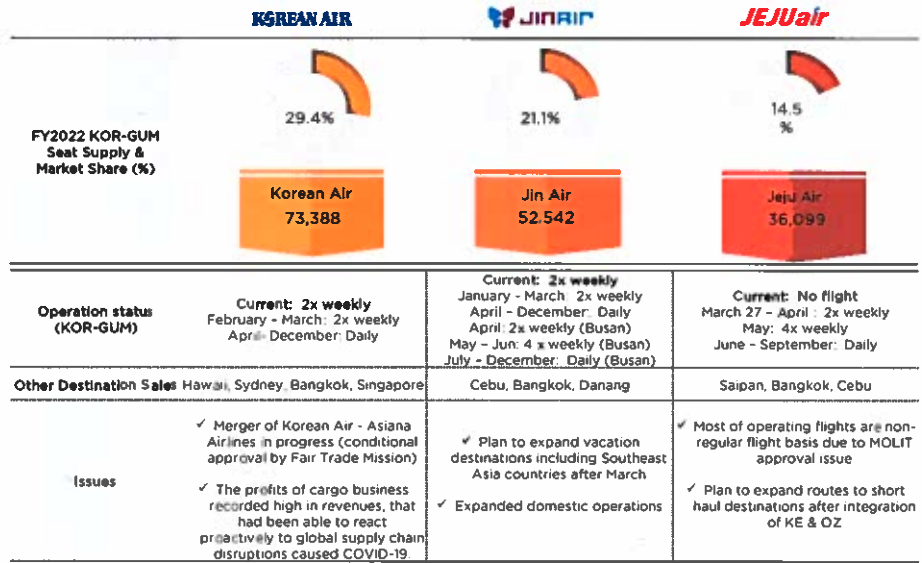
EXPECTED FLOW



AIRLINE & INDUSTRY INTELLIGENCE

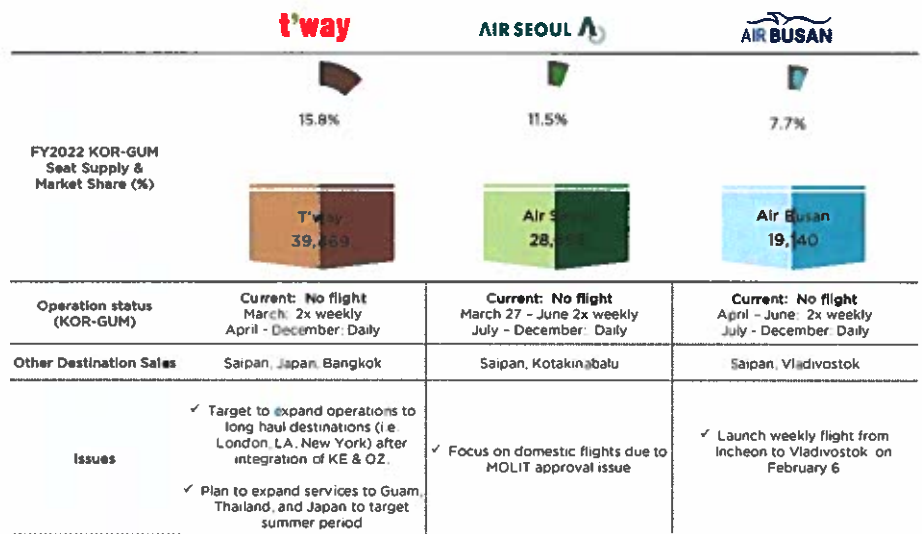
AIRLINE & INDUSTRY INTELLIGENCE 

KOREA TRAVEL INDUSTRY UPDATE: AIRLINE UPDATES



AIRLINE & INDUSTRY INTELLIGENCE 






KOREA TRAVEL INDUSTRY UPDATE: AIRLINE UPDATES



AIRLINE & INDUSTRY INTELLIGENCE



KOREA TRAVEL INDUSTRY UPDATE: TRAVEL AGENCY UPDATES

Travel Agency	Guam Sales Product	Other Destination Sales Product (Focused Destination)	Issue
 Hanatour	<ul style="list-style-type: none"> FIT / Golf / Luxury tour Top sales product: ICN-GUM airtel (Sheraton, \$1,209-) 	Saipan, Hawaii, Bangkok	<ul style="list-style-type: none"> Business partnership with Vietnamese company to expand tourism infrastructure in southern Vietnam MOU with an official agent of World Cup hospitality program for 2022 Qatar World Cup
 MODETOUR	<ul style="list-style-type: none"> FIT / Golf tour 	Australia, Saipan, Singapore	<ul style="list-style-type: none"> One CEO system by CEO Song Mi Sun MOU with the top online shopping platform Market Kurly, for the travel product supply MOU with Gallery K for special product development with art
 노랑풍선	<ul style="list-style-type: none"> FIT / Family / Luxury tour Top sales product: ICN-GUM airtel (PIC, \$1,290-) 	Europe, Saipan, Australia	<ul style="list-style-type: none"> Reinforcement of its competitiveness by recruiting industry experts. Kim Jin-guk as a new CEO (former CEO of Hana Tour)
 INTERPARK Tour	<ul style="list-style-type: none"> FIT / Golf / Luxury tour Top sales product: ICN-GUM package (Nikko, \$649-) 	Thailand, Philippines, Australia, Saipan	<ul style="list-style-type: none"> Will launch the cheapest package product to Bangkok and the Philippines (\$299-) Local live online tour to Barcelona, France, Istanbul, Austria, Hong Kong (\$16 -) Takeover deal with Yanolja
 KYO WON	<ul style="list-style-type: none"> FIT / Luxury tour 	Saipan, Phuket, Chiang Mai	<ul style="list-style-type: none"> Record-high home shopping sales to Saipan (6,700 calls)

