

JATA Submits Policy Recommendations to the Japan Tourism Agency Aiming to Make Japan a Major Exchange-oriented Country through Outbound Travel

In anticipation of the “age of mutual exchange of 40 million people,” JATA submitted policy recommendations for inbound, outbound, and domestic travel to the Japan Tourism Agency on April 22. The policy recommendations set forth suggestions for overcoming challenges by engaging the entire country through public-private collaboration including a cross-section of ministries and agencies, premised on the travel industry’s awakening and creation of demand. We spoke with Jungo Kikuma, chairman of the JATA Outbound Travel Executive Committee, and Satoshi Inoue, chairman of that committee’s Policy Recommendations Sub-Committee, concerning the outbound travel policy recommendations incorporating 10-point action plan. The action plan includes the popularization of vacation-taking, support for internationalization of young people, and regional revitalization through internationalization to move toward making Japan a major exchange-oriented country.

The Growing Social Role of Outbound Travel

--- Tell us about the background behind how you put together the outbound travel policy recommendations.



Mr. Kikuma(left) and Mr. Inoue

Kikuma We set up three new sub-committees within the Outbound Travel Committee to work effectively on the various barriers and challenges surrounding outbound travel. The Policy Recommendations Sub-Committee was established to write proposals in preparation for the age of 20 million outbound travelers. Last year, when Japan reached the milestone of 50 years since the deregulation of

outbound travel, Various opportunities were used through the media and others during the year to highlight the significance of the contribution of outbound travel to the internationalization of Japanese people. During this, I keenly felt that the role played by outbound travel has grown greater than ever. So, we are not thinking just at the level of how to create travel products. We drew up the policy recommendations based on our awareness we are in an age when we must energize the framework of outbound travel.

Inoue In the early stage of sub-committee discussions, interest tended to turn toward stimulation of demand, but we began to consider the larger framework surrounding outbound travel which Chairman Kikuma pointed out, and while involving other ministries and agencies through the Japan Tourism Agency, the sub-committee members repeatedly held discussions from the long-term perspective of how to change the country. This is not something that we expect to produce results next year or the year after. We tried to create recommendations that will be effective in boosting outbound travel far into the future.

--- The principal role of the tourism industry is now debated frequently, along with the UN slogan of “Tourism, Passport to Peace.”

Inoue I think this slogan is the basis of tourism. Of course, the contribution of tourism to economic growth is large, but I think we can also expect tourism to play a role in the achievement of

world peace by promoting mutual understanding in countries around the world and increasing people’s understanding of different value systems.

Kikuma As historical background, not only has Japan provided overseas development assistance (ODA) for construction of physical infrastructure such roads and bridges, but Japan is also moving to provide ODA to develop services that support ongoing economic development, such as support for development of tourism and help for the tourism industry to take root in developing countries. I think the travel industry must actively cooperate with tourism-based ODA.

The Industry to Set an Example for Popularization of Vacation-Taking

--- Tell us what you think of “popularization of vacation-taking,” the first item listed in the action plan.

Inoue Needless to say, if people cannot take vacations, they cannot go on trips. Since the ability to take vacation time is essential particularly for outbound trips, the fact that it is currently difficult to take long periods of vacation in Japan is clearly an obstacle to increasing the demand for outbound travel. I think the key point for expanding outbound travel is to make it easier to take time off.

Kikuma In developing the travel market, the issue of disposable time is not a small one. Even if Japan does not go as far as adopting the European vacation laws, we would like to ask for the cooperation of industry in encouraging workers to use their paid vacation time. In the current Diet session, it is expected that an amendment to the Labor Standards Act will be submitted which mandates the taking of 5 days of paid vacation per year. In Japan, workers use only about 20% of their paid vacation days annually, which is extremely low compared to the US and Europe. There are international reports stating that vacation time contributes to improved productivity and to the improvement of work-life balance, and so first it is necessary for the travel industry to be prepared to set a good example.

--- What about “regional revitalization through internationalization”?

