

## AGENDA

- + [Methodology](#)
- + [Net-Net](#)
- + [Impact of New Regulation](#)
- + [Hawai'i Resident Deep Dive](#)
- + [Role of Short-Term Rentals in Hawai'i](#)
- + [Hawai'i Travel Trends and Behaviors](#)

## METHODOLOGY

Audience	Sample Size	Margin of Error
Total Sample	N=500	±4.4
All Visitors	N=350	±5.2
Past Visitors Only	N=170	±7.5
Prospective Visitors Only	N=180	±7.3
Hawai'i Residents	N=150	±8.0

Penta conducted a survey among **past and prospective Hawai'i visitors including island residents** to gauge perceptions about how the new regulations on short-term rentals in Hawai'i will impact travelers.

Penta conducted this survey among N=350 past and prospective visitors from the United States and Canada and N=150 among Hawai'i Residents. This survey was conducted from August 23 - 30, 2024.

- + Past visitors were defined as those that have visited Hawai'i previously
- + Prospective visitors were defined as those who have a visit to Hawai'i booked or are likely to book in the next three years
- + Hawai'i residents are defined as adults (18+) who currently live in Hawai'i.

## **NET-NET**

**When travelers are informed about proposed legislation to phase out short-term rentals, there is a significant impact on travel intent to Hawai'i.**

- + Approximately one in four travelers (25%) say they are less likely to visit Hawai'i after learning about proposals to phase out short-term rentals.
- + Just under half of travelers (44%) say phasing out short-term rentals would change how they approach their stay in Hawai'i and the majority of travelers (60%) say their trip would be altered in some fashion.
- + Visitors overwhelmingly (70%) say they are less likely to visit Hawai'i after learning about the potential for hotel prices to increase if short-term rentals are phased out.

**Hawai'i residents believe phasing out short-term rentals will have negative consequences on the tourism economy and local businesses.**

- + The majority of Hawai'i residents (69%) believe that prohibiting short-term rentals will have a negative impact on the overall economy.
- + More than half of Hawai'i residents (55%) are concerned about how phasing out short-term rentals will impact local businesses.
- + The vast majority of Hawai'i residents (73%) believe enforcing short-term rental prohibitions will increase illegal rental activity.
- + Hawai'i residents (68%) believe phasing out short-term rentals will negatively impact visitor experiences.
  - + Hawai'i residents and travelers overwhelmingly agree (75%+) that proposals to phase out short-term rentals will result in travelers having fewer accommodations that suit their needs and will impact the affordability of lodging options.
  - +  $\frac{2}{3}$  of Hawai'i residents (67%) are less likely to recommend Hawai'i as a travel destination if short-term rentals are prohibited.

**STRs are popular for a myriad of reasons highlighting its importance as a segment of the accommodations market**

- + Past visitors who have stayed in short-term rentals in Hawai'i overwhelmingly (91%) indicate they had great experiences.

- + Past visitors surveyed listed the following as primary reasons for opting to stay in a short-term rental in Hawai'i:
  - + 54% said desire to experience local neighborhoods
  - + 48% said cost savings
  - + 40% said more space and amenities
  - + 35% said availability of accommodation options in the area
  - + 32% said proximity to friends or family

**The impact of proposed legislation to phase out short-term rentals will be evident in the significant decline in tourists and those staying at short term rentals, deeply affecting the tourism industry that Hawai'i relies on.**

- + Visitors who stay in short-term rentals are spending a substantial portion of their travel expenditures on both local dining and experiences when visiting Hawai'i.
  - + Visitors who stay in short-term rentals spend an average of:
    - + \$110 a day on local restaurants - dine in seating
    - + \$82 a day on local restaurants - quick serve
    - + \$135 on hotel resort restaurants per day
    - + \$98 a day on rental cars
    - + \$495 over the course of the trip on local tour companies
- + Visitors often choose short-term rentals in Hawai'i for cost savings and the opportunity to immerse themselves in local neighborhoods, benefits that would be significantly diminished by staying in a hotel.
- + A little less than 1/3 of Hawai'i visitors stay or are planning to stay for roughly 2 weeks.