AIRLINE & INDUSTRY INTELLIGENCE



KOR-GUM AIRLINE SCHEDULE - FEBRUARY

Incheon - Guam *Airline schedule is flexible, subject to change.

Airlines	Flight No.	Days	DEP Time	ARR Time	Seat Capacity
Korean Air	KE113	THU/SUN	9:00	14:20	2,208
Jin Air	LJ641	FEB 4,11,18,25	9:35	14:50	756
TOTAL					2,964

 **TOTAL OUTBOUND SEAT CAPACITY (FEBRUARY): 2,964 SEATS**

AIRLINE & INDUSTRY INTELLIGENCE



KOR-GUM AIRLINE SCHEDULE - MARCH

• Incheon - Guam

*Airline schedule is flexible, subject to change.

Airlines	Flight No.	Days	DEP Time	ARR Time	Seat Capacity
Korean Air	KE113	THU/SUN	9:00	14:20	2,484
Jeju Air	7C3102	THU/SUN (Mar 27-)	9:00	14:30	378
Jin Air	LJ641	TUE/FRI	9:35	14:50	1,701
T'way	TW301	WED/SAT	18:00	23:30	1,701
Air Seoul	RS101	THU/SUN (Mar 27-)	20:45	02:15(+1)	390
	RS103	WED/SAT (Mar 30-)	09:50	15:10	195
TOTAL					6,849



TOTAL OUTBOUND SEAT CAPACITY (MARCH): 6,849 SEATS

AIRLINE & INDUSTRY INTELLIGENCE



FY2022 AIRLINE OPERATION PLAN

*Airline schedule is flexible, subject to change.

ICN - GUM	FLIGHT NO.	CAPACITY	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
KOREAN AIR	KE111	276	3,998	4,524	2,349	0	0	0	0	0	0	0	0	0	10,871
KOREAN AIR	KE113	276	0	0	2,349	4,968	2,208	2,484	8,280	8,556	8,280	8,556	8,556	8,280	62,517
JEJU AIR	7C3102	189	0	378	756	378	0	378	1,512	3,213	5,670	5,859	5,859	5,670	29,673
JIN AIR	LJ641/771	189	1,512	1,890	1,890	1,134	756	1,701	8,670	5,859	5,670	5,859	5,859	5,670	43,470
T'WAY	TW301	189	945	1,480	756	0	0	1,701	5,670	5,859	5,670	5,859	5,859	5,670	39,469
AIR SEOUL	RS101	195	0	0	0	0	0	390	1,560	1,755	1,755	6,045	6,045	5,850	23,400
AIR SEOUL	RS103	195	0	0	0	0	0	195	1,755	1,560	1,755	0	0	0	5,265
ASIANA AIR	OZ607	188	0	0	0	0	0	0	0	0	0	0	0	0	0
ICN - GUM TOTAL			6,455	8,272	8,100	6,480	2,964	6,849	24,447	26,802	28,800	32,178	32,178	31,140	214,665

PUS - GUM	FLIGHT NO.	CAPACITY	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
JEJU AIR	7C3154	189	0	0	0	0	0	0	0	0	1,512	1,701	1,512	1,701	6,426
JIN AIR	LJ647	189	0	0	0	0	0	0	0	0	1,701	2,457	2,846	2,268	9,072
ASIANA AIR	BI614	288	0	0	880	1,100	0	0	1,980	1,980	1,760	3,960	3,740	3,740	19,140
PUS - GUM TOTAL			0	0	880	1,100	0	0	1,980	1,980	4,973	8,118	7,896	7,709	34,638

KOR - GUM	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
KOR - GUM TOTAL	6,455	8,272	8,980	7,580	2,964	6,849	26,427	28,782	33,773	40,296	40,076	38,849	249,303
KOR - GUM ACTUAL ARRIVAL	995	3,552	1,421	841									6,909
LF %	15%	44%	16%	11%									



FY2022 TOTAL SEAT CAPACITY (KOR-GUM): 249,303 SEATS

AIRLINE & INDUSTRY INTELLIGENCE



CY2022 AIRLINE OPERATION PLAN

*Airline schedule is flexible, subject to change.

