

# Revitalizing Regional Demand to Reach 20 Million Japanese Travelers

## Overseas Travel Symposium Aims to Expand Market

At the International Tourism Forum held at Tokyo Big Sight on September 25, an Overseas Travel Symposium was held on the theme of Vitalization of Travel Demand in Local Communities / Challenging Twenty Million Japanese Travelers. Representatives from local governments, airlines, and travel agencies discussed their respective efforts, current issues, and the future outlook for expanding the outbound market in regional areas.



The panel discussion in the overseas travel symposium

## Promotion of Educational Trips Using Hokkaido Airports

Hiroki Arakawa, vice governor of Hokkaido, who presented the keynote speech at the symposium, noted that the number of foreign travelers visiting Hokkaido mainly from East Asia were continuing to steadily increase, and he pointed out, “Travelers from Southeast Asia particularly have increased rapidly in recent years.”

However, at the same time, while the number of foreign travelers visiting Hokkaido surpassed one million in 2013, travelers originating from Hokkaido and traveling overseas numbered only 316,000.

According to Arakawa, the percentage of Hokkaido residents with passports is only 14.7%, ranking 36th among the prefectures and far below the national average of 23.5%. The percentage of residents who have travelled abroad is 5.5%, ranking it 37th nationally, and less than half of the national average of 13.3%.

In Hokkaido, the Hokkaido Outbound Travel Promotion Executive Committee, a public-private collaboration, has endeavored to promote outbound demand through holding outbound travel fairs and informational programs on outbound travel. In particular, to promote expansion of the youth market, in addition to providing partial subsidies for overseas travel expenses, including passport fees and tour costs, Arakawa said the policy is “to send high school teachers overseas on personal tours in the future and to work on strengthening promotion of overseas educational trips that use Hokkaido airports.”

## Assuring Balance of Inbound and Outbound

Aomori Prefecture is setting for “promotion of wide-area three-dimensional tourism” as a strategy from here forward.

Kan Kosaka, deputy director general, Tourism and International Affairs Strategy Bureau, Aomori Prefectural Government, emphasized, “Strategic initiatives are indispensable for strengthening outbound travel,” given the rapid changes in the environment of overseas access in local areas, including the internationalization of Haneda Airport, entry of a stream of

LCCs (low-cost carriers), and expansion of open skies agreements.

According to Kosaka, in view of the history of maintaining regular flight routes up to now, the three pillars of strategic deployment in Aomori are (1) assuring the balance of inbound and outbound travel, (2) ensuring demand that is not affected by changes in the international or economic environments, and (3) clarification of the target countries.

For this reason, the prefecture has worked on promotion of two-way exchanges through the government administration, the media, and the business community, including initiatives to create demand through collaboration between airlines, local travel agencies, and so forth.

The prefecture will also narrow down the target countries based on criteria such as the countries’ pro-Japan stance and affinity with Aomori Prefecture, countries’ potential for high growth and the presence of a sizable affluent class, and low country risk in terms of the domestic economy and politics.

## New Movement at Airlines for Revitalization

To expand the market for outbound travel from regional areas, there is also new movement starting among airlines

Minoru Honda, senior vice president and director of Marketing Sales Headquarter at AIRDO., Ltd., revealed a plan to fly charter flights on international routes, the first such flights for that airline, on November 20 and 24, and said, “We would like to expand service to some East Asian countries in the future.”

Honda explained, “Together with continuing and expanding charter flights to Taiwan next year and beyond, I’d like to actively study the possibility of charter flights to other East Asian countries and regions.”

Wei Wang, chief representative of Spring Group Japan Office, a Chinese LCC that has been attracting attention, emphasized the importance of “promoting outbound travel to stimulate inbound business” for Spring Airlines which is putting energy into sending Chinese travelers to Japan.

Spring Airlines is developing Japan routes from the four cities of Shanghai, Chongqing, Wuhan and Tianjin to Narita International Airport and Kansai International airport as well as Ibaraki, Takamatsu, Saga, and Sapporo. In the summer of 2014, the airlines launched domestic routes in Japan connecting Narita with Takamatsu, Saga, and Hiroshima, and according to Wei Wang, strengthened the airline as “the means of transport for Chinese travelers in Japan.” He said, “through collaboration with local governments at the destinations we serve, we want to promote the expansion of outbound demand originating in local areas.” He pointed out, “To create demand, it is important to promote internationalization of local society, the two-way exchanges and expansion of overseas school trips supported by the government.”

