

Number of Outbound Japanese Travelers Down 3.0% in October Negative Figures for 2 Straight Months since September

On November 16, Japan National Tourism Organization (JNTO) released figures which show that the number of outbound travelers in October amounted to 1,472,000, a decline of 3.0% year on year. This represents a continuation of the trend in September, which was minus 0.7% year on year. The actual number of outbound travelers in October dropped by 46,000, down from 1,517,525 last year.

The cumulative figure for outbound travelers from January to October this year amounted to 15,624,000, an increase of 11.3% compared to 2011 and 12.2% compared to 2010, and thus growth in the number of outbound travelers is maintaining double-digit growth. Adding 2,376,000 more travelers, the number of outbound Japanese travelers this year will reach the benchmark of 18 million. If the percentage of decline in November and December year on year does not exceed the 20% on average, the highest-ever annual figure of 18 million outbound Japanese travelers will be attained.

The drop in the number of outbound Japanese in October is thought to be a continued reflection of the large decline in Japanese travelers who visit China as a result of the deterioration in relations between Japan and China over the Senkaku Island dispute.

The number of Chinese travelers who visit Japan

amounted to only 71,000 this October, a decline of 33.1% year on year in sharp contrast to the 9.8% increase year on year in September. China was the only major country to show a decline in the 30% range.

Month	Japanese Overseas Travelers (Unit: Persons)		Change
	2011	2012	
1 Jan.	1,282,348	1,331,144	3.8
2 Feb.	1,391,193	1,572,587	13.0
3 Mar.	1,420,584	1,737,033	22.3
4 Apr.	1,114,906	1,410,963	26.6
5 May.	1,152,339	1,431,204	24.2
6 Jun.	1,267,227	1,481,674	16.9
1~6 Jan.-Jun.	7,628,597	8,964,605	17.5
7 Jul.	1,465,379	1,595,000	9.1
8 Aug.	1,786,412	1,965,000	10.0
9 Sep.	1,637,158	1,625,000	-0.7
10 Oct.	1,517,525	1,472,000	-3.0
1~10 Jan.-Sep.	14,035,071	15,624,000	12.2
1~12 Jan.-Dec.	16,994,200		

JAPAN NATIONAL TOURISM ORGANIZATION

268 Offices Approved in Three Categories JNTO Launches New System of Foreign Tourist Information Offices



Japan National Tourism Organization (JNTO) has approved 268 centers nationwide as new Foreign Tourist Information Offices as part of its efforts for foreign travelers visiting Japan.

Under the new system, offices may be approved in any of three categories or as partner facilities, depending on the features of each Tourism Information Offices. Offices approved for categories one through three display a common symbol mark.

JNTO is spreading the word about the approved information offices through the JNTO website, which is available in multiple languages, and through its overseas offices. It has also set up a network connecting the Tourism Information Offices it approved and provides support and assistance to improve the offices.

JNTO started the new approval system based on the

“Guide to Establishing and Operating Foreign Tourist Information Offices” issued by Japan’s Tourism Agency in January 2012 because, with an eye on the age when 30 million foreign travelers will visit Japan, there was a need to create an environment so that foreign travelers can travel with peace of mind.

JNTO has been receiving applications since July 2012 through the District Transport Bureaus and approving Tourism Information Offices since October 2012.

The 168 information offices approved in category one are capable of responding in English in some way and offering information about the local area even if English-speaking staff is not stationed there. The 76 information offices approved in category two have, at minimum, staff who can respond in English permanently stationed there and can provide information for a wider area than category one information offices. The 7 offices approved in category three are ordinarily capable of responding in English, Chinese, and Korean, open year-round as a rule, offer wireless Internet access, and are located in places with many foreign visitors.

In addition, 20 facilities which do not operate principally as tourism information offices were approved as partner facilities, which are eager to actively accept foreign travelers and to provide information about the area from a fair and neutral stance.

New LCC on the Narita-Singapore Route Scoot Begins Service with Daily Flights



Scoot CEO Campbell Wilson

Scoot, a medium-distance low-cost carrier (LCC) which is part of the Singapore Airlines group, began daily flights on the Narita-Taipei-Singapore route using a Boeing 777-200 on October 29.