ICN - GUM	FLIGHT NO	CAPACITY	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
KOREAN AIR	KE111	276	0	0	0	0	0	0	0	0	0	8,556	8,280	8,556	25,392
KOREAN AIR	KE113	276	4,968	2,208	2,484	8,280	8,556	8,280	8,556	8,280	8,556	8,280	8,556	8,556	85,560
JEJU AIR	7C3102	189	378	0	378	1,512	3,213	5,670	5,859	5,859	5,670	5,859	5,670	5,859	45,927
JIN AIR	LJ641/771	189	1,134	756	1,701	5,670	5,859	5,670	5,859	5,859	5,670	5,859	5,670	5,859	55,566
T'WAY	TW301	189	0	0	1,701	5,670	5,859	5,670	5,859	5,859	5,670	5,859	5,670	5,859	53,676
AIR SEOUL	RS101	195	0	0	390	1,560	1,755	1,755	6,045	6,045	5,850	6,045	5,850	6,045	41,340
AIR SEOUL	RS103	195	0	0	195	1,755	1,560	1,755	0	0	0	0	0	0	5,265
ASIANA AIR	OZ607	188	0	0	0	0	0	0	0	0	0	0	0	0	0
ICN - GUM TOTAL			6,480	2,964	6,849	24,447	26,802	28,800	32,178	32,178	31,140	40,734	39,420	40,734	312,726

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	0	1,512	1,701	1,512	1,701	1,701	1,512	1,701	11,340
JIN AIR	LJ647	189	0	0	0	0	0	1,701	2,457	2,646	2,268	2,457	2,457	2,457	16,443
AIR GUMAU	8N614	330	1,300	0	0	1,980	1,980	1,760	3,960	3,740	3,740	3,960	3,740	3,740	29,700
PUS - GUM TOTAL			1,300	0	0	1,980	1,980	4,973	8,118	7,898	7,709	8,118	7,709	7,898	57,483

KOR-GUM	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
KOR - GUM TOTAL	7,580	2,964	6,849	26,427	28,782	33,773	40,296	40,076	38,849	48,852	47,129	48,632	370,209
KOR - GUM ACTUAL ARRIVAL	841												841
LF %	11%												



CY2022 TOTAL SEAT CAPACITY (KOR-GUM): 370,209 SEATS



DESTINATION COMPARISON



GLOBAL TOURISM TREND: DIRECT COMPETITOR UPDATE (QUARANTINE PROTOCOL)

	GUAM & HAWAII	CNMI	Thailand	Philippines	Singapore
Pre-departure Testing	Viral test within 1 day before departure *Children aged under 2 exempted		RT-PCR test within 3 days before departure *Children aged under 6 exempted	RT-PCR test within 2 days before departure *Asymptomatic children aged under 3 exempted	Viral test within 2 days before departure *Children aged under 2 exempted
Quarantine Exemption Target	Vaccinated travelers Unvaccinated travelers under 18 (accompanied by vaccinated parents)		Vaccinated travelers Unvaccinated travelers under 18 (accompanied by vaccinated parents)	Vaccinated travelers Unvaccinated travelers aged 12 and below (accompanied by vaccinated parents)	Vaccinated travelers Unvaccinated travelers aged 12 and below (accompanied by vaccinated parents)
Entry Quarantine	No entry quarantine for vaccinated travelers / Unvaccinated travelers under 18 (accompanied by vaccinated parents)		Travelers must stay within the hotel for the RT-PCR test result on both Day 1 and Day 5 (Test and Go program)	No entry quarantine for vaccinated travelers / Unvaccinated travelers aged 12 and below (accompanied by vaccinated parents)	No entry quarantine for vaccinated travelers / Unvaccinated travelers aged 12 and below (accompanied by vaccinated parents)
Local COVID-19 Testing	PCR test within 48 hours prior to departure to Korea	PCR test within 48 hours prior to departure to Korea (less than 7N) 5th day of on-site arrival, PCR test within 48 hours prior to departure to Korea (more than 8N)	On-arrival testing at pre-arranged test center PCR test within 48 hours prior to departure to Korea	PCR test within 48 hours prior to departure to Korea	On-arrival testing at the airport Self-antigen test (Day 2-7) PCR test within 48 hours prior to departure to Korea
Quarantine upon arrival in Korea	7 days mandatory quarantine for all arrivals	No quarantine for travelers under travel bubble agreement Unvaccinated minors must quarantine for 7 days although they were accompanied by parents as they are non-vaccinated.	7 days mandatory quarantine for all arrivals	7 days mandatory quarantine for all arrivals	No quarantine for travelers under travel bubble agreement Unvaccinated minors must quarantine for 7 days although they were accompanied by parents as they are non-vaccinated.

DESTINATION COMPARISON



GLOBAL TOURISM TREND: DIRECT COMPETITOR UPDATE



Saipan: Specific Issue

- All travelers entering the CNMI will no longer be tested on arrival from February 9. Also, unvaccinated minors aged under 18 will also be able to travel without quarantine if accompanied by vaccinated parents.
- Mariana Visitors Authority (MVA) is planning to continue its PCR test support until May.
- Saipan package product reached around 6,700 calls within an hour (\$899-), more than three times the average number of calls before COVID-19



Airline Operation Status

	AIRLINES	FREQUENCY	PERIOD
ICN-SPN	OZ	2/W	Feb -
	TW	2/W	
PUS-SPN	BS	1/W	Feb -

DESTINATION COMPARISON



GLOBAL TOURISM TREND: DIRECT COMPETITOR UPDATE



Hawaii: Specific Issue

- With the decreased demand for overseas travel and consistent quarantine issues, Korean Air decided to reduce its flight schedule, which was supposed to operate 5 times a week
- Hawaii may require visitors to have received a COVID-19 vaccine booster if they want to skip quarantine by changing the definition of "fully vaccinated" to include booster shots



Airline Operation Status

	AIRLINES	FREQUENCY	PERIOD
ICN-HNL	KE	3/W	Feb -
	OZ	2/W	Apr -

- Asiana Airlines announced it will resume flights to Hawaii starting April 3. Its Hawaii route was halted in March 2020 due to Covid-19.