## Creating Demand with Intelligence and Ideas

Atsushi Eguchi, president of TOUR WAVE CO., LTD., asserted, “The role of the travel industry is to create new demand through revitalization of local airports using charter flights.”

As issues that make it difficult to expand the outbound travel market in local areas, Eguchi mentioned the small number of regular overseas flights from regional airports and the difficulty of getting seats during peak season. There has been regular international flights at only three airports in the Tohoku region, Sendai, Aomori, and Akita, and Eguchi stressed, “Support for existing carriers is an extremely important theme.”

He also pointed out the “importance of establishing ongoing charter flights which will lead to regular flights in the future” including not only charter flights to meet demand during peak periods but also charter flights that make two stops, such as Memanbetsu/Aomori/Bangkok and two-way charters such as Bangkok/Aomori/ Bangkok.

Eguchi also emphasized symbiotic initiatives with regional travel agencies and creation of an environment where it is easy for second and third category travel agencies that are well-rooted in their localities to have a share in charter flights.

Jun Kawano, head of the Charter Working Group of the JATA Outbound Travel Executive Committee who served as the moderator of the panel discussion, pointed out, “In aiming for two-way tourism, it is important to promote reciprocity with partner countries, between regions, and in local areas.” At the same time, he also said, “We need to create demand among young people for the continuation and development of the outbound travel market, and the role of travel agencies is to produce those opportunities and follow through on them.”

# Discussion on South Korea Mega-FAM Tour

**Hideo Ninomiya**, Vice Chairman, JATA Outbound Travel Executive Committee (President & CEO of Jalpak Co., Ltd.)

**Joongseok Kang**, Tokyo Branch Manager, Korea Tourism Organization

## JATA Organizes a 1,000-Person Mega-FAM Tour to South Korea

### Spurring Interest to Expand Tourism Exchanges as 50th Anniversary of Normalization of Diplomatic Relations Approaches

Next month, JATA will lead a 1,000-person mega-FAM tour to boost the momentum of travel product sales to South Korea. Hideo Ninomiya, vice chairman of the JATA Outbound Travel Executive Committee, and Joongseok Kang, Tokyo Branch Manager of the Korea Tourism Organization (KTO), spoke together about their expectations that the mega-FAM tour will add momentum to travel as the 50th anniversary of the normalization of Japanese-South Korean diplomatic relations approaches.

## An Opportunity to Promote South Korea with Confidence

—Would you please tell us about your expectations for the mega-FAM tour to South Korea?



Kang Joongseok(left) and Hideo Ninomiya(right)

**Ninomiya:** For quite some time, the number of travelers from Japan visiting South Korea has been in a slump, and the slump can't be explained solely by the problem of the weakness of the yen vis-à-vis the won as the yen remains weak against other currencies as well. Ordinary Japanese people increasingly have the idea that "I won't be welcome in South Korea." Undeniably, travel agencies are tempted to respond by thinking, "Given the current climate, rather than bending over backward to sell South Korea, we can just promote other destinations." However, from the standpoint of a travel industry body like JATA, there really

is more that travel agencies could be doing to improve the situation. I must say that it seems like travel agencies, whose job is to sell trips, have gotten swept along with the general mood and are not making the efforts they should be making. We in the travel industry need to truly feel that many South Korean people will welcome Japanese travelers and have confidence in promoting South Korea as a destination for travelers. I think that now is a golden opportunity for action by the travel industry, which ought to understand the "power of travel."

