



# The Journal



High-Income, High-Profit Business Ideas For 2025



## Hawaii Tourism Gamble: Can U.S. Visitors from the mainland Fill the Void?



by Beat of Hawaii, Hawaii Travel News.

January 4, snowbirds Hawaii's tourism numbers are up, but is the recovery as strong as it seems?

If you've followed the official updates, you might think the islands are on a solid path back to normalcy. The state's Tourism Department announced that November 2024 marked the fourth consecutive month of year-over-year growth, with total visitor arrivals at 770,940—95.3 percent of pre-pandemic levels. Sounds great, right? But the devil is in the details. A growing dependence on U.S. visitors.

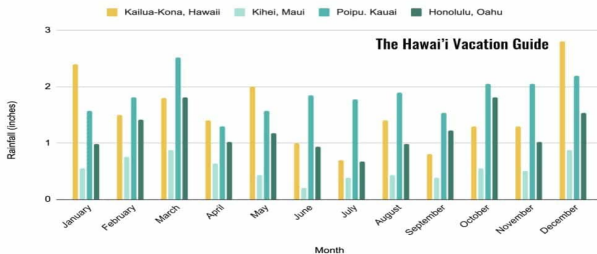
Here's what the state isn't shouting from the rooftops: 77 percent of visitors in 2024 came from the U.S. mainland, a full 10 percentage points higher than pre-pandemic. That's quite a massive shift, and while mainland demand has been strong this heavy reliance comes with risks. What happens if domestic travel softens due to economic downturns or shifts in consumer preferences? We've already seen that with Europe's resiliency and some visitors even choosing other island destinations like Tahiti instead of Hawaii.

The truth is that Hawaii's tourism industry has leaned into this imbalance out of sheer necessity. With Canada and Japan historically top international markets, still far below pre-pandemic numbers, the state has no choice but to put all its chips on U.S. visitors. But how sustainable is this strategy?

Speaking about those lagging international markets. Japan, once a powerhouse for Hawaii tourism, is down 55 percent compared to 2019. That despite some increased airlift for summer 2025. The exchange rate, sluggish economic growth and reduced air capacity are just part of the story. Has Hawaii lost some of its allure for Japanese travelers? The numbers suggest it might be a long road back—if it happens at all.

Canada, on the other hand, is often painted as a smaller piece of the puzzle. But Canadian visitors are still down 20 % year to-date compared to 2019. And improvement, the long-term gap is still striking. With fewer visitors and reduced spending, the economic impact on Hawaii's high-spending hotels, vacation rentals and timeshare sectors is undeniable. We especially here that at this time of year, historically very strong with Canadian snow birds.

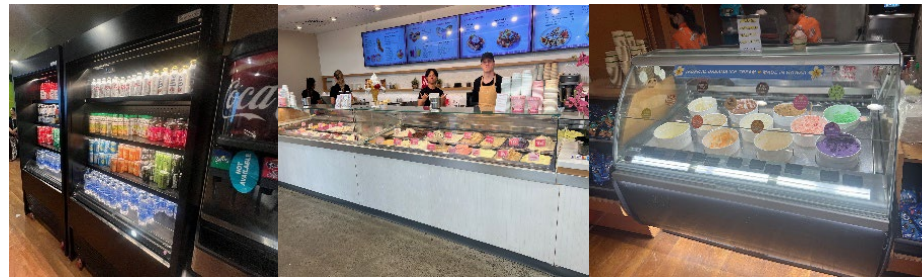
Rainfall on the Hawaiian Islands



Financial implications of an unbalanced recovery.

Domestic visitors are spending more than ever. U.S. West spending is up 32.8 percent since 2019, and U.S. East is up 33.7 percent. But those gains don't necessarily make up for the billions Hawaii used to rake in from high-spending international markets. Japanese visitors, for example, have historically spent significantly more per day than their U.S. counterparts. The drop in Japanese spending, down 53.1 percent since 2019, leaves a gaping hole in Hawaii's economy that even the most enthusiastic mainland travelers can't fill.