DESTINATION COMPARISON



GLOBAL TOURISM TREND: DIRECT COMPETITOR UPDATE



Thailand: Specific Issue

- Thailand has reopened its Test & Go program for vaccinated travelers to be able to bypass mandatory quarantines, although the travelers must stay within the hotel for the RT-PCR test result on both Day 1 and Day 5
- The government is expecting the program to welcome between 200,000 to 300,000 travelers this month alone as sandbox destinations were expanded to 6 provinces from February 1
- It will focus on rolling out the fourth doses of vaccination to citizens residing in popular tourism cities



Airline Operation Status

	AIRLINES	FREQUENCY	PERIOD
ICN-BKK	KE	7/W	Feb -
	OZ	7/W	

DESTINATION COMPARISON



GLOBAL TOURISM TREND: DIRECT COMPETITOR UPDATE



Philippines : Specific Issue

- The Philippines will reopen its borders to foreign tourists on Feb 10 for the first time in nearly two years.
- Vaccinated tourists are no longer required to quarantine in government facilities upon arrival with negative PCR test taken within 48 hours of departure.

Airline Operation Status

	AIRLINES	FREQUENCY	PERIOD
ICN-CEB	7C	1/W	Feb -

DESTINATION COMPARISON



GLOBAL TOURISM TREND: DIRECT COMPETITOR UPDATE



Singapore : Specific Issue

- The sale of flight tickets for the air vaccinated travel lane (VTL) between Korea and Singapore, which was temporarily suspended on Dec 23, is reopened.
- Korean Air and Asiana Airlines resumed sales of new Singapore tickets, but airlines will be able to operate the flight with certain restrictions, currently operating at 50% capacity.

Airline Operation Status

	AIRLINES	FREQUENCY	PERIOD
ICN-SIN	KE	4/W	Feb -
	OZ	4/W	
	SQ	5/W	
	TR	1/W	



MARKET TRENDS

MARKET TRENDS

POTENTIAL MARKET DEMAND

NOW

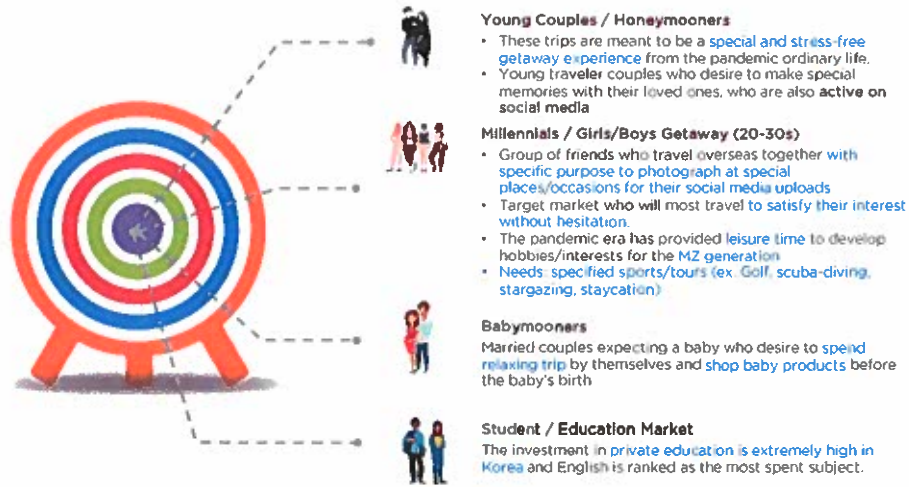
- 2nd year with COVID19 - "TRAVEL" still on stop
- Adaptation to the changed daily life
- Changes in attitudes and habits brought by the changed atmosphere
- Pursuing a life that focuses on the happiness of "present" and "me" right now (personal zation, fragmentation)
- Individual tastes become diverse and important.