## IMPACT OF NEW REGULATION

Visitors and residents were provided the following information about the new regulations on short-term rentals

*“Elected officials in Hawai‘i are looking to eliminate or prohibit short-term rentals which could significantly reduce short-term rental options, affecting Hawai‘i’s tourism industry.”*

Prohibiting short-term rentals will have consequences on the tourism industry of Hawai‘i.

- + A fourth of travelers indicate that the potential new regulations have made them less likely to visit Hawai‘i

Will this legislation make you more or less likely to visit Hawai‘i?	All Visitors	Past Visitors	Prospective Visitors
Less likely	25%	22%	27%
No Impact	53%	58%	49%
More likely	22%	19%	24%

Just under half of travelers indicate that the legislation would change how they approached their stay in Hawai‘i.

Has the legislation changed how you would plan your stay in Hawai‘i?	All Visitors	Past Visitors	Prospective Visitors
Yes	44%	39%	48%
No	56%	61%	52%

*“Please describe how it would change how you navigate staying in Hawai‘i?”*

- + *“We would stay a week instead of 2, we wouldn’t eat out at restaurants, or we would change our vacation destination to somewhere more affordable.”*
- + *“I would never go to Hawai‘i again.”*
- + *“I would visit another destination.”*
- + *“I don’t like people trying to regulate where I stay so I’m not sure if I would go.”*
- + *“I would have far less places to choose from when it comes to accommodations.”*

**60% of visitors indicate that their trip would be altered due to the legislation.**

<b>If short term rentals were not available, how would it impact your trip?</b>		<b>All Visitors</b>
<b>Total Trip Altered</b>		<b>60%</b>
Still come to Hawai'i as planned		40%

**Visitors' likelihood to come to Hawai'i significantly decreases when they learn about the potential for hotel prices to rise because of this legislation.**

<b>Please indicate how knowing each of the following will impact your likelihood to visit Hawai'i in the future</b>			
	<b>All Visitors</b>	<b>Past Visitors</b>	<b>Prospective Visitors</b>
<b>Ranked by All Visitors - % Total less likely to visit</b>			
Rising hotel prices	70%	77%	73%
Increased demand for hotel rooms	65%	65%	65%
Decrease in places to stay in desirable locations	65%	65%	70%
The increased hotel prices mean I have less money to spend while trying to enjoy Hawai'i	60%	69%	73%
Look for alternative options on facebook or via friends	60%	55%	63%

**Travelers agree that this legislation will result in travelers having fewer accommodations that suit their needs and will impact the affordability of lodging options.**

<b>Please indicate if you agree or disagree with the following statements</b>		
	<b>Past Visitors</b>	<b>Prospective Visitors</b>
<b>Ranked by Past Guests - % Total Agree</b>		
Travelers will have fewer accommodation options that suit their specific needs in Hawai'i	83%	81%
Families will face challenges finding affordable accommodations in Hawai'i without short-term rental options	77%	81%
The legislation on short-term rentals will lead to a decrease in overall tourism spending in Hawai'i	76%	79%

The legislation will further infringe on property owners' legal rights to earn money from their homes when not in use	75%	78%
The legislation will force would-be visitors to choose destinations outside of Hawai'i	74%	78%
Hawai'i's tourism experience will be negatively impacted by the new legislation	74%	83%
The legislation will negatively impact Hawai'i's reputation as a forward-thinking, tourism friendly destination	72%	79%
The legislation will result in more environmentally unsustainable tourism by concentrating tourism in hotel districts	71%	79%
The legislation on short-term rentals will lead to a decline in cultural exchange and local experiences for visitors to Hawai'i	65%	78%

