

# INBOUND JAPAN

Emerging Trends & Changing Asian International Traveler Markets

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# 2016 | All-Time Record Highs

*Overseas Arrivals*



**24.04 million**

- 9.4 million to Osaka, its highest ever
- China hit the 6 million mark for the 1<sup>st</sup> time
- Foreign visitors to Japan doubled in the last decade

*Visitor Spending*



**¥3.75 trillion**

- #1) China: ¥1.48 trillion
- #2) Taiwan: ¥534.5 billion
- #3) S. Korea: ¥357.8 billion

## Why?

- Expansion of duty-free items
- Relaxed visa requirements for tourists



# What's Next?



## The 2020 Olympics

- Upgrading airports / seaports
- Offering free Wi-Fi in public areas
- Improving access to cultural attractions & parks

## Long-Term Goals

- Reach 40 million inbound visitors by 2020
- Reach 60 million inbound visitors 2030
- Become one of the Top 5 most popular countries for tourism



# Things to Watch



## OBSTACLES

### **Lack of visitor diversification**

Japan's reliance on tourism from China makes them vulnerable to shifts in behavior, preference, etc.

### **Uneven distribution of tourism**

60% of visitor expenditures & 48% of visitor stays occur in 3 major cities: Tokyo, Kyoto, & Osaka.

### **Shortage of accommodation**

The aforementioned cities are reaching its capacity limits as Japan's inbound rate continues to grow.



## SOLUTIONS

### **Renewed focus on North America & Europe**

Long-stay tourists will help offset the effects of China's decreased *bakugai* (explosive) shopping sprees.

### **Increased English promotions & services**

The creation of cultural experience programs & more foreigner-friendly resources will boost smaller cities.

### **Planned building & rental initiatives**

Hotel development boom & eased regulation on private rentals (Airbnb) will create more options.

## Key Trend



**Chinese tourists are beginning to travel independently to Japan to discover Japan's culture & local experiences, although shopping remains a key activity. This increase in independent travel will lead to a surge in repeaters.**



# THANK YOU!

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