"Diversify target markets in order to appeal to consumers who won't hesitate to travel and resume their own way for self-satisfaction"

MARKET TRENDS







POTENTIAL MARKET SEGMENT



MARKET TRENDS



POTENTIAL MARKET SEGMENT

Market Segment	Needs	Product Price	Sales Channel	Remarks
 <p>Young Couples / Honeymooners</p>	<ul style="list-style-type: none"> •Airtel •Luxurious Tour •Staycation •Rent a car •Snapshot 	<ul style="list-style-type: none"> •Price of product USD2,500- 	<ul style="list-style-type: none"> •Airline & TA website •Digital OTA Platforms •Honeymoon agency •Wedding Fair 	<p>Need developing products at reasonable prices with LCCs for young couples</p>
 <p>Millennials / Girls/Boys Getaway (20-30s)</p>	<ul style="list-style-type: none"> •Instagrammable •Activity •Shopping 	<ul style="list-style-type: none"> •Price of product USD1,200- 	<ul style="list-style-type: none"> •Digital OTA Platforms •Live e-commerce •Youtube 	<p>Price of trip may vary in between college students and office workers</p>
 <p>Babymooners</p>	<ul style="list-style-type: none"> •Clean/hygiene •Wellness •Snapshot •Baby shopping 	<ul style="list-style-type: none"> •Price of product USD3,000-(4N\$D) 	<ul style="list-style-type: none"> •Airline & TA website •Digital OTA Platforms •Mom's community •Baby fair 	<p>Marriage rate is down to 4.2% as per 2020 in Korea, but the investment cost for each child has been increasing continuously</p>
 <p>Student / Education Market</p>	<ul style="list-style-type: none"> •Clean/hygiene •Activities •Education 	<ul style="list-style-type: none"> •Price of product USD4,000- 	<ul style="list-style-type: none"> •Airline & TA website •Digital OTA Platforms •Co-op consumer brand channels •Education fair 	<p>Educative programs such as English camps including diverse activities like sports, art and more would be in great demand</p>


MARKET TRENDS



EMERGING MARKETING & SALES CHANNELS



Going Virtual



Live Commerce Market Scale (USD/M)

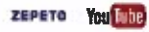
Year	Market Scale (USD/M)
2020	~50
2021	~100
2022	~200
2023	~400
2025	USD2.5b

Potential Sales Channels

Live E-Commerce



Metaverse/VR/Online Channel




As social distancing became a norm during the pandemic, connecting with others through online channels has become a necessity.



MARKET TRENDS



EMERGING MARKETING & SALES CHANNELS



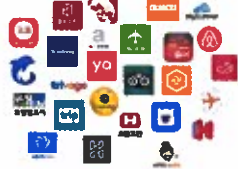
Rise of OTA


Currently, in Korea, OTAs play a leading role in the online travel market.

Roughly two-thirds of leisure travelers typically use an OTA for flight/hotel reservation and just under half typically book via an OTA.

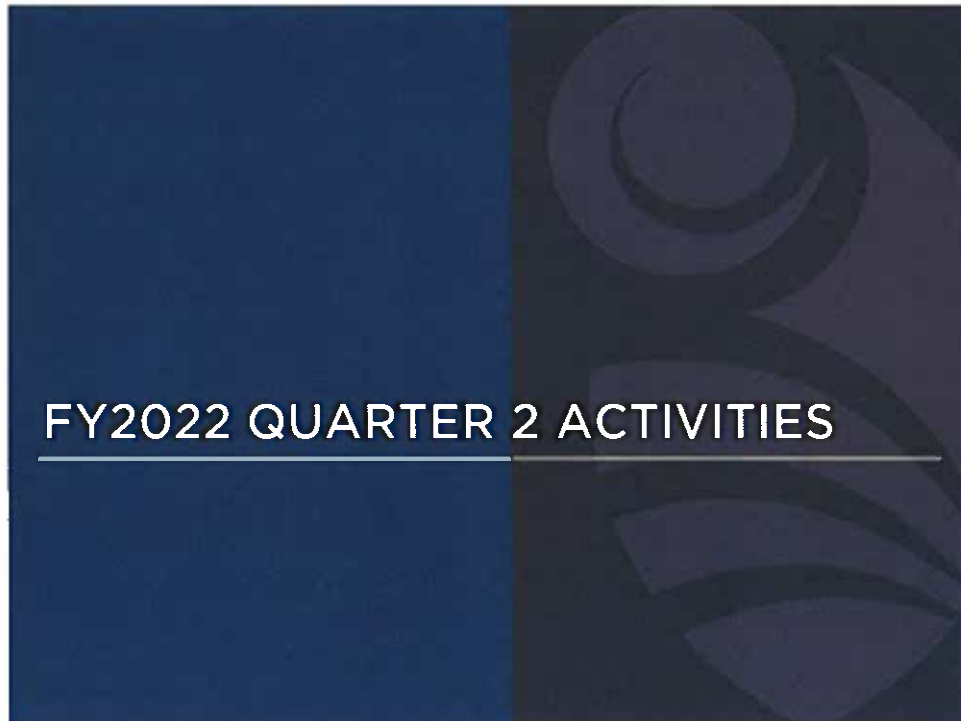
Online search engines have become very powerful means of accessing tourism products and this trend will continue, even develop in the future.