**The threat of Maui county losing thousands of jobs due to this legislation increases visitors and Hawai'i residents' opposition to this proposed legislation.**

Now knowing this, do you support or oppose the legislation to regulate or prohibit short-term rentals in Hawai'i?	Ranked by Past Guests - % Total Oppose	
	Past Visitors	Prospective Visitors
Maui County will lose 7,800 jobs as a result of this legislation	69%	67%
In 2023, there was a de facto ban put on short term rentals in New York City which resulted in hotel prices rising significantly, including 20% this past holiday season	69%	66%
If the state phases out short-term rentals, the state of Hawai'i could lose as much as \$554 million in annual tax revenue	66%	69%
Short-term rental guests in Maui County directly spent \$2.2 million in 2023, resulting in \$4 billion in economic activity. Hawai'i would lose this revenue if short-term rentals are phased out	67%	64%
The legislation will phase out approximately 7,000 short-term rentals causing Maui County to lose \$91 million in annual tax revenue	66%	64%

**Visitors were the most concerned about the potential impact this would have on the livelihood of the residents of Hawai'i, specifically noting the concern surrounding the high number of job losses.**

- + *"That the income of local residents will be lost."*
- + *"Learning that 7,000 people will lose their jobs is heartbreaking."*
- + *"The jobs and revenue loss. Yes I'd be sad not to visit but the livelihood of the people there is the priority."*
- + *"The fact that the Hawai'ian government is prohibiting an integral form of lodging for tourists is an enormous detriment to the state of Hawai'i."*
- + *"I am trying to figure out why this is being proposed. A lot is being lost. With that being said, the way they want it is how it was 30 years ago."*
- + *"The most impactful piece of information would be that the people who would suffer the most from this legislation would be the native people of Hawai'i. Most of their main revenue is tourism. Taking that away could have huge long term effects."*

<b>Now that you know this, are you more or less likely to visit Hawai'i?</b>	<b>All Visitors</b>	<b>Past Visitors</b>	<b>Prospective Visitors</b>
<b>Ranked by All Visitors - % Less Likely</b>			
In 2023, there was a de facto ban put on short term rentals in New York City which resulted in hotel prices rising significantly, including 20% this past holiday season	34%	33%	35%
Maui County will lose 7,800 jobs as a result of this legislation	31%	29%	33%
Short-term rental guests in Maui County directly spent \$2.2 million in 2023, resulting in \$4 billion in economic activity. Hawai'i would lose this revenue if short-term rentals are phased out	31%	29%	33%
The legislation will phase out approximately 7,000 short-term rentals causing Maui County to lose \$91 million in annual tax revenue	31%	29%	33%
If the state phases out short-term rentals, the state of Hawai'i could lose as much as \$554 million in annual tax revenue	28%	28%	28%

## HAWAI'I RESIDENT DEEP DIVE

The majority of Hawai'i residents believe that the legislation on short-term rentals will have a negative impact on the overall economy.

To what extent do you think the legislation on short-term rentals will have a positive or negative impact on the overall economy of Hawai'i?		Hawai'i Residents
Total Positive		31%
Total Negative		69%
Very Positive		9%
Somewhat Positive		23%
Somewhat Negative		35%
Very Negative		33%

**Hawai'i Residents believe that there will be an increase in illegal rental activity**

+ 30% believe that this increase will be significant

Do you believe the enforcement of this legislation on short-term rentals will lead to an increase or decrease in illegal rental activities?		Hawai'i Residents
Total Increase		73%
Total Decrease		27%
Significant increase		30%
Some increase		43%
Some decrease		24%
Significant decrease		3%

There is specific concern about how this will impact local businesses.