This shift also raises questions about the long-term impacts on the local tourism ecosystem. Will Hawaii accommodations face sustained pressure? And what happens to the airlines that once thrived on Hawaii's international routes?



Oscartek showcases dotting the Hawaiian Islands

The state's party line vs. reality. The state's upbeat narrative doesn't tell the whole story. Celebrating growth without acknowledging the lopsided recovery glosses over the deeper issues at play here. Yes, it's great that U.S. visitors are stepping up, but the lack of diversification in Hawaii's tourism base is a marked vulnerability, not a strength.

The real question is whether the state and the industry are doing enough to rebuild these lost connections. Or is Hawaii's tourism future destined to rely on a single market, hoping that too doesn't falter?

On Maui however, and based on preliminary statistics from the Department of Business, Economic Development and Tourism, 770,940 visitors came to Hawaii in November, a 5.3% increase compared to the same month last year. The department reported visitor spending was measured at \$1.55 billion, which was up 2% from November 2023.

Additionally, November marked the fourth-consecutive month with year-over-year growth in both visitor arrivals and expenditures. Total visitor arrivals in November represented a 95.3% recovery rate from pre-pandemic November 2019 when there were 809,076 visitors and total visitor spending has increased 16% over November 2019.

On Maui, there were 197,622 visitors in November, which was 21.6% higher than November 2023 (162,470), but still down 14.9% from November 2019 (232,330). Visitor spending increased to \$435.7 million in November, compared to \$378.2 million in November 2023 and \$377.9 million in November 2019. The average daily census on Maui was 51,901 visitors in November, compared to 45,669 visitors in November 2023 and 61,437 visitors in November 2019.

In the first 11 months of 2024, there were more than 2.11 million visitors to Maui, compared to 2.29 million in the first 11 months of 2023 and 2.78 million in the first 11 months of 2019. For the first 11 months of 2024, total visitor spending was \$4.71 billion, compared to \$5.33 billion in the first 11 months of 2023 and \$4.61 billion in the first 11 months of 2019.

In November, 762,662 visitors arrived in Hawaii by air, mainly from the U.S. mainland. Another 8,278 visitors arrived via out-of-state cruise ships. The average length of stay by all visitors in November was 8.43 days, which was shorter than November 2023 (8.76 days), but longer than November 2019 (8.30 days). The statewide average daily census was 216,590 visitors in November, compared to 213,795 in November 2023 and 223,746 in November 2019.

However, the number of visitors from Japan declined in November with 60,684. In November 2023, there were 63,416 visitors from Japan and 131,536 in November 2019. Visitors from Japan spent \$88.8 million in November, compared to \$96.4 million in November 2023 and \$189.4 million in November 2019. Daily spending by Japanese visitors this November was \$252 per person, which increased slightly from November 2023 (\$251), but was less than November 2019 (\$256).

In November 2024, 48,533 visitors arrived from Canada, and there were 77,213 visitors from all other international markets. Air capacity to the Hawaiian Islands in November increased compared to November 2023 but declined from November 2019.

"We are pleased to see the continued recovery in our tourism industry in November 2024," DBEDT Director James Kunane Tokioka said in a statement. "U.S. visitors accounted for 77.1% of the total arrivals by air service during the first 11 months of 2024, 10 percentage points higher than the share of U.S. visitors during the same period in 2019. The strong economic growth in the country contributed to the increased travel demand from other states in the country."

He added that year-to-date through November, international visitor arrivals by air recovered 64.5% of the 2019 level for the same period, while Japanese visitor arrivals recovered 45.1%. "With the expectation of moderate economic growth in the Japanese economy and improvement of the exchange rate, we anticipate more Japanese visitors in 2025, but the full market recovery may take a few years," Tokioka concluded. Conclusion: A future built on fragile ground?

Hawaii's tourism recovery is a mixed bag. While the numbers show some encouraging progress, they also reveal an unbalanced foundation being propped up by U.S. mainland travelers. That might work for now, but Hawaii's economy remains precariously more dependent than ever on domestic demand. And as we all know, even the strongest foundation can start to crumble as island trade winds shift.