Kikuma There are many airports in regional areas, but currently there are very few international flights. An increase in the airlines that serve regional airports would also spur the further expansion of the inbound market, but the existence of outbound demand is a major point for attracting more routes. If we can develop outbound travel demand originating from regional airports, that will underpin the creation, maintenance, and development of international routes, and I think it can contribute greatly to regional revitalization.

Inoue The policy recommendations incorporate a 10-point action plan, and I very much want people to understand that these are all based on a long-term perspective that aims to make Japan an exchange-oriented country, in anticipation of Japanese tourism in the distant future.

Kikuma As I said at the outset, because we are very proud that these outbound travel policy recommendations are something that only JATA could propose, we wrote in the preface “JATA is committed to these recommendations.” I am certain that if the rich lifestyle of the Japanese people is what makes Japan attractive as a destination, then outbound travel by Japanese people will play a role in order for Japan to continue to deliver forward-thinking values.

Declaration on the Start of a New Age of Tourism Exchange among Japan, China, and South Korea

First Ministerial Conference on Tourism in Four Years Held in Tokyo



Minister Kim, Minister Ohta and Chairman Li (from left to right)

The 7th Japan-China-South Korea Ministerial Conference on Tourism was held by the three countries on April 11 and 12 in Tokyo. This was the first such conference held in four years, following an interruption due to the deterioration of Japan-China relations and Japan-South Korea relations. In attendance were Akihiro Ohta, Japan's Minister of Land, Infrastructure, Transport, and Tourism, Li Jinzao, chairman of the China

National Tourism Administration, Kim Jongdeok, South Korea's Minister of Culture, Sports, and Tourism, and industry-related persons. Following bilateral talks between Japan and China, Japan and South Korea, and China and South Korea on the 11th, the three countries held a meeting on the 12th where they adopted a joint declaration that incorporated (1) the start of a new age of tourism exchange among Japan, China, and South Korea through improving the convenience of human travel, (2) advancement of the Visit East Asia Campaign (VEAC) through trilateral joint promotion, and (3) improvement of the quality of tourism exchange by strengthening collaboration among the three countries of Japan, China, and South Korea.

The population exchange among the three countries expanded from 13.84 million in 2006 when the first ministerial conference on tourism was held to 20.47 million people in 2014. The joint declaration also states the three countries will cooperate in an effort to expand exchanges with the aim of reaching 30 million people by 2020.

At a press conference held after signing of the joint declaration, Akihiro Ohta, Japan's Minister of Land, Infrastructure, Transport and Tourism, said, "The first issue is how much Japan can increase the number of travelers who go to China and South Korea," indicating his intention to place the highest priority on recovery of demand for travel to China and South Korea. Regarding VEAC, he emphasized, "This is our first attempt, and we must steadily push this joint project forward."

Li Jinzao, director of the China National Tourism Administration, pointed out that this joint declaration "goes beyond the framework of traditional tourism cooperation; its major feature is that it attempts to unify the rules and routes for tourism in the three countries." He said, "Political relationships are not necessarily always smooth; however, the level of cooperation in tourism in the past several years has risen, and we currently continue to move toward new goals." He stated his view that "no matter what sorts of political assertions are made, we must not disagree with respect to cooperation on tourism." He added, "There really should be no national barriers to tourism, and it is the responsibility of national governments to enable people to travel freely."

Kim Jongdeok, South Korea's Minister of Culture, Sports, and Tourism, stressed, "Tourism cooperation and tourism exchange are very important means to deepen friendship, and they play an important role in conflict resolution." He displayed confidence concerning VEAC, saying, "Looking at the global tourism market, our three countries could become a common destination if we endeavor to cooperate together." He stated, "If we overcome the various obstacles through joint promotion, I think that the political situation may also work in a positive way."

