

Japan

Key Market Message

Since the H1N1 outbreak in April 2009, it is estimated that there have been at least 25,000 cancellations for travel to Australia. From May 2009, total outbound was down by 19 per cent and noticeable cancellations for the peak school trip period.

In May 2009 there were over 15,000 reported cancellations, with most being school trips, but also package tours. There were significant cancellations of school excursions in June, July, August and onwards due to the School Exclusion quarantine policy. The policy was implemented by a number of State Governments and contributed to the 45 per cent decline in June, one of the peak School Excursion periods.

Qantas and Jetstar announced spot cancellations and operational changes for August, September and October schedules.

Despite the outbreak, Yuko Arimori, a popular Japanese marathon runner, along with 1,500 Japanese runners and supporters visited the Gold Coast for the marathon in July 2009.

1. Key Market Results and Achievements

- *To minimise the negative impact of the H1N1 outbreak, several actions have been taken, including the communication of the 'business as usual' message which is regularly communicated to trade partners and media. Updates on H1N1 in Australia have also been uploaded to the consumer and school websites (<http://school.australia.jp>).*
- *A strong digital-based consumer promotion drove 396,000 monthly unique visitors to the Tourism Australia consumer site in Japan in June 2009. This was 68 per cent of the annual traffic to the site.*
- *Full page advertisements were run in national newspapers (circulation 16 million) to communicate the value proposition of an Australian holiday given the lower value of the Australian Dollar. The campaign, which also involved an online component, was run in conjunction with Jetstar and wholesalers. Further activity with Jetstar was conducted during June to counteract the cancellations following outbreak of H1N1.*

- *The Podcast series featuring popular story tellers talking about their Australian World Heritage experiences is now complete. The campaign resulted in over 62,000 downloads, and was ranked the number one Podcast in i-Tunes 'Society & Culture' section.*

2. Australian Travel Market

2.1 Market performance

- There were 22,294 Japanese visitor arrivals to Australia in May 2009; a 24 per cent decline compared to May 2008. In June, there were 15,700 visitor arrivals, 45 per cent lower than June 2008. Taking the total for the first half of 2008 to 171,900; 24 per cent lower than the same period last year.

2.2 Airline Issues/Changes

- Four charter flights to Cairns have been confirmed with All Nippon Airways and JTB during September and October. This will be supported by Tourism Australia, Tourism Queensland and Tourism Tropical North Queensland.
- After six years of suspension, Continental Airlines announced that they will re launch their daily Kansai to Guam services from 23 December 2009. This will open up nine regional ports in Japan to Cairns with connections via Guam.
- Due to the outbreak of H1N1, Qantas have cancelled nine Narita to Perth return services in September and October, as well as four Narita to Sydney return services in September.

2.1 Trade Information Summary (including Business Events)

- Ten key travel agents joined Tourism Australia for the Kamiki phase (March - September 2009) of the World Heritage Campaign across Tokyo, Osaka and Nagoya.
- As a part of the Japan Association of Travel Agents (JATA) Visit World Campaign, Tourism Australia hosted an Australia Trade Seminar to update 55 retail agents on airline services and Tourism Australia activities.
- Tourism Australia and Tourism New South Wales are promoting Sydney Marathon which will take place on 20 September 2009. Naoko Takahashi, Sydney Olympic gold medallist has been appointed as Goodwill Ambassador for the Sydney marathon. It is expected over 500 runners will participate from Japan.

3. Current and Upcoming Activities in Market

3.1 Consumer Marketing:

Dates	Project / Event	Partners
January 2009 – June 2009	Podcasts: Australia's World Heritage series: eight story tellers share their experiences of World Heritage sites.	J-Wave FM radio, STOs
April 2009 – September 2009	World Heritage Campaign: travel agent cooperative marketing in Tokyo, Osaka and Nagoya	Major travel agents
April 2009 – September 2009	Continental Airlines Campaign: cooperative campaign to promote Cairns in seven regional cities (Sapporo, Sendai, Niigata, Nagoya, Okayama, Hiroshima and Fukuoka)	Continental Airlines, Tourism Queensland, Tourism Tropical North Queensland
May 2009 – June 2009	Value Proposition: A web-based campaign and full newspaper advertisements to highlight Australia's value for money given the high value of the Japanese Yen relative to the lower Australian Dollar.	Jetstar
June 2009	Cinema advertising: The second burst of the Transformation and World Heritage cinema advertisements ran in cinemas in Tokyo and Osaka.	
August 2009 – October 2009	Qantas Wild Flower Express: cooperative campaign to promote Western Australia in Tokyo with eight travel agents. Promoted through various channels including retail promotion, campaign website http://style.qantas.jp/wa/ and newspaper advertisement.	Qantas, Tourism Western Australia

