

Abstract

Japanese tourist arrivals to Hawaii contribute a substantial portion of Hawaii's annual tourism revenue. However, Japanese travelers to the State began an unprecedented trend of decline beginning in 1998. The main purpose of this dissertation was to provide some understanding regarding the decline of Japanese tourist arrivals to Hawaii to both academic researchers and local tourism planners. Using the best available proxies for three of the macroeconomic-based demand determinants of income (i.e., Japanese Real GDP), price (i.e., Honolulu CPI), substitute price (i.e., Australian CPI), along with the Japan-U.S. exchange rate, a battery of multivariate analyses were used to explain the decline of Japanese travelers to Hawaii from a macroeconomic perspective. Based on the study's results, all four macroeconomic factors definitely recorded less influence on Japanese tourist arrivals to Hawaii from 1998 to 2006, than from 1980 to 1997. Moreover, the Honolulu CPI and the Japan-U.S. exchange rate were found to have the opposite signs during 1998 to 2006 with respect to Japanese tourist arrivals to Hawaii, than in the previous period. Finally, although the Japanese Real GDP proved to be the most positive econometrically influential variable before and after the decline of Japanese tourist arrivals to Hawaii from 1980 to 2006; the Japan-U.S. exchange rate was replaced by the Australian CPI as the most negative and the Australian CPI was replaced by the Japan-U.S. exchange rate as the least econometrically influential factor, respectively, from 1998 to 2006.

Dedication

It is with all of my love that I wish to dedicate my dissertation to my family. I dedicate my dissertation to my mother Paz and father Larry, whose compassion for others shaped me into the man I am today. I also dedicate my dissertation to my brothers Leroy and Leo and sisters Maria and Stacie, whose time we shared together taught me responsibility and loyalty. Finally, I dedicate my dissertation to my beloved wife Na Wen, whose inner strength, kindness, and devotion, taught me that it was possible to love again.