At the Japan-China-South Korea Tourism Exchange Expansion Forum held on the 12th, there was a panel discussion moderated by Ryoichi Matsuyama, president of the Japan National Tourist Organization (JNTO). The three panelists were Hiromi Tagawa, JATA chairman, Lijun Zhang, chairman of China Association of Travel

Services, and Moo Seung Yang, Chairman of the Korean Association of Travel Agents (KATA). They confirmed the importance of continuing and expanding nongovernmental exchanges via tourism amidst the ongoing tough political climate.

Outbound Japanese Travelers Down 4.2% in March to 1.53 Million

Decline of 5.3% Overall for the First Quarter in 2015

According to a preliminary report released April 22 by the Japan National Tourist Organization (JNTO), outbound Japanese travelers in March this year numbered 1.53 million, down 4.2% year on year. Although the figure has remained negative year-on-year during the three consecutive months since the beginning of the year, the percentage of decline did rebound from the 10.2% drop in February. However, the figure for outbound Japanese travelers has been negative year-on-year for ten consecutive months since last June, and there appears to be no halt to the slowdown in outbound travel demand. During the three months from January to March 2015, the number of outbound Japanese travelers was 4,027,612, a decrease of 5.3% year on year.

Meanwhile, inbound foreign travelers in March this year numbered 1,526,000, up 45.3% year on year. Since February when inbound foreign travelers surpassed the number of outbound Japanese travelers, the numbers of inbound foreign travelers and outbound Japanese travelers have been nearly the same.

The first time that the number of inbound foreign visitors surpassed 1.50 million in a single month was in March this year. Moreover, new records for a single month were set in two consecutive months, surpassing the record of 1,387,000 set in February by 139,000 in March.

By market, in addition to the single-month records set by Hong Kong, Vietnam, US, Canada, UK, and Germany, there were 19 markets excluding Russia that set new records for the month of March. These 19 markets all displayed double-digit growth, led by the Philippines which was up 110.9% year on year. Even in terms of year-on-year growth, the number of inbound foreign travelers displayed significant growth.

2015 Visitor Arrivals & Japanese Overseas Travelers (Unit: Persons)

Month	Visitor Arrivals			Japanese Overseas Travelers		
	2014	2015	Change %	2014	2015	Change %
1 Jan.	944,009 (730,519)	* 1,298,400	* 29.1	1,253,404	* 1,238,060	* -1.2
2 Feb.	880,020 (688,902)	* 1,387,000	* 57.6	1,404,873	* 1,262,000	* -10.2
3 Mar.	1,050,559 (802,434)	* 1,526,000	* 45.3	1,596,751	* 1,530,000	* -4.2
4 Apr.	1,231,471 (1,020,474)			1,189,132		
5 May.	1,097,211 (892,577)			1,280,765		
6 Jun.	1,055,273 (866,883)			1,289,029		
1~6 Jan.-Jun.	6,258,543 (5,001,789)			8,013,954		
7 Jul.	1,270,048 (1,080,552)			1,414,912		
8 Aug.	1,109,569 (903,919)			1,783,127		
9 Sep.	1,099,102 (846,241)			1,520,863		
10 Oct.	1,271,705 (1,029,922)			1,417,766		
11 Nov.	1,168,427			1,355,246		
12 Dec.	* 1,236,073			* 1,397,520		
1~3 Jan.-Mar.	* 2,874,588 (2,221,855)	* 4,131,400	* 43.7	4,255,028	* 4,027,600	* -5.3
1~12 Jan.-Dec.	13,413,467 (10,880,604)			16,903,388		

◆Note 1. The figures for Jan.-Nov.2014 are provisional, while * stands for the preliminary figures estimated by JNTO.

◆Note 2. Provisional and definitive figures for Visitor Arrivals are compiled by JNTO (source: Ministry of Justice), and provisional and definitive figures for Japanese Overseas Travelers are provided by the Ministry of Justice.

◆Note 3. The figures in () represent the number of tourists among the total.

Prince Hotels and Seibu Railway to Exhibit Eight Booths Using the Opportunity for the Seibu Group to Appeal to Domestic and Overseas Customers

The Seibu Group's Prince Hotel exhibited four booths last year, and this year, it has been decided that Seibu Railway will exhibit at JATA Tourism EXPO Japan for the first time, bringing the total to eight booths for the Seibu Group. The plan is to promote the tourism and leisure-related operations and services of the Seibu Group companies to industry personnel and general visitors.