What industries would be the most at risk due to this legislation on short-term rentals? Please select your top 2.		Hawai'i Residents
Local businesses		55%
Retail and shopping		36%



Travel agencies	34%
Restaurants	27%
Paid excursions (boat/helicopter rentals)	13%
Other	9%

**Hawai'i residents believe that travelers will have fewer accommodations to suit their needs as a result**

Please indicate if you agree or disagree with the following statements		Hawai'i Residents
Ranked by Past Guests - % Total Agree		
Travelers will have fewer accommodation options that suit their specific needs in Hawai'i		75%
Families will face challenges finding affordable accommodations in Hawai'i without short-term rental options		69%
The legislation will further infringe on property owners' legal rights to earn money from their homes when not in use		69%
The legislation on short-term rentals will lead to a decrease in overall tourism spending in Hawai'i		68%
The legislation will negatively impact Hawai'i's reputation as a forward-thinking, tourism friendly destination		67%
Hawai'i's tourism experience will be negatively impacted by the new legislation		67%
This legislation would remove Airbnb from Hawai'i who provided free, temporary stays for at least 1,000 people that were displaced in Maui after the wildfires		65%
The absence of short-term rentals will negatively impact the ability of families to experience different neighborhoods within Hawai'i		64%
The legislation will result in more environmentally unsustainable tourism by concentrating tourism in hotel districts		64%
The legislation will force would-be visitors to choose destinations outside of Hawai'i		61%
The legislation on short-term rentals will lead to a decline in cultural exchange and local experiences for visitors to Hawai'i		60%

**The threat of Maui county losing thousands of jobs due to this legislation increases Hawai'i residents' opposition to this proposed legislation.**

**Now knowing this, do you support or oppose the legislation to regulate short-term rentals in Hawai'i?**

**Hawai'i Residents**

**Ranked by Past Guests - % Total Oppose**

Maui County will lose 7,800 jobs as a result of this legislation	69%
In 2023, there was a de facto ban put on short term rentals in New York City which resulted in hotel prices rising significantly, including 20% this past holiday season	63%
If the state phases out short-term rentals, the state of Hawai'i could lose as much as \$554 million in annual tax revenue	67%
Short-term rental guests in Maui County directly spent \$2.2 million in 2023, resulting in \$4 billion in economic activity. Hawai'i would lose this revenue if short-term rentals are phased out	35%
The legislation will phase out approximately 7,000 short-term rentals causing Maui County to lose \$91 million in annual tax revenue	67%

**There is belief among Hawai'i residents that the tourism experience will be negatively impacted by this legislation.**

**How do you believe the legislation on short-term rentals will affect the following aspects of life in Hawai'i?**

**% Total Negative**

**Hawai'i Residents**

Tourist experience and satisfaction	68%
Housing affordability for local residents	53%
Availability of rental properties for local residents	53%
Quality of life	51%

**2/3 of Hawai'i residents are less likely to recommend Hawai'i as a travel destination as a result of the legislation**

**How do you think the legislation on short-term rentals will affect your likelihood to recommend Hawai'i as a travel destination to others?**

**Hawai'i Residents**

<b>Total More Likely To Recommend</b>	<b>33%</b>
<b>Total Less Likely To Recommend</b>	<b>67%</b>
Much more likely to recommend	10%

Somewhat more likely to recommend	23%
Somewhat less likely to recommend	47%
Much less likely to recommend	21%

## ROLE OF SHORT-TERM RENTALS IN HAWAII

Travelers have had positive experiences while staying in short term rentals in Hawai'i.

Overwhelmingly, those that have stayed in short-term rentals in Hawai'i previously indicated they had a great time.

Please indicate how your experience was staying in a short term rental in Hawai'i?	Short Term Rental Guests
Excellent	36%
Very Good	32%
Good	23%
Fair	6%
Poor	2%

Those that have stayed in short-term rentals in Hawai'i enjoy having a great experience and the cost saving benefits they provide over hotels.

Visitors that stayed in short term rentals in Hawai'i generally had a positive experience.