Potential Sales Channels





V. OLD BUSINESS



UPCOMING MARKETING PLAN OVERVIEW

- 01 TRAVEL TRADE CO-OP**
Airline & TA co-op promotion
- 02 OOH ADVERTISEMENT**
Hongdae/Sungnyemun Bus Shelter Ads
- 03 MEDIA CO-OP: TV SHOOTING**
Sound of Music, Guam
- 04 OTA CO-OP PROMOTION**
HotelsCombined, Kayak, Skyscanner Co-op
- 05 CONSUMER BRAND COLLABORATION**
Brand collaboration with BMW / Credit Card Company
- 06 MEDIA TIE-IN & INFLUENCERS CO-OP**
Co-op with KTX Magazine & Influencers - Shim, Sang Eun
- 07 OFFLINE B2C FAIR**
BeFe Baby Fair / International Education & Career Korea

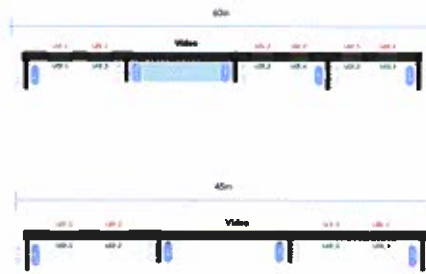
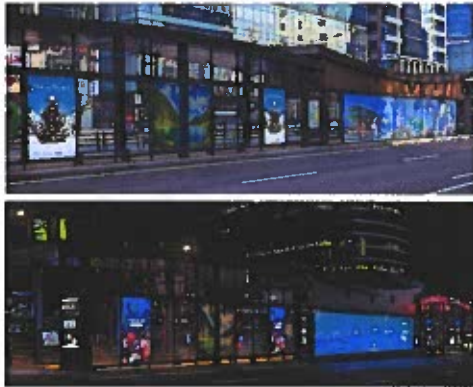


FY2022 QUARTER 2 ACTIVITIES



UPCOMING MARKETING PLAN: OOH ADVERTISEMENT

- **Period:** in March (Tentative)
- **Channel:** Outdoor advertisement at Hongdae and Sungnyemun
- **Platform:** Bus Shelter (Video & Signage)
- **Target:** Potential travelers in Hongdae and Sungnyemun area, office workers, people of all ages, FITs (10s-50s), etc.



FY2022 QUARTER 2 ACTIVITIES



UPCOMING MARKETING PLAN

Airline Co-op Promotion

- **Period:** February- 2022
- **Airline:** Korean Air, Jeju Air, Jin Air, T way, Air Seoul, Air Busan
- **Target:** General consumer, airline consumers
- **Scheme:**
 - Airlines to open [special promotion page](#) on their website.
 - Provide discount for Guam air ticket for [early bird promo](#).
 - Conduct [SNS event](#) to provide prizes and maximize exposure.
 - Place [on/offline advertisement](#).
 - Expose Guam logo on the promotion page.



TA Co-op Promotion

- **Period:** March- 2022
- **TAs (TBD):** Hana, Mode, Lotte, Interpark, Lotte, YB, online, etc.
- **Target:** General consumers
- **Scheme:**
 - [Develop special packages](#) for market diversification
 - TAs to [conduct website promotion](#) to increase sales.
 - Provide benefits to consumers who book Guam packages during the promotion period.
 - Conduct [TV home shopping](#), [liver commerce](#), and [social commerce promotion](#), etc.
 - Expose Guam logo on the promotion page.



FY2022 QUARTER 2 ACTIVITIES



UPCOMING MARKETING PLAN: TV SHOOTING

GVB Korea will organize a TV shooting project covering the **history and traditional culture of Chamorro**, aligning with the **theme of music**, with one of the nation's leading television network, **SBS**.

- **Program:** Sound of Music, Guam Again
- **Media:** SBS (one of the top 3 leading national Korean TV and radio network)
- **Genre:** Music Travel Reality Show
- **Shooting Period:** March or April (Tentative)
- **Episode:** 6 episode (60 mins per episode): to be aired on **SBS, TBS (Japan broadcast), and ETTV (Taiwan broadcast)**
- **Episode Summary (brief)**
 - First meeting and learn about Guam history and culture
 - Visit historical spots and busking
 - Watch Chamorro cultural show, compose music
 - Visit local restaurant and bar, try Chamorro food

Line-up



Yoon, Do Hyun
Legendary Korean Band (YB Band) Singer / 74k followers



So Hyang
National treasure vocalist & composer



Kim, Jae Hwan
Main vocalist of K-pop group 'Wanna One' / 978k followers



Heo Kyung Hwan
Comedian & Trot Singer / 975k followers

Busking Scene (sample)

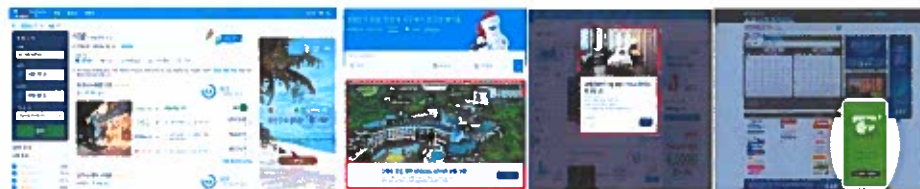


FY2022 QUARTER 2 ACTIVITIES



UPCOMING MARKETING PLAN: OTA CO-OP PROMOTION

- **Period:** in March (Tentative)
- **Channel:** Kayak, HotelsCombined, Skyscanner
- **Target:** FITs, general consumers, potential travelers, OTA users
- **Ad Type:** Homepage takeover, Native inline, after-click, mobile display, display ads, stand banner, newsletter
- **Promotion Plan:**
 - Expose Guam Air Ticket & Hotel promotions in OTA Website & Mobile channels
 - Expose promotion on official Naver blog & Event banner
 - Link the banner to Guam sales page
 - Guam logo & GuamAgain will be exposed throughout the promotion



