Cabinet Coordinates Action Program Promoting Japan as a Tourism Nation Powerfully

The second Cabinet meeting (Prime Minister Abe presiding) on the promotion of Japan as a tourism nation was held on June 11 at the prime minister's office in Nagatacho, Tokyo. At the meeting, the Action Program for Making Japan a Tourism Nation was compiled.

Reliable Implementation with Inspections and Evaluations of Progress

To utilize the potential of Japan's tourism resources and to create a tourism country that will attract people from around the world, this program recognizes "the need to effectively devise measures to break through the bottlenecks that exist in each stage" and the importance of planning for (1) creation and communication of the Japan brand, (2) promotion of travel to Japan by easing visa conditions, (3) improvement of reception of foreign travelers, and (4) promotion of investment in MICE (including international conferences, etc.). In addition, a policy was announced in which the novel parts of the necessary measures in the program will hold a central position and measures that are already underway will continue unchanged.

Prime Minister Shinzo Abe(right) and Minister of Land, Infrastructure, Transport and Tourism Akihiro Ohta(center) [Photo: Cabinet Public Relations Office]

The government's goal in implementing the measures included in the program is to have 20 million foreigners visit Japan. Because reliable implementation of the measures is important, the idea is to powerfully promote the program while conducting inspections and evaluation of its progress and utilizing that feedback in the ongoing implementation.

Following the discussion at the Cabinet meeting on promotion of Japan as a tourism nation, Prime Minister Shinzo Abe explained, "Japan has resources such as nature, culture, history, and cuisine that it can confidently present to the people of the world. We have prepared an action program that will utilize these resources and make Japan into a very attractive tourism country." He stated that because this year is the 40th anniversary of friendship and cooperation between Japan and ASEAN, first of all the following steps will be taken to ease visa requirements for tourists from ASEAN countries.

(1) Visa exemption for travelers from Thailand and Malaysia
(2) Multiple visas for travelers from Vietnam and the Philippines
(3) Extension of the period of stay for Indonesians with multiple visas

It has been decided to implement these relaxation measures all at once by summertime.

Number of Foreign Tourists to Increase from 10 Million to 20 Million

Moreover, Prime Minister Abe announced his determination for "the government as a whole to establish Japan as the top location for international meetings in Asia while simultaneously transmitting the Japan brand overseas by broadcasting contents overseas on a large scale and securing overseas channels." He emphasized, "We will immediately implement this action plan to reach 10 million, and then to aim for 20 million, foreign visitors to Japan for the first time in history." He requested the cooperation of the related Cabinet members with economic growth, regional revitalization, and attraction of travelers from all countries.

With this year marking the tenth anniversary of the start of the Visit Japan project, since when Japan began genuine initiatives to become a tourism country, the Japan Tourism Agency points out, "to increase the number of foreign visitors to Japan, the entire government must work as one to strengthen initiatives."

To rebuild a strong Japanese economy through growth strategies and to powerfully promote measures to create a tourism country that is more attractive than neighboring countries, the Abe Cabinet launched a Cabinet meeting to promote Japan as a tourism country in March 2013. The action program was arranged mainly by a working team dedicated to promotion of Japan as a tourism country through repeated discussions based on opinions from a panel of experts.

The specific action items for each of the four main measures in the action program are as follow.

(Ⅰ) Creation and promotion of the Japan brand
(1) Expand stronger collaboration with a Japan-wide system
(2) Transmit the Japan brand in conjunction with Cool Japan
(3) Implement promotions to visit Japan from new standpoints
(Ⅱ) Promotion of travel to Japan by easing visa requirements
(1) Ease visa requirements
(2) Inform travelers of lodging and transportation that are easy to use
(3) Promote cruises
(4) Further enhance the aviation network
(Ⅲ) Improvement of reception of foreign travelers
—Improvement of immigration procedures
(1) Expedite and smooth immigration procedures
—Environmental arrangement that makes movement easy
(1) Arrange environment for pleasant and smooth movement using transport facilities
(2) Improve and strengthen multilingual capabilities
—Environmental arrangement to make it easy to spend time in Japan
(1) Improve and strengthen multilingual capabilities
(2) Improve the tourism industry's responsiveness to foreign travelers
(3) Strengthen tourist information services
(4) Implement measures for Muslim travelers
(5) Improve convenience for foreigners visiting Japan
(6) Study the best form for the duty-free system
—Creation of attractive tourism areas
(1) Create new tourism
(2) Promote tourism that is linked to infrastructure projects
(3) Maximize the tourism potential of local areas
(4) Stimulate travel demand in disaster areas
(Ⅳ) Promotion of investment in international conferences, etc. (MICE)
(1) Construct an integrated MICE attracting system with the country working in unison
(2) Prepare an environment to receive MICE in cities
(3) Collaborate with related organizations through a joint action plan
(4) Promote integrated resorts
(5) Provide support for attracting and holding of international sports competitions

minutes of walking. In June, the first oceangoing passenger ship is scheduled to arrive at the cruise terminal which is being built on the site of the old Kai Tak Airport, and this will provide a new material for tourism. We would be happy to have travel agencies plan cruises on large passenger ships.

