

Travel Trends and Prospects for 2001

The Start of a Grand New Era of Travel
Strong Demand Takes Domestic and Overseas Travelers to Record Numbers
Overseas Travelers to Grow 4.1% to 18.39 Million
Foreign Visitors to Japan to Top 5 Million for the First Time

JTB Corp. has just published the results of a survey of projected travel trends in 2001. The survey covers all journeys by Japanese travelers (including business travel and traditional visits to the family home at New Year) with more than one night spent away from home, and is based on projected trends in various economic indicators, actual journeys taken, and questionnaires answered by travel-industry representatives. It is the 21st such survey since the first, in 1981, and shows the following results.

	Predictions for 2001		Estimates for 2000	
		% up		% up
Cumulative total no. of travelers	349,650,000	102.9	339,910,000	101.2
No. of domestic travelers	331,260,000	102.8	322,240,000	100.8
No. of overseas travelers	18,390,000	104.1	17,670,000	108.0
Average expenditure (per person, per journey)	¥50,008 (\$435)	99.5	¥50,257 (\$437)	98.8
On domestic travel	¥35,472 (\$308)	99.0	¥35,831 (\$312)	96.2
On overseas travel	¥311,834 (\$2,712)	99.5	¥313,401 (\$2,725)	98.9
Total travel expenditures	¥17.486 trillion (\$152.049 billion)	102.4	¥17.083 trillion (\$148.547 billion)	100.0
On domestic travel	¥11.751 trillion (\$102.180 billion)	101.8	¥11.546 trillion (\$100.401 billion)	97.0
On overseas travel	¥5.735 trillion (\$49.869 billion)	103.6	¥5.537 trillion (\$48.145 billion)	106.8
Average no. of journeys	2.76	+0.08	2.68	+0.03

No. of overseas visitors to Japan	5.08 million	107.2	4.74 million	106.8
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Note : Domestic expenditures include all costs from leaving home to return. Overseas expenditures include locally purchased consumption such as souvenirs and meals. Dollar amounts are calculated, for information purposes only, at ¥115/US\$.

Estimated Results for Travel in 2000

The total number of travelers is estimated to have reached 339.91 million (101.2% of the previous year). Figures published by the Ministry of Transport show that with the exception of January, which was influenced by the Y2K problem, the numbers of travelers using tours packaged by the 50 leading travel companies increased over those for the corresponding month of the previous year in every month from February.

1. Number of Domestic Travelers

This is expected to be almost the same as the previous year (100.8%), or 322.24 million. Despite a number of natural disasters and other negative factors, the long weekends that followed introduction of the "Happy Monday" policy have created a new demand for travel.

2. Number of Overseas Travelers

Although the figure for January, depressed by the Y2K problem, was lower than the previous year, major increases from February onwards formed a very favorable trend. This, and the rebound from the December 1999 figure, also depressed by Y2K, appear to have resulted in a total of 17.67 million travelers for the year, 108.0% of the previous year's figure. Increases were registered not only for nearer destinations within Asia but also for longer-haul destinations like Europe.

The *average expenditure per person*, ¥50,257 (\$437), reflecting strong travel-related consumption, is put at 98.8% of last year's amount, the third such successive decrease in the three years from 1998.

The result should take *overall expenditure on travel* to ¥17.083 trillion (\$148.547 billion), largely the same as last year. High growth in the numbers going overseas was responsible for taking expenditure on overseas travel to 106.8% of last year's figure.

The *number of overseas visitors to Japan* is put at 4.74 million, 106.8% of the previous year. One epoch-making development in the year 2000 occurred in September, when permission was given for group tourist travel by Chinese citizens.

Prospects for 2001

The total number of travelers promises to reach 349.65 million (102.9% of the previous year), comprising the highest ever totals for both overseas and domestic travel since these surveys started in 1981.

A questionnaire survey of travel-industry representatives reveals that a majority of 68.8% anticipates either "growth" or "slight growth" in the travel market. This is 21.1 percentage points higher than a similar survey for last year, and suggests that 2001 will mark further advances.

1. Number of Domestic Travelers

This is put at 331.26 million, up 2.8% on the previous year.

Replies to a consumer questionnaire show those planning to make "more" journeys in 2001 exceeded those who expect to make "fewer" by 9.9 more percentage points than last year. This buoyant demand for travel will be accompanied by the opening of Universal Studios Japan in Osaka in Spring 2001 and, in the Autumn, by Tokyo Disney Sea at Urayasu, Chiba Prefecture. These are expected to act as powerful stimulants for tourism particularly by young people and families with children.

2. Number of Overseas Travelers

This is expected to grow 4.1% over the previous year to a new record total of 18.39 million. Helpful influences include some growth in the supply capacity of regular international airline flights and the opening of Haneda Airport to international charter flights from February.

