

“Foreign Visitors” Related Business Became a Key Industry

The number of foreign visitors can be found in the “Number of foreign tourists visiting Japan” statistics released by the Japan National Tourist Organization (JNTO). The statistics for the last 2 months show estimated “numbers of tourists” from 18 countries and regions which have a large number of tourists to Japan. Also, the Ministry of Justice releases provisional numbers of incoming tourists from 36 countries and regions for 3 months ago and before. Confirmed numbers are announced in the following year.

Point 1

Number of “foreign visitors” to Japan increased 47% YoY to 19.74 million in year 2015

Number of “foreign visitors” surpassed that of Japanese travelling abroad for the first time in 45 years

- The “Number of foreign tourists visiting Japan” in December was released by JNTO on January 19th, rising 43.4% YoY to 1.77 million, totaling to 19.74 million for year 2015 (+47.1% YoY). Number of “foreign visitors” surpassed that of Japanese travelling abroad, for the first time in 45 years, as the latter decreased 4.1% YoY to 16.21 million.
- There was a concern over the increase in the number of “foreign visitors” due to the global stock market plunge and China’s slowdown since August. However, no negative impact on the number of tourists visiting Japan can be seen so far. A so called “Japan Boom” seems to have occurred. In addition to an outstanding increase in Chinese tourists visiting Japan, the trend of increase in the number of tourists from other Asian countries, Europe and US can also be observed.

Point 2

Total trip expenditure in year 2015 was JPY 3.5 trillion Tourism industry became a key industry in Japan

- According to the “Consumption Trend Survey for Foreigners Visiting Japan”, released this month by the Japan Tourism Agency, total trip expenditure for year 2015 rose +72% YoY to JPY 3.5 trillion. Meanwhile, the days spent in Japan by Chinese visitors, whose average expenditure per person is the largest, has more than doubled YoY. The average expenditure per person of most countries has also increased.
- It is safe to say that inbound tourism industry has become a key industry of Japan as the foreigners’ total trip expenditure is comparable to the export value of Japanese goods such as electronic devices represented by semiconductors and auto parts which were JPY 3.7 trillion (ranked third) and JPY 3.5 trillion (ranked fourth), respectively for year 2014.

“Foreign Visitors’ Amount of Expenditure by Country ”

Country /Region	CY2015 (million people)	YoY (%)	Total Trip Expenditure (JPY billion)	YoY (%)	Expenditure per Person (JPY thousand)
China	4.99	107%	1,417	154%	284
S. Korea	4.00	45%	301	44%	75
Taiwan	3.68	30%	521	47%	142
Hong Kong	1.52	65%	263	92%	172
USA	1.03	16%	181	23%	176
Thailand	0.80	21%	120	25%	151
Australia	0.38	24%	87	26%	231
Others	3.34	27%	587	30%	176
Total	19.74	47%	34,771	72%	176

(Source) SMAM, based on JNTO data.

Although uncertainty over stronger JPY and global stock price fall still exists, number of “foreign visitors” is expected to grow

■ Increase of foreign visitors is expected despite uncertainty over stronger JPY and stock price fall

Global stock price fall and stronger JPY are pointed out to be a concern for the expansion of foreign visitors. However, possibility of its expansion is expected to be high, as 23 million “foreign visitors” per year will be achieved if the pace of monthly increase of the past several months continues, and the percentage of the Chinese visiting Japan is still less than 5% of the total number of Chinese travelling abroad.

■ Government is likely to revise the “Number of foreign tourists visiting Japan” upward

Government is expected to announce a long-term comprehensive strategy including upward revision of the quantitative target of foreign visitors to Japan, as the government’s target of increasing “number of foreign tourists visiting Japan to 20 million by year 2020” was almost achieved in year 2015.

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