- + *"It was a great experience. This was on my second trip to Hawai'i. It was a prime location and close to all the amenities."*
- + *"Absolutely amazing would totally do it again"*
- + *"It was a very good experience. The rental was clean, and exactly the same as described."*
- + *"The owner showed us the place and explained everything to me. He was very friendly and understanding."*
- + *"It was affordable and easy to use."*
- + *"The places you can stay at are so beautiful and really luxurious, and they don't strain the local economy and drive up property prices making it hard for locals to afford places to live"*

Visitors staying in short-term rentals often highlighted affordability as a key advantage, noting that these options were generally more budget-friendly than traditional hotels.

- + *"It's affordable and easy to use"*
- + *"It was very affordable and a complete suite"*
- + *"It's the best and least expensive way to take a vacation"*
- + *"Cheaper than a hotel and easy to check-out"*
- + *"Affordable and easy"*

**Visitors appreciated the comfort and convenience of having access to a fully equipped home, complete with a kitchen and space to entertain family and friends.**

- + *"It's great to have more people under the same roof and able to cook meals"*
- + *"Loved it, loved the convenience and not having to burden family"*
- + *"Local and more in turn with the community and things to do toward the culture"*
- + *"Love being at an upscale home"*
- + *"Great, just like being at home with all the amenities and a pool"*
- + *"Fabulous. Roomy and feels like a home"*

**Visitors of Hawai'i chose to stay in short term rentals to experience local neighborhoods and save money**

Island residents also share the goal of saving money but also recognize that it allows them to be closer to friends and family

<b>What are the primary reasons why you choose to stay in a short term rental in Hawai'i?</b>		
<b>Ranked by Past Visitors</b>	<b>Past Visitors</b>	<b>Mainland Residents</b>
Desire to experience local neighborhoods	54%	21%
Cost savings	48%	48%
More space and amenities	40%	48%
Availability of accommodation options in the area	35%	41%
Proximity to friends or family	32%	44%
Group travel	29%	23%
Business travel	17%	10%
Other	2%	5%

## HAWAI'I TRAVEL TRENDS AND BEHAVIORS

A little less than 1/3 of Hawai'i visitors stay or are planning to stay for roughly 2 weeks.

How many nights (did you stay on your last trip)/(are you planning to stay) while visiting Hawai'i?	All Visitors	Past Visitors	Prospective Visitors
Less than a week	10%	12%	8%
<b>About a week</b>	<b>52%</b>	<b>49%</b>	<b>56%</b>
<b>About 2 weeks</b>	<b>31%</b>	<b>31%</b>	<b>31%</b>
About a month	3%	3%	3%
Over a month	4%	5%	3%

Price and affordability are the top motivators, followed by reputation and reviews, when visitors are deciding where to stay when traveling to Hawai'i.

What factors influence your choice of where to stay/accommodations when traveling to Hawai'i? Please select all that apply	All Visitors	Past Visitors	Prospective Visitors
Price and affordability	78%	76%	79%
Reputation and reviews	63%	66%	59%
Convenience of the space	50%	55%	46%
Aesthetic or vibe of the accommodation	35%	36%	33%
Other	1%	2%	0%

The impact of this legislation will be evident in the significant decline in tourists and those staying at short term rentals, deeply affecting the tourism industry that Hawai'i relies on.

- + Visitors are spending decent sums of money on both experiences and dining when visiting Hawai'i

How much money do you (typically spend)/(plan on spending) on rental cars when you visit Hawai'i per day?	All Visitors	Short Term Rental Guests
---	--------------	--------------------------

Less than \$25	4%	2%
\$25 - \$50	21%	22%
\$50 - \$100	42%	42%
\$100 - \$200	18%	22%
\$200+	15%	11%
<b>Weighted Average</b>	<b>\$97</b>	<b>\$98</b>

**How much money do you  
(typically spend)/(plan on  
spending) on hotel resort  
restaurants per day when you  
visit Hawai'i?**