High Expectations of Favorable Holiday Sequences

The year 2000 was the first under the "Happy Monday" legislation that created more long weekends and created favorable travel demand.

Including Happy Mondays, there are eight three-day breaks in 2001, two more than in 2000. Again, whereas there were only two long weekends in 2000 that coincided with the second and fourth Saturdays of the month, when there is no school, there will be five such weekends in 2001. In view of the many who express intentions to travel in conjunction with their children's holidays, 2001 holds out great expectations for an increase in travel demand by families.

Length	Occurrences in 2000	Occurrences in 2001	Occurrences in 2002
Three days	Six times: (1) Jan. 8~10, (2) Feb. 11~13, (3) Mar. 18~20, (4) Sep. 15~17, (5) Oct. 7~9, (6) Nov. 3~5.	Eight times: (1) Jan. 6~8, (2) Feb. 10~12, (3) Apr. 28~30, (4) Jul. 20~22, (5) Sep. 22~24, (6) Oct. 6~8, (7) Nov. 23~25, (8) Dec. 22~24.	Eight times: (1) Jan. 12~14, (2) Feb. 9~11, (3) Apr. 27~29, (4) Sep. 14~16, (5) Sep. 21~23, (6) Oct. 12~14, (7) Nov. 2~4, (8) Dec. 21~23.
Four days	None	One: May 3~6	One: May 3~6
Five days	One: May 3~7	None	None

Note: Saturdays are treated as days off, although the five-day week is not yet universal.

Average expenditure on travel reflects strong consumer trends that promise to keep it at *almost the same level* (99.5% of the previous year), or ¥50,008/\$435.

Average expenditure on domestic travel is expected to run at about 99.0%, or ¥35,472/\$308, with **average expenditure on overseas travel** at 99.5%, or ¥311,834/\$2,712.

Overseas travel will be subject to increasing worldwide demand, with a tendency for hotel room charges to rise, leading to a slight increase in travel costs.

Total expenditure on travel will see an end to the recent three-year decline, with the figure reaching ¥17.486 trillion (\$152.049 billion), 102.4% of the previous year.

Total expenditure on overseas travel, at ¥5.735 trillion (\$49.869 billion) is expected to reach a new record high

Overseas visitors to Japan are expected to reach 5.08 million, 7.2% over the previous year, exceeding five million for the first time and creating a new record.

Increasing exchanges between Korea and Japan in preparation for the FIFA World Soccer Cup they will jointly host in 2002, and the approval of group tourism by Chinese nationals, are expected to boost numbers significantly, particularly of Korean and Chinese visitors. There are great hopes for the start of a new era in exchanges between nations centering in Asia.

Topical Trends in Overseas Travel

Active Exchanges Between Korea and Japan

The "Visit Korea 2001" campaign, and the FIFA Confederations Cup, which is thought of as a pre-World Cup event, increases in regular flights to Korea from various locations in Japan, and the opening of Incheon Airport all suggest that there will be vigorous exchanges between Japan and Korea in 2001.

Expectations of Sport in Stimulating International Exchanges

The FIFA Confederations Cup, jointly held by Japan and Korea, and the World Games for non-Olympic sporting events held once every four years, this year in Akita Prefecture, will encourage international exchanges.

The year will also see the opening of the Tokyo Stadium and the Sapporo Dome, which will add to sports-related attractions.

Overseas Event Calendar

All year	"Visit Korea Year 2001," "Bridge to the Future" (Portugal) following Portugal's selection as a cultural capital of Europe-year-long events.
February	Disney California Adventure Park Opening (Feb. 8), U.S.A. ... A Disneyland resort on the largest ever site (approx. 200,000 square meters) with three new theme parks.
April	Opening of Incheon Airport (Korea), "BUGA Federal Garden Show" (Germany) from Apr. 17 through Oct. 7.
May	"Japan 2001" held nationwide in the U.K. through March 2002 ... Introducing Japanese culture and lifestyles. Opening of the Macau Observation Tower FIFA Confederations Cup (Japan & Korea) May 30 ~ June 10
Autumn	"Hollywood and Highland" entertainment and shopping complex (U.S.A.)
October	Korea-Japan Friendship Week (13th~21st). The many events in the "Visit Korea Year 2001" program will include a Soli (tr. "Sound of Music") Festival in Chonju.

For more information please contact:

Mr. Y. Koteda, General Manager,
International Relations, Corporate Strategy Department, JTB Corp.
JTB Bldg., 2-3-11 Higashi Shinagawa, Shinagawa-ku, Tokyo 140-8602
Tel: 03-5796-5609, Fax: 03-5796-5619.