Working on Development Together from the Product Planning Stage

Kikuma: Mr. Leung just spoke about mindset, and I also think that the partnership between Japanese travel agencies and local tour operators must change significantly. For our switch to value creation in the travel industry which we have set as a goal, it is important to switch from partnerships in which we request help with purchasing and onsite arrangements to partnerships in which we create products together from the product planning stage.

Tagawa: As Mr. Tai mentioned, Hong Kong has wonderful raw materials, and I think what is needed is the ability to design trips that utilize those materials so that travelers can enjoy a wonderful time at the destination.

Leung: The basic things that Japanese tourists enjoy the most are first shopping, second dining, and third the night view of the city. However, looking at shopping, I think we need to drill down deeper into their preferences. They shop not only for the so-called brand names and luxury items but also, for example, for mid-price items. In designer goods, there are not only the top brand designers but also local designers. So, I think we need to offer diverse options. In dining, there is more than Chinese restaurants. There are the top-class Michelin-starred restaurants, and recently in the Michelin Guide, small local restaurants are also listed.

Cooperative Efforts with Other Countries Needed

Kikuma: Looking at outbound travel from Japan overall, one thing stands out. Growth is sluggish at the classic tourist destinations which have long been popular in both Asia and Europe. In Hong Kong's case, the city is a place that evokes images of bygone days among Japanese people. I think it may be important to establish a new "Hong Kong trip" image.

Tagawa: Looking back on my early days in the industry, it was a time when Hong Kong was positioned as the gateway to ASEAN countries. Everything started in Hong Kong. Middle-aged and senior travelers who know the Hong Kong of the olden days are starting to travel again, and so perhaps we need cooperative efforts that combine Hong Kong with other countries. Also, if I may speak frankly about Japanese people, I think that the amount of repeat business from Japanese travelers is determined by whether or not they think they are highly esteemed at the destination. In part for the sake of showing esteem for Japanese travelers, further boosting of the level of hospitality will become an important theme from here forward.

Hsu: Eighty percent of our association members specialize in business from Japan, and they are extremely passionate about providing service to all Japanese tourists. Henceforth, we will reorganize our business, repackage the services we offer in Hong Kong, and present new suggestions.

Kikuma: I hope you will visit Japan in September with many of your association members to attend the JATA Tourism Forum & Travel Showcase. I think it would be good to hold a large meeting with JATA planners who plan Hong Kong trips and to discuss future plans for Hong Kong together.

Travelers Drop 11.8% in May, to 1,262,000 —Cumulative Decline of 7.2% for January through May

According to figures on the number of outbound Japanese travelers released by the Japan National Tourist Organization (JNTO) on June 19, the figure for May declined by 11.8% year on year, to 1,262,000 persons, marking the second consecutive month of double-digit decline, following April's decrease of 12.3%. Outbound travelers during the five months from January through May numbered 6,943,000, a drop of 7.2% year on year.

Last year's annual figure for outbound travelers reached 18,490,000, an increase of 8.8% year on year, breaking through the 18-million mark for the first time ever. This year, the January figure continued the positive trend, with a 2.2% increase year on year, but negative figures were recorded consecutively from February through April.

May's decline, at 11.8%, represents a slight shrinkage of the decrease compared to April's 12.3% decline, but the double-digit decrease during two consecutive months indicates that there is no slowdown in the waning of demand for overseas trips.

Meanwhile, inbound foreign visitors amounted to 875,400 persons in May, an increase of 31.2% year on year. The number of inbound foreign visitors declined 1.9% year on year in January, but double-digit growth was maintained thereafter for four months, at 33.5% in February, 26.7% in March, 18.4% in April.

Looking at the figure for inbound foreign visitors in May, the previous record was set in May 2008, with 736,000 visitors. In May 2013, that record was surpassed by 139,000 persons, breaking the 800,000-person mark in May for the first time. The figure for May 2013 was also the third highest ever, behind April 2013 (923,000 persons) and July 2010 (878,000 persons).

In JNTO's analysis of this favorable trend in the inbound market, "the number of foreign visitors displayed significant growth because the desire to visit Japan was stirred by continuous promotion of travel to Japan, which was assisted by the expansion of airline seat supply and weakening of the yen."