4. Media Environment

- All Japanese media continued to report the H1N1 influenza outbreak as a major news item until early July 2009. Australia was mentioned as one of the top countries with confirmed cases in the Southern winter. In mid June 2009, media (including television, online and print) reported the Japanese soccer team arriving in Melbourne with flu masks. Some media also reported that Australians are not sensitive to the infection.
- Through the International Media Hosting Program (IMHP), journalists from the following media were hosted in April and May:
 - Women's magazines: Fujin Gaho, Addictum, Bi-Story, Croissant Premium
 - TV/broadcast media: HoriPro (Gold Coast marathon shoot)
- In June 2009, four premium Japanese bloggers were hosted in Australia through the Visiting Opinion Leaders Program (VOLP). Preliminary results show over 22,000 page views per day.

Please visit www.media.australia.com for details about Tourism Australia's International Media Hosting Program (IMHP) and general media information.

IMHP supporters can access publicity results at www.publicity.australia.com

5. General Travel Outlook

5.1 Political and Economic Outlook

- A general election will be held on 30 August 2009. It is likely that a victory by the opposition Democratic Party of Japan will end more than 50 years of near-unbroken rule by Liberal Democratic Party (LDP).
- In July 2009, the government upgraded its economic and consumer spending assessments for the third and second consecutive month respectively. This was due to the Government's stimulus payments to individuals. However, there was a note of caution on consumer spending, as wages are falling and companies are cutting jobs. *Source of information: Japan Cabinet office, July 2009*
- The Japanese Yen (JPY) - Australian dollar exchange rate reached JPY 80.45 in mid June before dropping to JPY 70.00 in mid July and then returning to JPY 77.00 at the end of July.

5.2 Outbound Travel

- According to Japanese Ministry of Justice, the total number of Japanese outbound travellers were as follows:

	Total Outbound	Year-on-Year Change
May 2009	1,036,000	Down 19%
June 2009	1,001,000	Down 21 %

- Total outbound during summer (mid July – late August) is expected to decline by 6 per cent, resulting in three consecutive years of decline. Generally, bookings for September have increased, with a rise in the number of last-minute bookings. Given the current economic condition, family travellers, in particular, are making travel decisions based on price. *Source of Information: JTB Summer Trends 2009*
- According to HIS, travel bookings for mid July – late September will increase by 16 per cent due to abolishment of fuel surcharge and Silver Week (five consecutive national holidays from September 19 to 23) *Source of Information: HIS Summer Trends 2009*
- Arrival figures for Australia's major competing destinations in the Japan market were as follows:

	Arrivals	Year-on-Year Change
Korea	1,343,791	+49%
China	1,240,600	-16%
Singapore	189,329	-20%
Canada (Jan - Apr only)	48,234	-22%
USA (Jan - Mar only)	760,498	-11%
Hawaii	446,419	-5%
NZ	37,534	-20%

6. Next 60 Days

Japan						
START DATE	END DATE	MARKET	PROJECT/EVENT	TARGET AUDIENCE	LOCATION	PARTNERS
Apr-09	Sep-09	Japan	World Heritage Campaign (2009 Kamiki)	Experience Seekers	Japan	Travel agents, STOs
Apr-09	Sep-09	Japan	Continental Airlines Campaign (2009 Kamiki)	Experience Seekers	Regional Japan	Continental Airlines, Tourism Queensland, Tourism Tropical North Queensland, Travel agents
May-09	Sept- 09	Japan	Sydney Marathon 2009 Promotion	Experience Seekers	Japan	Qantas, Tourism New South Wales
Aug-09	Oct-09	Japan	Qantas Wild Flower Express	Experience Seekers	Japan	Qantas, Tourism Western Australia
Sep-09	Sep-09	Japan	International Media Hosting Program (IMHP): Mainichi ga Hakken magazine	Experience Seekers	Japan	Tourism Western Australia
Sep-09	Oct-09	Japan	Club Oz Meeting	Travel Agents	Tokyo & Osaka	All STOs, Qantas, Jetstar, Japan Airlines
Sep-09	Oct-09	Japan	Oznet Seminar and Function	Travel Agents	Tokyo & Osaka	All STOs
Oct-09	Jun-10	Japan	"Young Attack!" consumer campaign	Experience Seekers / 20/30's females	Japan	All STOs, Jetstar, Qantas, Japan Airlines
Oct-09	Oct-09	Japan	IMHP: Bi-Story magazine	Experience Seekers	Japan	Tourism Northern Territory
Oct-09	Oct-09	Japan	IMHP: Body Plus magazine	Experience Seekers	Japan	Tourism Queensland