

Japan

Market Summary

The Japan market showed a steady recovery in first half 2010, with visitor arrivals up 6 percent year on year. According to industry feedback, both package and group business is returning to Australia; however, not to the same level as 2008.

According to feedback from airlines and key agents, the outlook for the summer holidays (mid July – late August) is also positive. JTB reported that during summer holiday, visitors to Australia would increase by 24.4 percent to 56,000.

Tourism Australia launched the new campaign 'There's Nothing Like Australia' to media and key trade partners on 21 July 2010.

1. Market News

- JTB Foundation revised its forecast for Japanese outbound travel numbers in 2010 from 1.66 million (up 7.4 per cent) to 1.69 million (up 9.4 per cent) based on its rapid recovery in the first six months.
Source: JTB Foundation, 23 July 2010
- JTB expect that the number of Japanese outbound travellers during the peak summer vacation period (15 July – 31 August) will be up 8.4 per cent compared to the same period last year. They estimate that visitors to Australia will be up 24.4 per cent to 56,000.
Source: JTB, 2 July 2010
- In July and August, HIS had received 11 per cent more outbound bookings for the summer vacation period. Travelers are now trying to avoid higher prices and are spreading their departure dates across three months (July – September). Online bookings for HIS increased by 60 per cent compared to the same period last year, with strong growth for Korea and Hawaii, both of which have higher repeat visitation rates.
Source: HIS, 2 July 2010
- The Japanese Yen was weakest against the AUD in April 2010, with a monthly average of JPY 86.66. However, the JPY was 13 percent stronger against the AUD by the end of the quarter (JPY 77.55).
Source x-rates.com



- Naoto Kan, deputy Prime Minister, was elected President of the ruling Democratic Party in June 2010 after Yukio Hatoyama resigned. The upper house elections are planned in July 2010.
- Tourism Australia announced the rollout of the ‘*There’s nothing like Australia*’ campaign to Japanese media and key trade partners on 21 July 2010. Managing Director, Andrew McEvoy welcomed Japanese celebrities, actor Toshio Shiba, actress Misako Yasuda and fashion model Noriko Maeda to assist with the media briefing. From mid September, 3,500 entries from Australians will feature on the Japanese campaign site. Japanese travellers will also be invited to vote for their favourite entry over eight weeks and upload their photograph and experience for the chance to win a trip Australia.

2. Consumer Insights

- According to recent research, the average traveller from Japan:
 - is 42 years of age and 56 per cent are male;
 - is most likely to spend five nights at their destination and prefer 3-star accommodation (35 percent)
 - will spend an average of US\$1,941 during their trips, but this is likely to rise by 21 percent to US\$2,349
 - is attracted to destinations with natural scenery (80 percent), political stability (79 percent) and food (74 percent)
 - is most likely to travel to Australia (26 percent) for their next trip.

Source: Visa and PATA Asia Pacific Travel Intentions Survey: Determining travel preferences for 2009 and beyond
- The same survey demonstrated that 78 percent of those surveyed said that their travel plans were affected by economic uncertainties, with the majority switching to less expensive destinations/itineraries (62 percent).

Source: Visa and PATA Asia Pacific Travel Intentions Survey: Determining travel preferences for 2009 and beyond
- From February – March 2010 an additional 2 million Japanese consumers signed-up to Twitter, taking the total number of Japanese users to 7.52 million. The penetration rate for Twitter is now 12.3 per cent in Japan compared to 10.2 per cent in the USA.

Source: Net Ratings 2010

- The average total expense for overseas travel in 2009 was JPY223,000 (down 12 per cent) and the average spend per night was also down 11 percent.
Source: Market Insight 2010 by JTB foundation

For the latest in visitor arrivals, please visit 'Research & Statistics' at www.tourism.australia.com

3. Trade Update

- Japan Australia Mission (JAM) Downunder will take place from 6 to 8 September 2010 on the Gold Coast. 40 buyers, 40 Australian sellers and 3 trade media will participate in the event. The buyers will have post-familis to eight destinations.
- JTB reported that it posted its first-ever operating loss of JPY 3,392 million for the year ending March 2010. At the end of the first half of the 2009 financial year, JTB were expecting an operating profit of 500 million yen.

4. Airline News

- Scheduled international flights will operate from Haneda Airport from late October as part of the government's efforts to make it an international hub in Asia. The new airport is only 14 km from downtown Tokyo. The government is poised to add slots for 40 round-trip daytime international flights by the 2013 fiscal year.
 - Flight slots to and from the West Coast of the USA, Hawaii, and Southeast Asia have been almost filled
 - Only one of the ten flight slots for Europe has been filled due to scheduling difficulties.