FY2022 QUARTER 2 ACTIVITIES



UPCOMING MARKETING PLAN: CONSUMER BRAND COLLABORATION

- **Event:** Brand collaboration with BMW / Credit Card Company
- **Period:** March 2022 (Tentative)
- **Target:** Partner's brand users / membership, and potential travelers
FITs, Couples

- **Scheme:** Collaborate with BMW execute on/offline events and provide the opportunity to travel to Guam, along with exposure of destination information. Collaborate with credit card and airlines to target PLCC card memberships (promote Guam and provide benefits to increase actual sales and loyalty customers)





- ✓ **Private Label Credit Card (PLCC)**
Store-brand cards that are intended to be used exclusively at a specific retailer.
- ✓ **Benefits of PLCC**
 - Encourage customers to spend more money at the co-branded company through lenient terms
 - Give customers the opportunity to earn loyalty points

Example of KE X Hyundai PLCC

FY2022 QUARTER 2 ACTIVITIES



UPCOMING MARKETING PLAN: MEDIA TIE-IN & INFLUENCERS CO-OP

- **Period:** in March (Tentative)
- **Media:** KTX Magazine
- **Influencers:** Shim, Sang Eun (The Nomads, Luna&Kiki)
- **Scheme:**
 - Co-op with digital influencers (couples)/writer and have them travel Guam
 - Experience diverse activities including food, diving, etc. and create contents
 - Post on their blog and SNS channel
 - Also, expose the contents on KTX magazine as a Guam special edition with cover advertisement





 @breathingonthemoon
Follower 27,633



 <https://lucki.kr/516>



Circulation:
110,000

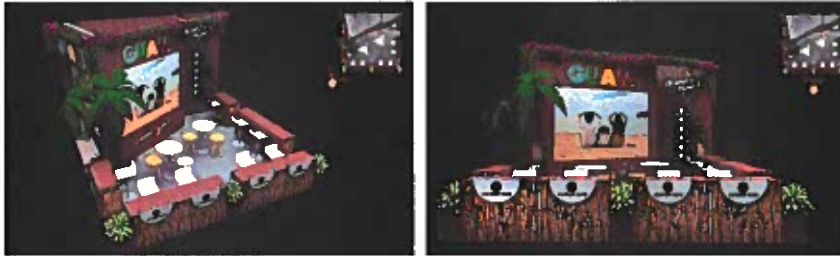
FY2022 QUARTER 2 ACTIVITIES



UPCOMING MARKETING PLAN: OFFLINE CONSUMER FAIRS

Befe Baby Fair

- **Period:** March 3 – 6, 2022 (4 days)
- **Venue:** COEX A Hall (1F), Seoul, Korea
- **Host:** BeFe
- **Participants:** 180 domestic & international companies, 600 booths
- **Expected participants:** approx. 35,000pax
- **GVB Booth:** Four (4) Independent booth spaces
- **Co-exhibitors:** PIC, Hotel Nikko Guam, Hilton Guam, Sheraton Laguna Guam, The Tsubaki Tower, Icima Corporation



FY2022 QUARTER 2 ACTIVITIES



UPCOMING MARKETING PLAN: OFFLINE CONSUMER FAIRS

International Education & Career Korea

- **Period:** March 5 – 6, 2022 (2 days)
- **Venue:** COEX C Hall (3F), Seoul, Korea
- **Host:** Korea Trade Fairs LTD
- **Participants:** Korea overseas study association, DMOs, Embassy, etc.
- **Expected participants:** approx. 3,000 – 4,000pax
- **GVB Booth:** Two (2) Independent booth spaces
- **Co-exhibitors:** University of Guam, Koko Guamkids



SUMMARY

KEY POINT

- 01** Quarantine Protocol: Eased mandatory quarantine period from **10-day to 7-day**. -> **Expected to be fully lifted in March**
- 02** Airline Seat Supply: Most of flights from Korea to Guam have suspended but **expect to recover seat supplies from April and gradually increase seat capacity.**
- 03** Emerging Market / Channel: **Diversify market segment** in accordance with **market trends & sales channels**
 - Babymooners / Student & Education Market
 - Live Commerce / Virtual Platform
- 04** Marketing Activity: **Proactive collaboration** with global brands along with travel trade partners, media, consumers, and digital influencers to optimize Guam's brand awareness.

VI. NEW BUSINESS



SOUTH KOREA MARKET Q3



Program Code	Date	Sales & Market Development	Amount
SMD019	April - June 2022	Travel Trade Co-op Promotion	\$368,000.00

- **Airline Co-op Promotion:** Website & SNS promotions, advertisements, etc.
- **Travel Agent Co-op Promotion:** Website promotions, social commerce, TV home-shopping, live commerce, advertisements, etc.
- **Online Travel Agent Co-op Promotions:** Sales promotions, advertisements
- **Sales Calls:** Business meetings, shipment and delivery, inventory storage, transportation, etc.

