Global Market Profile

JAPAN

March 2024

Introduction

- Tourism Economics forecasts domestic leisure visitation will account for $101B in spending in California in 2024 and international visitation will account for $29B in spending in the state.

- In this highly competitive environment for tourism dollars and with travel demand normalizing, effective global marketing is critical to California achieving these spending numbers which requires a deep knowledge of the domestic and international markets that drive tourism spending in the state. This includes an understanding of the audience of travelers most likely to visit California in the next year.

- The **Global Market Profile** report has been developed by Visit California Research to provide the organization and the state's tourism industry with insights on California's domestic market and thirteen opportunity international markets through detailed market landscapes as well as highly targeted audience profiles and traveler behavior insights.

Market Landscape:

Audience Insights:

California Traveler & Trip Details:

- **Market Landscape** includes foundational intelligence from Visit California:
  - Visitation and Spending Forecasts
  - Airlift Recovery (flights and seats)
  - Arrival Numbers & California Market Share
  - Consumer travel intent and barriers

- **Audience Insights** includes a profile of target travelers, including:
  - Description and size of Audience Target
  - Demographic profile
  - General travel planning behavior
  - General trip spending
  - Advertising and sports preferences

- **California Traveler & Trip Details** includes details about visitors to California from the past year, including:
  - Trip purpose
  - First/Repeat visitation
  - Destinations visited
  - Travel party, accommodations, activities and expenditures

Methodology & Sources

- The report contains three sections:
  - The **Market Landscape** section is sourced from Visit California's key research partners, including Tourism Economics, NTTO, CIC Research, Cirium and YouGov.

  - The **Audience Insights** section is sourced from YouGov's Global Travel Profiles which tracks travel-related sentiment and behavior in over 25 global markets, including all thirteen Visit California opportunity markets. Panelists are surveyed on preferred trip types, booking methods, accommodation preferences, and advertising perceptions.
    - The audience profile is built on a segmentation of consumers planning international leisure travel in the next 12 months and are considering California as a destination.* The profiles provide insights into those travelers most likely to visit the state.

  - The **California Traveler and Trip Characteristic** section provides information on trips that included a stay in California from the Survey of International Air Travelers (SIAT).

*Profile targets for China and Japan include travelers considering California and/or other U.S. destinations due to sample size limitations.

Market Landscape

Country Profile

Japan

POPULATION: *
123.3M

EXCHANGE RATE: **
Local currency to USD dollar
149.3

GROSS DOMESTIC PRODUCT (GDP):
Annual % chg ***
1.3%

INFLATION RATE:
Annual % chg ****
2.7%

Forecast: Visitor Spending by Market (2024)

The chart below shows California's visitor spending forecast for the state's 14 target markets and share of total international spending in the state.

Market	Share	Spending
Mexico total	16%	$4,601
Mexico (land)	12%	$3,663
Mexico (air)	3%	$938
Canada	13%	$3,890
China	7%	$2,176
India	6%	$1,809
United Kingdom	5%	$1,515
Japan	5%	$1,467
France	4%	$1,292
Australia	4%	$1,297
South Korea	4%	$1,232
Germany	4%	$1,096
Italy	2%	$526
Nordics	2%	$511
Middle East	1%	$226
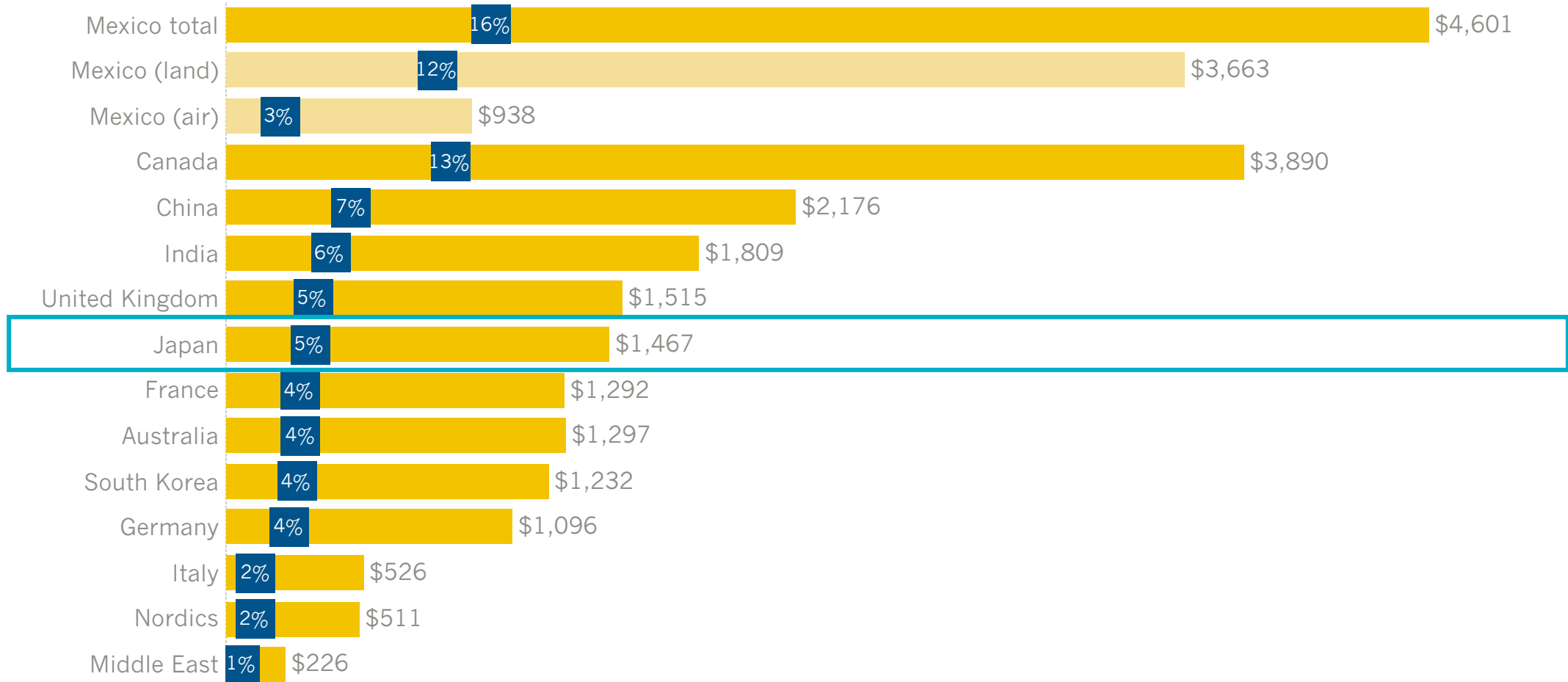
Forecast: Visitor Spending