**Kang:** I am very happy to have people in the Japanese travel industry come to South Korea and actually experience it for themselves. Following last year's 23% decline year on year in Japanese travelers visiting South Korea, there was a drop of 17% year on year in January through September this year. If things continue this way, the number of Japanese travelers visiting South Korea this year will be less than 40% of the number that visited two years ago. For the past 50 years, JATA and KTO have continually cooperated to expand the markets for both outbound and inbound travel. Japan and South Korea still have a politically sensitive relationship, and we must attempt to find a breakthrough in this relationship by continuing to work together. Repairing the relationship between two countries may require time, but I think that, first of all, we

must start by doing whatever we in the private-sector travel industry are capable of doing. The number of Japanese travelers visiting South Korea set a new record in 2012, at 3.5 million persons. So, as we approach the 50th anniversary of normalization of diplomatic relations between Japan and South Korea next year, we want to do things to add extra momentum

## Public-Private Project for the 50th Anniversary of Normalized Diplomatic Relations

—What are your thoughts about the 50th anniversary of the restoration of diplomatic relations between Japan and South Korea which occurs next year?

**Kang:** On the 40th anniversary of the resumption of diplomatic ties between Japan and South Korea, I was working as branch manager at KTO's Japan office. At that time, our theme was expansion of inbound travel from South Korea to Japan as part of the "Year of Reciprocal Visits." That was before the creation of the Japan Tourism Agency, and this time on the 50th anniversary, I think that not only the Ministry of Foreign Affairs but also the Japan Tourism Agency will play a major role in organizing a variety of events. For KTO's part, in addition to holding an event in June next year at Tokyo Dome City to actively display the attractions of South Korea to the Japanese market, we plan to participate in Tourism Expo Japan 2015 in September next year with 50 booths presenting displays, up from the 45 booths this year. Moreover, to provide stronger support for travel agencies that plan and produce tours to South Korea, we are considering setting aside a special budget.

**Ninomiya:** JATA is preparing a 50th anniversary project to commemorate the resumption of Japanese-South Korean diplomatic relations. At the private level, activities will be happening in a variety of fields, including sports, culture, and the arts. In South Korea, we want to stage events which many travelers from Japan will attend, including concerts by South Korean artists and events by Japanese artists. In September this year, 15,000 travelers from Japan went to Hawaii for the concert by the Japanese famous group Arashi even though tickets were distributed by lottery, and this shows that cultural events such as performances by artists have the power to generate travel.

## Overcoming Politics to Realize the "Power of Travel" in the Private Sector

—Do you have a message to send to all the members of JATA?

**Ninomiya:** I think the role of travel agencies in Japan is to realize the "power of travel". Travel has the power to bolster the five areas of culture, exchanges among people, wellness, education, and the economy, and it has the power to foster to world peace. For these reasons as well, it is worthwhile for us to offer travel suggestions if it results in even just one more person taking a trip. As a destination, South Korea still contains many hidden charms that await discovery, in Seoul as well as in local areas. The upcoming mega-FAM tour should be a valuable opportunity to find some of those charms.

**Kang:** I have always thought that, in the case of the travel industry, we cannot think only of business. Even when the political relations between two countries are strained, the travel industry must get involved and encourage exchanges for peace and culture. Travel agencies are obligated, I believe, to take responsibility and action to make it so that ordinary people can travel. The South Korean travel industry and the Japanese travel industry must not be defeated by politics. Particularly in stressful times such as these, I think that the role of the travel industry must be reexamined.

# JATA Trail Project Starts on the *Michinoku Sea Breeze Trail*

The JATA Trail Project has been launched on the *Michinoku Sea Breeze Trail* being set up along the Pacific coast of Japan's Tohoku region by the Ministry of the Environment. The aim is to realize "new tourism in Tohoku" over the course of seven years, from now until FY2020, through ongoing social service activities in which 1,000 people will participate.



The Tanesashi coast on the *Michinoku Sea Breeze Trail*

## Appealing Attractions of Tohoku to the Nation through the Trail

During October 24 and 25, JATA held the first round of work on the JATA Trail Project, which is part of the *Michinoku Sea Breeze Trail*, a course along the Pacific coast of Japan's Tohoku region established by the Ministry of the Environment in Hachinohe and Hashikami in Aomori Prefecture.

There were 66 participants in this first round, including executives and staff members of JATA-member travel agencies in the Tokyo and Tohoku areas, JATA Secretariat staff, members of the Japan Ecotourism Society, and members of the press. The aim was to contribute to "restoration of natural scenery" and "regeneration and improvement of the culture and life" by sprucing up the natural environment of the Tohoku region's Pacific coastal area in order to actualize "new tourism in Tohoku."