Program Code	Date	Sales & Market Development	Amount
ADV011	April - June 2022	Advertisements	\$440,000.00

- **TV or OTT Content Shooting:** Potential TV production in discussion
- **Out-of-Home Advertisement:** Metro ads, monitor ads in buildings, bus shelter, billboard ads, etc.
- **Media Advertisement:** traditional newspaper and magazine, online media ads
- **Consumer Brand Collaboration:** co-op with influential consumer brands (on/offline)
- **Media tie-ins:** celebrity photoshoots

Program Code	Date	Sales & Market Development	Amount
DIG001	April - June 2022	Digital and Social Media Marketing	\$190,000.00

- Continue with social media promotions and digital media buying (Instagram, Facebook, Kakao, Naver, YouTube, Google Display Network)
- Influencer co-op for content creation and promotion

SOUTH KOREA MARKET Q3



Program Code	Date	Sales & Market Development	Amount
TTC018	April - June 2022	Familiarization Tours	\$35,000.00

- Heavy influencer collaboration

Program Code	Date	Sales & Market Development	Amount
SMD023	April - June 2022	Sales Market Development	\$160,000.00

- **Offline Travel Trade Show:** Seoul International Travel Fair
- **MICE & Student Incentive Program**
- Collateral development and printing

TOTAL Q3			\$1,284,500.00
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SOUTH KOREA CALENDAR



	Q1 Oct - Dec 2021	Q2 Jan - Mar 2022	Q3 Apr - Jul 2022	Q4 Aug - Sep 2022
Account Description	List of activities	List of activities	List of activities	List of activities
SM0019	<ul style="list-style-type: none"> Travel Agent Co-Op Promotion Sales Calls 	<ul style="list-style-type: none"> Airline Co-Op Promotion Travel Agent Co-Op Promotion Online Travel Agent Co-Op Promotion Sales Calls 	<ul style="list-style-type: none"> Airline Co-Op Promotion Travel Agent Co-Op Promotion Online Travel Agent Co-Op Promotion Sales Calls 	<ul style="list-style-type: none"> Airline Co-Op Promotion Travel Agent Co-Op Promotion Online Travel Agent Co-Op Promotion Sales Calls
ADV011		<ul style="list-style-type: none"> TV Shooting on Guam Out of Home Advertisement Consumer Brand Collaboration Media Tie-Ins 	<ul style="list-style-type: none"> TV Shooting Out of Home Advertisement Consumer Brand Collaboration Media Tie-Ins 	<ul style="list-style-type: none"> TV Shooting Out of Home Advertisement Consumer Brand Collaboration Media Tie-Ins
DIG001	<ul style="list-style-type: none"> Digital Media Buying 	<ul style="list-style-type: none"> Digital Media Buying SNS Promotion & Campaign Influencer Co-Op Promotion 	<ul style="list-style-type: none"> Digital Media Buying SNS Promotion & Campaign Influencer Co-Op Promotion 	<ul style="list-style-type: none"> Digital Media Buying SNS Promotion & Campaign Influencer Co-Op Promotion
TTC018	<ul style="list-style-type: none"> Guam Again FAM Tour 	<ul style="list-style-type: none"> Airline/Travel Agent Fam Tour Influencer Fam Tour 	<ul style="list-style-type: none"> Airline/Travel Agent Fam Tour Influencer Fam Tour 	<ul style="list-style-type: none"> Airline/Travel Agent Fam Tour Influencer Fam Tour
SM0023	<ul style="list-style-type: none"> MICE/Student Incentive Program Fly to Normal Busan Travel Fair Collateral Development / Printing 	<ul style="list-style-type: none"> MICE/Student Incentive Program Baby Fair Career & Emigration Fair Long Term Stay Incentive Program In-Country Market Research Collateral Development / Printing 	<ul style="list-style-type: none"> MICE/Student Incentive Program Seoul International Travel Fair Long Term Stay Incentive Program Collateral Development / Printing 	<ul style="list-style-type: none"> MICE/Student Incentive Program Long Term Stay Incentive Program In-Country Market Research Collateral Development / Printing
Market Recovery	<ul style="list-style-type: none"> Airline Co-Op Promotion Travel Agent Co-Op Promotion Digital Ads Media Ads Travel Agent Sales Contest Guam Again FAM Tour 	<ul style="list-style-type: none"> Travel Agent Co-Op Promotion Travel Agent Sales Contest 		



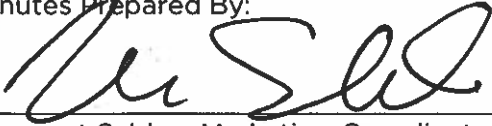
VII. ANNOUNCEMENTS

- Next KMC Meeting, March 15, 2022 (subject to change) at 3:30pm via Gotomeeting

VIII. ADJOURNMENT

Mr. Terry Chung made a motion, seconded by Mr. Akihiro Tani, to adjourn the meeting. **Motion Approved.** The meeting adjourned at 4:23pm.

Minutes Prepared By:



Margaret Sablan, Marketing Coordinator - Korea

Minutes Prepared Reviewed By:

Colleen Cabedo, Marketing Manager - Korea

Minutes Approved By:



Nadine Leon Guerrero, Director of Global Marketing