# High-Income, High-Profit Business Ideas For 2025

By Melissa Houston Contributor CPA

Jan 5, 2025, 06:00am EST



The entrepreneurial landscape evolves quickly and 2025 presents unique opportunities to build high-income high-profit businesses. With technological advancements, changing consumer behaviors, and emerging trends the potential for scalable and lucrative businesses have never been greater.

## What Makes a Business High-Profit?

High-profit businesses share distinct characteristics that enable them to generate strong revenue while maintaining healthy margins. These businesses focus on scalability, minimizing costs, and tapping into growing markets to ensure consistent and sustainable profitability.

Here are some characteristics of a high-profit business:

Scalability – Businesses that can grow revenue without a proportional increase in costs.

Low Overhead Costs – Streamlined operations to boost profit margins.

Recurring Revenue Models – Subscription services or retainers ensure consistent income.

Market Demand – Industries that are growing and meeting pressing needs.

These characteristics form the foundation of a high-profit business, making them essential considerations for entrepreneurs aiming to maximize growth and profitability.

Here are seven high-income, high-profit business ideas for you to consider in 2025:

### 1. AI powered business solutions

Since AI is still emerging, there is ample opportunity to innovate and develop new products. AI consulting firms, automation tools for small businesses, AI driven marketing platforms are some of the areas you can explore. As businesses need to stay competitive, integrating AI solutions has become essential.

## MORE FOR YOU

Don't Click Twice—New Chrome, Edge, Safari Hack Attack Warning

Critical 'Rising Risk' Attack Alert—Change Your Router Password Now

NYT Mini Clues And Answers For Sunday, January 5

### 2. Health and wellness tech

Entering the health and wellness industry is a smart move, with high demand for telehealth platforms, personalized nutrition services, and mental health apps. The growing post-pandemic emphasis on health and well-being presents excellent opportunities to explore.

### 3. Fractional C-suite and consulting services

Fractional C-suite services are gaining popularity as more small business owners recognize the value of executive expertise. High demand areas include fractional financial services, marketing, human resources, and technology, highlighting the growing need for specialized leadership in small business.

### 4. Digital marketing agencies focused on niche markets

With the rapid growth of the influencer market and rising demand for video content creation, digital marketing agencies are a smart business choice. As businesses continue to prioritize their online presence, the need for specialized marketing strategies is stronger than ever.

### 5. SaaS (Software as a Service) platforms

SaaS businesses are highly profitable due to their high margins and recurring subscription revenue, making them an excellent choice for entrepreneur. Opportunities range from project management tools, HR platforms, data security solutions, and beyond, offering scalable and in-demand products.

### 6. Real estate investment companies

Real estate investment companies, such as short-term rental management, co-living spaces, and senior housing developments, offer lucrative opportunities. With property values consistently appreciating and strong income potential, real estate remains a highly profitable investment choice.

### 7. Virtual event planning and production services

With the shift to online activities, virtual event planning and production services present lucrative opportunities. Examples include webinars, hybrid conferences, and online workshops. The growing demand for virtual experiences makes this a highly viable and profitable business idea.

The bottom line is that you need to consider the type of business to start and how it needs to meet not only your passion and skillset, but your lifestyle as well. Be certain of the type of business you want to start and pick the best idea for you. Success in 2025 will largely depend on you creating a business that is not only profitable, but sustainable.

Follow me on LinkedIn. Check out my website or some of my other work here.

**Melissa Houston, CPA** is the founder of the Fractional CFO Agency, the author of *Cash Confident: An Entrepreneur's Guide to Creating a Profitable Business* and the founder of *She Means Profit*. As a Business Strategist for small business owners, Melissa helps women making mid-career shifts, to launch their dream businesses, and also guides established business owners to grow their businesses to more profitably.

The opinions expressed in this article are not intended to replace any professional or expert accounting and/or tax advice whatsoever.

