

Travel Trends at Year-End/New-Year Season (Dec. 23, 2002 ~ Jan. 3, 2003)

Maximum Nine-Day Holiday Has Favorable Impact on Overseas Travel

- Overseas travelers number 667,000, second highest ever, up on 2000 --
- Consumer trends polarize: conservative spending, luxury items do well --

JTB Corp. has just published travel trends for the Year-End and New-Year period extending from the national holiday on Monday Dec. 23, 2002 through Thursday Jan. 3, 2003. The results are based on a questionnaire survey of 2,200 male and female respondents intending to spend at least one night away from home, and on bookings at JTB Offices, airline reservations and industry trends. This is the 34th survey since the first was carried out in 1969. The results are as follows.

		Year 2002/2003	Year 2001/2002	Change: Previous Year	Change: On Year 2000
Total no. of travelers		29,320,000	30,227,000	97.0%	98.1%
	Domestic	28,653,000	29,727,000	96.4%	98.0%
	Overseas	667,000	500,000	133.4%	101.8%
Average personal expenditure	Domestic	¥35,390/\$283	¥37,216/\$298	95.1%	96.3%
	Overseas	¥225,170/\$1,801	¥216,927/\$1,735	103.8%	100.8%
Total expenditures		¥1,164.2bn/ \$9.31bn	¥1,214.8bn/ \$9.72bn	95.8%	95.4%
	Domestic	¥1,140bn/\$8.11bn	¥1,106.3bn/ \$8.85bn	91.7%	94.4%
	Overseas	¥150.2bn/\$1.2bn	¥108.5bn/\$868mn	138.4%	102.7%
Average no. of days		3.9	3.7	+0.2	+0.4

Notes: Overseas expenditures are the average for bookings with JTB, excluding locally purchased excursions and souvenirs, etc. Dollar amounts are calculated, for information purposes only, at ¥125/US\$.

Characteristic Features of Travel at the Year-End/New-Year Season

Effect of Maximum Nine-Day Holiday--Overseas Travelers Exceed Figures for 2000, Reaching 667,000, the Second Highest Ever--

The total number of overseas travelers is estimated to reach 667,000 (133.4% of last year), due to holidays falling on just the right days of the week. This is just behind the all-time record of 684,000 registered in 1996, the previous year when holidays fell on the same days of the week. Europe and China are expected to do well, and Hawaii is trending towards recovery.

Average Travel Days Increases--Holidays Fall on Good Days of the Week

The average travel days increased over the previous year to 3.9 days (up 0.2 days).

Traveler questionnaire results show travel durations of "2 nights and 3 days" ranking highest at 28.1% (1.8 percentage points up on last year), with "1 night and 2 days" falling to 27.1% (2.7 percentage points down). The favorable calendar sequence is evident, with "5 nights and 6 days" at 9.0% (2.7 percentage points up), "6 nights and 7 days" at 2.5% (1.0 percentage point up), and "7 nights and 8 days" at 6.0% (2.6 percentage points up).

The period December 28 through 31 accounts for 47.2% of all travelers' departures, showing a heavy concentration at the end of December.

Average Expenditures per Person Decrease Domestically and Increase Overseas--Conservative Spending Continues

The average expenditure on domestic travel per person is put at ¥35,390 (\$283), 95.1% of last year, and average overseas expenditure at ¥225,170 (\$1,801), 103.8% of the previous year.

The result should take overall expenditure on travel to ¥1,164.2 billion (\$9.31 billion), 95.8% of last year.

Intentions for travel spending in the questionnaire posted "Want to spend less" at 32.2%, the highest ever recorded (14.2 percentage points over last year). An expected decrease in winter bonuses makes conservative spending likely for travel during the year-end and New Year holidays. Meanwhile, comparatively high-priced *ryokan* with hot springs, located near major cities, continue to do well.

Overseas travel expenditures are expected to average higher, supported by increased days of travel partly due to favorable travel trends for European destinations.

Travel Immediately Before and After the Year-End New-Year Period Grows

Among reasons for not traveling, those responding that would travel before or after the year-end New-Year season were 1.7 percentage points up, accounting for 4.2%. It appears that since there are two, three-day holidays (Dec. 21 through 23 and January 11 through 13), many more people are avoiding the peak period and taking two-day one-night trips.

Overseas Travel

Departures to Peak on Dec. 29.

Bookings with JTB suggest that departures will peak on Sunday Dec. 29, followed by Monday Dec. 30 and Saturday Dec. 28 in that order. The peak at the end of December covers not only long-haul destination like Europe and Oceania but also those nearer such as China and other Asian destinations, and Micronesia. Arrivals will peak on January 4 and 5.

Strong Demand in Family and Mature Market Segments.

Here, bookings with JTB again suggest healthy demand from families for Hawaii and Australia, and from mature travelers to Europe, China and the Middle East. The trend is for families and the middle aged, who can only take lengthy holidays at this time, to take advantage of this opportunity to go overseas.

On the other hand, the segment that shows rather less than the overall demand is women in the 20s and 30s. This could reflect adoption of the view that "I'll take a holiday and go abroad whenever there's a trip I can afford," or a desire to avoid travel at peak periods like the year-end New-Year or the Buddhist All Souls festival in August.

China Attracts the Most Travelers.

Bookings on international routes reveal that the five most popular destinations, in declining order, will be China, Europe, Korea, Hawaii and Guam/Saipan. Running at 148.5% of last year's figure, travelers to China will total 98,000.