	<b>All Visitors</b>	<b>Short Term Rental Guests</b>
Less than \$25	4%	2%
\$25 - \$50	21%	12%
\$50 - \$100	42%	22%
\$100 - \$200	18%	39%
\$200+	15%	24%
<b>Weighted Average</b>	<b>\$97</b>	<b>\$135</b>

**How much money do you  
(typically spend)/(plan on  
spending) on local restaurants -  
quick serve per day when you  
visit Hawai'i?**

	<b>All Visitors</b>	<b>Short Term Rental Guests</b>
Less than \$25	12%	12%
\$25 - \$50	33%	26%
\$50 - \$100	36%	40%
\$100 - \$200	11%	12%
\$200+	8%	10%
<b>Weighted Average</b>	<b>\$76</b>	<b>\$82</b>

How much money do you (typically spend)/(plan on spending) on local restaurants - dine in seating per day when you visit Hawai'i?	All Visitors	Short Term Rental Guests
Less than \$25	4%	0%
\$25 - \$50	18%	22%
\$50 - \$100	35%	37%
\$100 - \$200	30%	27%
\$200+	12%	15%
<b>Weighted Average</b>	<b>\$104</b>	<b>\$110</b>

How much money do you (typically spend)/(plan on spending) on local tour companies over the course of your stay in Hawai'i?	All Visitors	Short Term Rental Guests
Less than \$150	18%	3%
\$150 - \$250	28%	18%
\$250 - \$500	28%	33%
\$500 - \$750	15%	33%
\$750 - \$1,000	6%	6%
\$1,000+	6%	6%
<b>Weighted Average</b>	<b>\$385</b>	<b>\$495</b>

Exploring the island, spending time at the beach, and dining at restaurants are top activities visitors engage in.

What activities (do you)/(will you) typically engage in when you visit Hawai'i? Please select all that apply	All Visitors	Past Visitors	Prospective Visitors
Exploring the island	82%	84%	80%
Spending time at the beach	79%	80%	78%
Dining at neighborhood restaurants	71%	76%	67%

Guided excursions/tours (Helicopter, boat tour, ATV)	49%	41%	56%
Taking surf lessons/renting equipment	22%	22%	23%
Family events	21%	18%	25%
Other	2%	2%	2%

***In your own words, what do you like/what are you looking forward to doing in Hawai'i?***

**Visitors to Hawai'i are interested in learning about the culture of the islands and attending cultural events.**

- + *"I like to attend cultural events, enjoy the food, swim and the beautiful weather."*
- + *"I love the crystal blue water and the sandy beaches. I also love the historical spots on the islands we have visited. The seafood is so deliciously fresh. Fun attending the luaus and learning the traditions of the people living there."*
- + *"I love to explore the island and go to the parties and eat different cultural foods and explore"*
- + *"I love driving around the islands and experiencing all the different cultures."*
- + *"Experience the culture and festivities, as well as the unique nature"*

**Beyond a desire to explore different areas of the island, visitors also like to spend their time shopping, dining, and enjoying paid activities.**

- + *"I like to go snorkeling and golfing"*
- + *"Enjoying the seafood is a top priority for us."*
- + *"I like to enjoy the unique food scene."*
- + *"I love to check out the local stores and see what unique items I can purchase."*
- + *"Other than the great activities, I like to partake in the delicious food and beverages."*

**The majority of visitors are traveling to Hawai'i for tourism and sightseeing purposes.**



What are the reasons (you have traveled to or typically travel)/(you are planning to travel) to Hawai'i? Please select all that apply	All Visitors	Past Visitors	Prospective Visitors
Tourism and sightseeing	78%	81%	75%
Special events or occasions	21%	23%	19%
Visiting family or friends	17%	16%	18%
Business or work-related	10%	12%	7%
Relocation or extended stay	10%	9%	11%
Other	3%	4%	2%
None of the above	2%	1%	3%