



## Japan Overview

### 1- Economic Snapshot

- Area: 145,916.9 sq. mi, world rank #62 (Slightly smaller than California)
- Population: 126 million world rank #10
- Largest metropolitan areas:
  - ✓ **Greater Tokyo** (Tokyo, Kanagawa, Saitama and Chiba): 35.83 million people
  - ✓ **Greater Osaka** (Osaka, Kyoto and Hyogo): 18.66 million people
- GDP of US\$4.729 trillion (world's 4th largest); per capita GDP is \$37,595
- Unemployment rate is 3.2% and Inflation rate is -0.1%
- Revenue of the top 50 Japanese travel companies for the 12 month period ending in March 2016, the combined revenue increased 3.2% to US\$ 62.52 billion.

### 2- Outbound Market Overview

- A total of 16.2 million Japanese traveled overseas in 2015.
  - ✓ **Greater Tokyo**: 7 million (43%)
  - ✓ **Greater Osaka**: 2.4 million (15%)
- The U.S. (including Hawai'i) remains the number one travel destination for Japanese, who spent a total of US\$16.6 billion during visits to the U.S. in 2015.
- Japanese visitors to the U.S. Mainland spent an average of US\$3,720 per trip in 2015, whilst Japanese visitors to Hawaii spent an average of US\$3,443.
- Japanese travel to the U.S. rebounded strongly in 2015 to post a 4% increase to 3.75 million visitors, beating the previous forecasts of 3.68 million for the year.
- Possible reasons for the increase include the removal of surcharges on international flights, and security concerns in Europe causing Japanese long-haul travelers to choose alternative destinations.
- 10 airlines fly 69 routes between Japan and U.S. cities:
  - ✓ **Tokyo**: 50 routes between Tokyo (HND/NRT) to U.S.
  - ✓ **Osaka**: 9 routes between Osaka (KIX) to U.S.
- Japan has a highly regulated travel distribution system, with three levels of travel agencies. The major operators in the Japan travel market are involved in all levels of the distribution system.
- Majority of outbound travel agencies are based in the two metropolitan area:
  - ✓ **Greater Tokyo**: 3,403 agencies
  - ✓ **Greater Osaka**: 1,347 agencies



- U.S. East Coast, Hawaii, U.S. West Coast and South Area are all featured in the top 15 destinations that Japanese travelers were most satisfied with in 2015.
- Hawaii remains one of the top destinations for satisfaction, and the U.S. South also received very high evaluations.

### 3- Media Consumption

- Television is still the main source of news and entertainment for the Japanese. The average person watches 2 hours 48 minutes of television per day, and this figure greatly increases among older generations.
- Smartphone increased 19% year-on-year to 48.32 million in 2015. Ownership rate is 64.0% among those aged 30-39 and 50.1% among those aged 40-49.
- Approx. 100.6 million Japanese are internet users - 79.1% of the population. The average amount of time Japanese spend using the internet via a smartphone now stands at 1h 48mins per day and time spent using the internet via a computer stands at 54 mins per day. Japanese aged 20-29 now spend more time using the internet than watching television.
- An estimated 72% of Japanese outbound travelers refer to information on the internet before making reservations. The most popular sources of information to refer to are online travel agencies` websites (47%), followed by airlines` websites (25%) and the websites of traditional travel agencies that have physical stores (23%).