Table: The Most Popular Destinations

	2002/2003	Number(% of prev. year)	2001/2002	Number	2000/2001
1st	China	98,000(148.5%)	Korea	69,000	Korea
2nd	Europe	87,000 (177.6%)	China	66,000	Hawaii
3rd	Korea	81,000 (117.4%)	Europe	49,000	Europe

Survey Methodology

Survey locations	200 throughout Japan
Survey period	Nov. 6 through 14, 2002.
Respondents	Individuals of both sexes, aged 15 to 79 throughout Japan
Same size	2,200
Method of selection	Random, multiple, stratified.
Response rate	63.9%
Subjects	Those intending to spend at least one night away from home over the period Dec. 23, 2002 through Jan. 3, including both domestic and overseas destinations, but excluding commercial or other business travel.
Method	Individual interviews

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Table: Estimates of the Numbers of Overseas Travelers for the Year-End/New-Year Travel Season (Dec. 23, 2002 - Jan. 3, 2003)

	2002/2003	Percent of 2001/2002	2001/2002	Percent of 2000/2001
Total	667,000	133.4%	500,000	101.8%
Asian total	360,000	125.9%	286,000	111.1%
Korea	81,000	117.4%	69,000	98.8%
China	98,000	148.5%	66,000	184.9%
Hong Kong	37,000	137.0%	27,000	102.8%
Taiwan	38,000	122.6%	31,000	105.6%
Thailand	37,000	115.6%	32,000	100.0%
Singapore	17,000	106.3%	16,000	77.3%
Indonesia	11,000	91.7%	12,000	68.8%
Malaysia	9,000	128.6%	7,000	81.8%
Others	32,000	123.1%	26,000	103.2%
North American total	51,000	124.4%	41,000	67.1%
US Mainland	44,000	125.7%	35,000	63.8%
Canada	7,000	116.7%	6,000	100.0%
Hawaii	69,000	143.8%	48,000	93.2%
Guam/Saipan	45,000	121.6%	37,000	77.6%
European total	87,000	177.6%	49,000	120.8%
Oceania total	43,000	130.3%	33,000	104.9%
Australia	31,000	129.2%	24,000	100.0%
New Zealand	8,000	133.3%	6,000	114.3%
South Pacific Islands	4,000	133.3%	3,000	133.3%
Others (Africa, Mid. East, S. America)	12,000	200.0%	6,000	120.0%

Note: Journeys to multiple destinations are included.

Table: Trends in the Numbers of Travelers for the Year-End/New-Year Travel Season (Dec. 23 - Jan. 3) from 1987 to 2001

Year	Travelers (thousands) (and % of previous year)			Average Expenditure (per person, Yen)		Total Expenditure (billions of Yen)	No. of Days (& change)
	Total	Domestic	Overseas	Domestic	Overseas		
1988/89	24,980	24,600	380	38,716	281,000	1,059.2	3.97
	91.3%	91.1%	111.1%	112.3%	96.2%	102.7%	+0.17
1990/90	28,076	27,670	400	44,466	275,000	1,342.2	4.03
	112.4%	112.5%	106.8%	114.9%	97.9%	126.7%	+0.06
1990/91	28,221	27,780	441	44,445	304,000	1,368.7	4.04
	100.5%	100.4%	108.6%	100.0%	110.5%	102.0%	+0.01
1991/92	31,152	30,690	462	44,854	284,000	1,507.7	4.05
	110.4%	110.5%	104.8%	100.9%	93.4%	110.2%	+0.01
1992/93	25,446	24,980	466	43,720	262,000	1,214.4	4.10
	81.7%	81.4%	100.9%	97.5%	92.3%	80.5%	+0.05
1993/94	25,403	24,870	533	40,379	239,000	1,131.5	4.20
	99.8%	99.6%	114.4%	92.4%	91.2%	93.2%	+0.10
1994/95	26,755	26,200	555	37,458	229,000	1,108.3	3.80
	105.3%	105.3%	104.1%	92.8%	95.8%	97.9%	-0.40
1995/96	27,227	26,620	607	35,666	225,800	1,086.5	4.00
	101.8%	101.6%	109.4%	95.2%	98.6%	98.0%	+0.20
1996/97	28,754	28,070	684	36,370	242,120	1,291.0	4.50
	105.6%	105.4%	112.7%	102.0%	107.2%	118.8%	+0.50
1997/98	28,931	28,295	636	35,820	243,570	1,168.4	3.90
	100.6%	100.8%	93.0%	98.5%	100.6%	90.5%	-0.60
1998/99	28,332	27,701	631	34,750	224,550	1,104.3	3.80
	97.9%	97.9%	99.2%	97.0%	92.2%	94.5%	-0.10
1999/2000	27,567	27,106	461	33,986	222,152	1,023.5	3.70
	97.3%	97.9%	73.1%	97.8%	98.9%	92.7%	-0.10
2000/01	29,885	29,230	655	36,766	223,284	1,220.8	3.50
	108.4%	107.8%	142.1%	108.2%	100.5%	119.3%	-0.20
2001/02	30,227	29,727	500	37,216	216,927	1,214.8	3.70
	101.1%	101.7%	76.3%	101.2%	97.2%	99.5%	+0.20
2002/03	29,320	28,653	667	35,390	225,170	1,164.2	3.90
	97.0%	96.4%	133.4	95.1%	103.8%	95.8%	+0.20