	Japanese Overseas Travelers		(Unit: Persons)
Month	2012	2013	Change (%)
1 Jan.	1,331,144	1,360,639	2.2
2 Feb.	1,572,587	1,430,633	−9.0
3 Mar.	1,737,033	1,652,417	−4.9
4 Apr.	1,410,963	1,237,000	−12.3
5 May.	1,431,204	1,262,000	−11.8
6 Jun.	1,481,674		
1〜6 Jan.-Jun.	8,964,605		
7 Jul.	1,598,016		
8 Aug.	1,964,041		
9 Sep.	1,622,996		
10 Oct.	1,470,289		
11 Nov.	1,434,503		
12 Dec.	1,436,172		
1〜5 Jan.-May.	7,482,931	6,943,000	−7.2
1〜12 Jan.-Dec.	18,490,622		

JAPAN NATIONAL TOURISM ORGANIZATION

Roundtable Discussion: Toward Recovery in Hong Kong Tourism

Search for New Cooperative Ways to Stimulate Demand for Hong Kong

—Important to Break Free of Conventional PR Activities

Hongkong Japanese Tour Operators Association (HJTOA)

Gianna Hsu,
Chairman,

Choi Pat Tai,
Life Honorary President,

Hong Kong Tourism Board (HKTB)

David Leung,
Regional Director – Japan

Chikayoshi Kawahara,
Senior Manager – East Japan

Japan Association of Travel Agents (JATA)

Jungo Kikuma,
Chairman

Hiromi Tagawa,
Vice Chairman

In 1996 just prior to the return of Hong Kong to China, the number of Japanese travelling to Hong Kong set a new record at 2,380,000. However, the long-term slump that followed was magnified last fall by the escalation of the territorial dispute between Japan and China. In response to the marked decline in Japanese travelers, top executives of Hongkong Japanese Tour Operators Association (HJTOA), an industry group of land operators that specializes in Japanese travelers, visited JATA to discuss ways to improve the situation with Chairman Kikuma and Vice Chairman Tagawa.

How Can We Boost Interest and Desire to Travel to Hong Kong?

Kawahara: First, let's hear about HJTOA from Gianna Hsu, Chairman of HJTOA.

Hsu: The role of HJTOA is to encourage the Hong Kong Tourism Board (HKTB) to develop the attractions of Hong Kong and to suggest high-quality travel products and services to our Japanese partners in the travel industry while promoting close communication with our members. Today, I look forward to hearing the valuable suggestions of JATA Chairman Kikuma and Vice Chairman Tagawa on what we should do to increase the number of Japanese travelers to Hong Kong.

Kawahara: Jungo Kikuma, JATA Chairman, and Hiromi Tagawa, JATA Vice Chairman, could you tell us your views on Hong Kong as a destination?

Kikuma: For our industry, East Asia including China, South Korea, Taiwan, and Hong Kong together with Macao makes up half of our total overseas travel market. If this region does not experience robust growth, I think the travel industry will, in fact, suffer. So, to achieve our goal of 20 million overseas travelers annually, it is extremely important to meet with everyone here today from Hong Kong and have this discussion.

Tagawa: To find the light at the end of the tunnel, I think that we first need to accurately understand the current condition in Hong Kong. The reason why the number of outbound Japanese travelers has grown to 18.49 million is actually because of the efforts being made by Southeast Asian countries including Singapore, Thailand, Malaysia, Indonesia, Vietnam, and Cambodia.

Issues That Require a Change in the Thinking of the Hong Kong Travel Industry

Kawahara: David Leung, Regional Director for Japan, could you explain about the current condition of, and the issues in, Hong Kong tourism which were mentioned?

Leung: The number of Japanese travelers visiting Hong Kong plummeted sharply during October to December last year. However, since figures were bullish from January through August, there was only a 2% decline for 2012 as a whole. During the first four months of 2013, there was a slight improvement from the fourth quarter of 2012, resulting in a decline of 21% for those months. However, we need to stimulate interest in Hong Kong again because, compared to a few years ago, Japanese travelers' interest in Hong Kong has dropped. I believe that there are multiple external factors affecting the Japanese travel industry's and Japanese travelers' interest in travel to Hong Kong, and HKTB intends to exert every possible effort for improvement.

One specific issue involves the mindset. That is to say, conventional PR methods no longer resonate with people today, and I think that we need a change in our way of thinking. HKTB has strengthened its PR activities directed at Japanese consumers up to now. However, from here forward, I strongly feel that we need to actively pursue cooperation with travel operators on the destination side in Hong Kong. Working as one, we need to advertise the attractions of Hong Kong to the Japanese and work in a new way to gain acceptance for Hong Kong travel products.

Kawahara: Choi Pat Tai, Life Honorary President of HJTOA, please tell us about ideas for enjoying Hong Kong more and about attractions and services that travel agencies can use.

Tai: In 1996 before the return of Hong Kong to China, 2.38 million Japanese visited Hong Kong annually, and for a time, Japan was the largest market in the world for Hong Kong. Subsequently, the figure has fluctuated around 1.2 to 1.3 million with no large increases. Hong Kong is a small area, but it is rich in attractions. Dragon's Back, which was featured in a New York magazine as "the most beautiful trekking course in the world," is a wonderful course that affords a fantastic view of the ocean and the city skyline after only 10