Source: Mainichi Daily News, 20 July

- Singapore Airlines will launch new Singapore - Haneda double daily flights from 31 October. From Singapore, these flights can connect to five gateways, Brisbane, Melbourne, Perth, Adelaide and Perth.
- Virgin Blue are aiming to service the Japan route after 2012 pending government approval, securing a slot, the delivery of new aircraft and the economic situation. Virgin Blue is operating long haul services to Los Angeles, Phuket, and Johannesburg under the V brand and expanding their domestic arm in Australia as a low cost carrier.
Source: Wing Travel, 24 June 2010
- Based in Singapore, Jetstar Asia launched a daily Singapore – Taipei - Kansai service from 5 July 2010. To mark the new service, Jetstar Holiday sold 3 night Taipei packages from JPY 36,300 or A\$453 and 4 night Singapore packages from JPY 61,700 or A\$771 (at JPY 80)

5. Competitor News

- JTB, KNT, HIS, Nippon Travel Agency, Hankyu Travel and JALPAK responded to calls from Hawaii Tourism Japan (HTJ) and JAL to cooperatively promote Hawaii

at the first passenger terminal at Haneda Airport on 28 May 2010. JAL will begin serving Haneda-Honolulu flights on 31 October 2010.

Source: J-WING TRAVEL 7th June

- HTJ will focus on four key areas in 2010/2011:
 - Maintain flight capacity including scheduled and charter services
 - Take measures to stimulate demand during low and shoulder seasons (April - June and September–November) by providing new local products and through more active promotions in Japan.
 - Increase first time visits and target youth market through sports events (i.e. Honolulu marathon) and experienced based events
 - Convert potential travelers into actual bookings through the use of two-way communication tools.

- The Hawaiian Department of Business, Economic Development and Tourism (DBEDT) reported that the number of Japanese visitors in April was down 1.4 percent to 83,230. The average length of stay was also down 2.4 percent to 5.67 days, and average daily spend was down 1.4 percent to US\$258.

- The Hong Kong Tourism Board (HKTB) launched a new promotional website 'MSN x Festival Hong Kong 2010', linking tourism information with a product booking function on the well-known portal site MSN. Three other companies will feed information into this site:
 - 'ABROAD' overseas travel information website;
 - 'Web R25' an information site for young business people; and
 - 'Jaran' a domestic travel information magazine

- Rakuten Travel and Korea Tourism Organization (KTO) joined forces to stimulate FIT and regional markets in Japan. KTO provided Rakuten Travel tourism information to enable them to better package Korean FIT travel products and Rakuten rolls out the promotional program.

Source: TravelVision Online, 20 June 2010

6. Key Campaigns and Activities in Market

Japan campaigns and activities				
START DATE	END DATE	DESCRIPTION	TARGET AUDIENCE	PARTNERS
4 Jul 2010	4 Jul 2010	<i>Gold Coast Marathon:</i> The number of Japanese participants were down 10.7 percent compared to 2009 (1,117 pax)	FIT segment interested in marathons	Tourism Queensland (TQ), Gold Coast Tourism (GCT)
21 Jul 2010	28 Jul 2010	<i>2010/11 Strategy Announcement:</i> Tokyo and Osaka	Travel Agents	-
21 Jul 2010	21 Jul 2010	<i>Brand launch:</i> Campaign Launch for “My Ichioshi” Australia (transl. ‘There’s Nothing Like Australia’)	Consumer and news media	-
23 Aug 2010	10 Nov 2010	<i>Retail Display Contest:</i> Themed ‘There is nothing like a honeymoon in Australia’	Honeymooners	TQ, Tourism New South Wales (TNSW), Tourism Northern Territory
6 Sep 2010	8 Sep 2010	<i>Japan Australia Mission Downunder:</i> Gold Coast	Travel Agents	TQ, GCT, Qantas, Jetstar
15 Sep 2010	15 Nov 2010	<i>“My Ichioshi” Australia Campaign:</i> roll out of the Japan brand campaign	Working women 20s/30s Males and females over 55	STOs, airlines and industry
May 2010	19 Sep 2010	<i>Sydney Marathon Promotion:</i> Consumer campaign targeting runners. Sydney Olympic gold medalist, Ms Naoko Takahashi has been appointed as the Goodwill Ambassador for Sydney Marathon. To view the site, http://www.sydney-marathon.jp/	FIT segment interested in marathons	TNSW
24 Sep 2010	26 Sep 2010	<i>JATA World Travel Fair:</i> Tourism Australia’s booth will themed with “My Ichioshi” Australia campaign.	Consumers	Qantas, Jetstar