Katsuhisa Yoshikawa, JATA vice chairman and chairman of the Domestic Travel Executive Committee, led the participants. At the opening ceremony, which was held at Obirakitai in Hashikami on October 24, he greeted the participants, saying, "As travel industry pros, I want us to work on uncovering new tourism resources through our two days of work on the *Michinoku Sea Breeze Trail* as well as through surveys and interactions in the region."

Kazuko Kubo, deputy mayor of Hashikami, expressed the town's gratitude for the fact that the JATA Trail Project is starting from the town, and continued, "The Hashikami area is working to recover from the damage caused by the Great East Japan Earthquake. The area was incorporated into the Sanriku Fukko National Park and has also become part of the *Michinoku Sea Breeze Trail*. The ongoing efforts have been made not only by the government but also by the private sector and local people. We look forward to hearing about potential tourism material from all of you in the tourism industry," indicating her expectations of JATA.

Mitsuyuki Okamoto, director of National Park Division, Nature Conservation Bureau, Ministry of the Environment, who traveled from

Tokyo to participate in this first round of work of the project, emphasized that "one of the major purposes of national parks, together with protecting nature, is to enable as many people as possible to experience nature." He made an appeal, saying, "I would like for the JATA-member travel agencies to communicate to the nation the magnificence of the natural areas in Tohoku."

For this round of work, the participants divided into eight teams to cover the peak of Hashikami-dake, the Toriyabe trailhead of Hashikami-dake, Obirakitai, and Terashita Kannon, and they installed guideposts and cleaned the pastures together with workers from the Ministry of the Environment.

## Revitalization of the Sanriku Area through Travel Product Sales

On October 25, which was the second day, the participants first visited Kabushima Shrine, the starting point of the Hachinohe section of the *Michinoku Sea Breeze Trail*, and then surveyed the Tanesashi coast from the Ashigesaki Overlook.

At the Tanesashi Kaigan Station on the Hachinohe Line of JR East, a guideboard donated by JATA was installed, and concurrent with the first round of work on the projects, the guideboard unveiling ceremony was held.

The unveiling ceremony was attended by the mayor of Hachinohe City, Makoto Kobayashi, who said, "The fact that JATA is undertaking this grand project to support the *Michinoku Sea Breeze Trail* over a seven-year period is an unexpected and wonderful development for the local area. We would like to express our heartfelt gratitude." He continued, "While it will give huge encouragement to the reconstruction in all parts of the Sanriku area that suffered from the Great East Japan Earthquake, boosting the Sanriku area through the sale of travel products will provide the area with invaluable support," indicating his great expectations for the JATA project.

In July this year, the Ministry of the Environment opened an information center on the Tanesashi coast. Among the ministry's facilities, this one has proven quite popular, with more than 100,000 visitors already.

Mayor Kobayashi pointed out the reasons why the Tanesashi coast was incorporated into the Sanriku Fukko National Park, including the fact that it is a scenic area loved by writers and artists since long ago and the coast, which is adjacent to the city area, has been protected by the hands of citizens and volunteers, in addition to its value for its biodiversity. He appealed, "In the future, I want to arrange a setup for "hospitality" provided by the local people themselves and make continuous efforts so that as many people as possible visit. I would like to ask for the cooperation and support of the travel industry," thus stressing the importance of the JATA project.

Work is progressing on the *Michinoku Sea Breeze Trail* being built by the Ministry of the Environment. The trail extends 700 kilometers in total, from Kabushima Island, Hachinohe City, Aomori Prefecture to Matsukawaura, Soma City, Fukushima Prefecture. Currently, a 100-kilometer section on the northern end and a 50-kilometer section on the southern end are open.

During the seven years from this fiscal year up to FY2020 which will mark the tenth anniversary of the Great East Japan Earthquake, the plan is to carry out the JATA Trail Project on all sections of the *Michinoku Sea Breeze Trail*. While continuing social service activities by building the trail with the goal of involving 1,000 participants during the seven years, JATA aims to realize new tourism in Tohoku.