Scoot was established in June 2011. Based in Singapore, it offers flights to Sydney, Gold Coast, Bangkok, and Tianjin.

Prior to starting service to Japan, from September 18 it operated three flights per week between Singapore and Taipei. Together with launching service on the Narita-Taipei

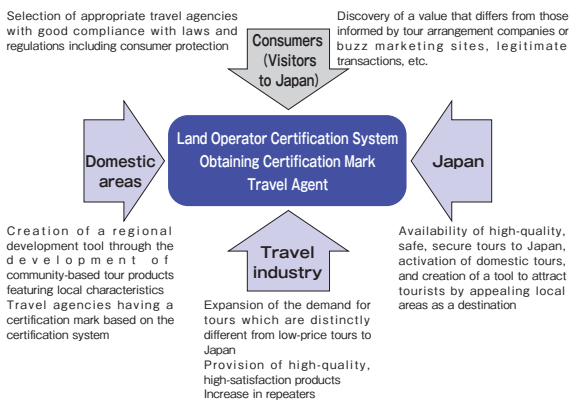
route, it also switched to daily flights between Singapore and Taipei.

Domestic Japanese LCCs and foreign LCCs with flights to Japan ordinarily develop a network centered on short-distance routes, but Scoot is constructing a medium-distance route network. Moreover, whereas nearly all LCCs sell flight tickets directly over the Internet, Scoot also began participating in the computer reservation system called Infini at the same time it began service to Japan. Travel agencies have begun to handle Scoot flight tickets through Infini.

During his visit to Japan before service to Narita Airport began, Scoot CEO Campbell Wilson explained, “The travel industry plays a large role in the Japanese market, and so we want to place priority on our relationship with travel agencies for securing demand and market development.” Displaying his confidence in market development in Japan, he declared, “Because we are the only LCC with a route linking Taipei, a very popular destination among Japanese people, and Tokyo, which is popular with Taiwanese people, I think that there is huge potential for procuring new demand.”

Land Operator Certification System Studied JATA Works on Boosting the Quality of Inbound

Possibility of various advantages through the establishment of a certification system



Japan Association of Travel Agents (JATA) is studying a certification for the land operator industry which it intends to launch in April 2013.

JATA’s aim is to create a quality certification system for land operators, actualize Japan as a travel destination in the true sense, and boost the quality of inbound travel.

Japanese travel agencies, which play an important role in inbound travel to Japan, work as land operators in their roles as reservation agents and travel arrangers. In response to requests from overseas travel agencies and clients, they are expected to perform (1) swiftly, (2) accurately, (3) stably, and (4) at a reasonable price.

Price competition is particularly intense with specialized operators in other countries for tours from Asia to Japan, which has caused an upsurge in low-quality tours that

emphasize low prices. In some countries, occasionally there are travel agents who ignore consumer protection laws and compliance standards.

Among inbound operators, there are many specialized operators who are not travel agents, and there is concern that, given the current state of affairs, tourists may confuse them with superior domestic travel agents.

For this reason, it is necessary to design and build an evaluation system that incorporates criteria as well as the viewpoints of visitors to Japan and consumers that will (1) clarify which agents can cope with personalization, deregulation, and diversification, (2) ensure that local information is offered for areas in Japan where the latent demand is high through qualified travel agencies, (3) ensure operation of qualified agents who observe consumer protections laws and compliance standards.

The designing and building of such an evaluation system will carry significant merits for travelers to Japan. Domestically, it will create local promotion tools that develop destination-based products utilizing the distinctive features of each area. It will boost Japan as a travel destination by enabling high-quality, safe, and secure travel to Japan. It is expected to entice more people to travel by advertising local areas and stimulating domestic travel.

The benefit for the travel industry is that it will increase travel demand by providing more high-quality, high-satisfaction products which are clearly distinguished from tours to Japan that emphasize low cost. This will also increase the potential for more repeat travelers.