Displaying the Synergistic Effects of the Group Companies



This will be Prince Hotels' fourth year exhibiting at the expo, starting back when it was called the JATA Travel Showcase, and together with the Seibu Railway which will be exhibiting for the first time this year at the JATA Tourism EXPO Japan, they are planning to design booths that will display the synergistic effects of the Seibu Group to

the maximum.

Takeshi Baba, senior manager of the Business Strategy Department of Prince Hotels, expressed his expectation that the EXPO will be a venue for communicating the particular attractions the Seibu Group's hotels and leisure and tourism services. Speaking about the expo, he said, "While working to raise visitors' recognition of domestic brands and to publicize new facilities and services, we can expand our account network through business talks with the relevant people from countries and regions that send inbound travelers to Japan."

Prince Hotels operates 41 hotels in Japan and 8 hotels overseas to meet customers' needs. Because many of the hotels also feature golf courses and ski areas, one of their major themes is to continually relay ways to enjoy them by utilizing the entire areas where the hotels and leisure facilities are located.

"All kinds of hotels exist in Japan, so using JATA Tourism EXPO Japan as a precious opportunity, we want to communicate the unique added value and the synergistic effects of the companies in the Seibu Group which sets us apart from other hotels," says Masashi Takizawa, deputy general manager of Prince Hotels' Business Strategy Department.

Appealing to Inbound Travelers and Areas Farther Away from the Railway Line

Concerning the decision to exhibit for the first time this year at the expo, Manabu Ikoma, assistant chief in charge of new ridership development in the Smile & Smile Section of the Railroad Business HQ Transportation Department at Seibu Railway, demonstrated enthusiasm, saying, "Starting about two years ago, we began strengthening Seibu Railway's PR directed at areas farther away from the railway line, together with launching efforts to attract inbound travelers. So, we want to effectively utilize JATA Tourism EXPO Japan as a venue to reach both domestic and overseas customers."

Along the Seibu Railway line, there is abundant tourist material, such as Kawagoe, a city known as "Little Edo," and the Chichibu area which is rich in both natural and cultural attractions. However, the fact is that it cannot be said that these places are well known in areas farther away from the railway line and among people overseas.

"We want to work as one with local areas to convey to people in Japan and overseas the charms of the valuable tourism resources along the railway line. We want not only to boost ridership but also to contribute to invigoration of the local areas," said Ikoma.

Given the expansion in interconnection of railways in the Greater Tokyo Area, one of the important roles of the railway companies is not only to expand passenger flow along each line but also to let travelers who visit Tokyo from far and wide know about the attractions along each line and to create demand for lodging by encouraging trips outside the city center so they stay longer.

With the JATA Tourism EXPO Japan as the stage on which many local governments from across Japan participate, there are strong expectations of synergistic effects that will lead to expansion of the exchange population which supports local areas' tourism promotion.

3 Business Meetings for Outbound, Domestic, and the Media to Be Held

Business meetings at JATA Tourism EXPO Japan 2015 will be held in the East Exhibition Hall of Tokyo Big Sight on September 24 and 25, 2015.

In addition to the Outbound Business Meeting and Media Meeting, the Domestic Business Meeting is also scheduled to be held in continuation from last year. This year, in consideration of the convenience of being near the exhibit booths, the three business meetings will be convened in the exhibition hall.

The first day of the business meetings will be conducted using pre-scheduled appointment matching, with the buyers remaining seated and the sellers visiting the buyers. A maximum of 15 sessions of business talks will be possible. The second day will be an open session all day long, with buyers visiting the sellers' exhibit booths, and it will be possible for participants to prioritize their schedules. Advance request matching for the business meetings will be available online, and buyers' and sellers' data will be disclosed in advance so they can be selective about with whom they will meet.