The chart below shows the state's visitor spending forecast and the recovery index for the focus market.

Japan: Visitor Spending Forecast with Recovery Index to 2019

■ Spending (millions)   ■ Recovery Index to 2019

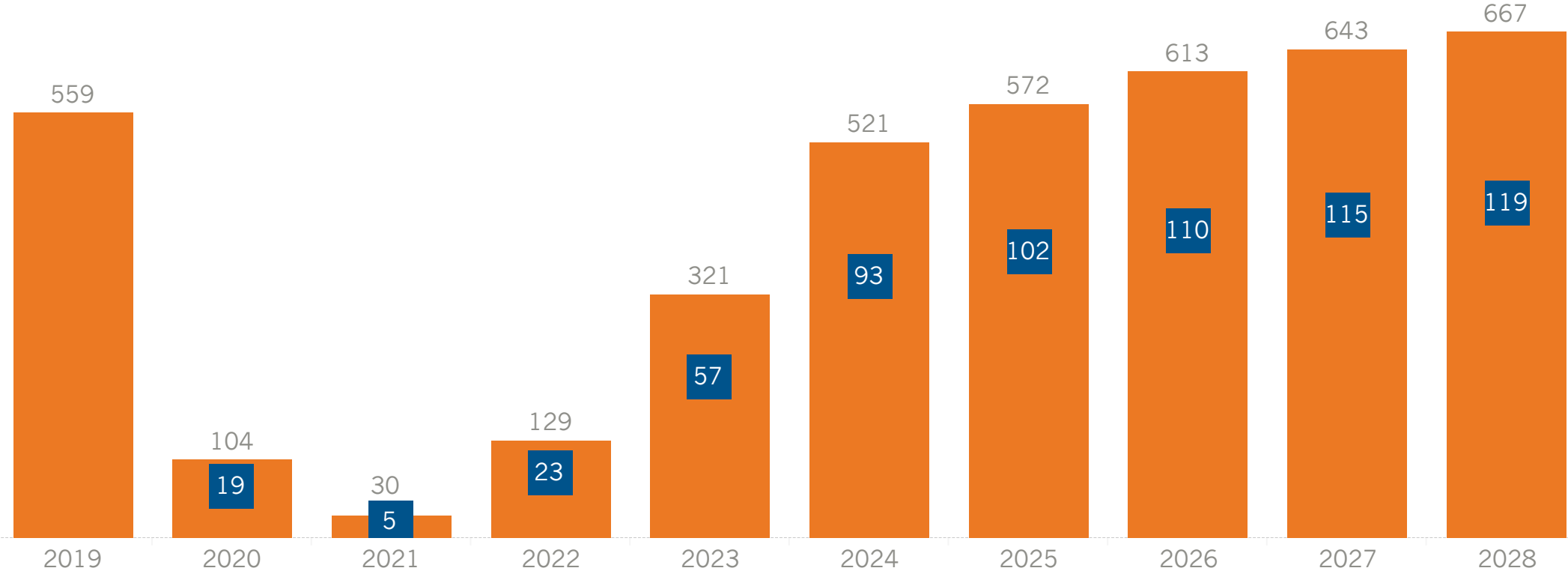| Year	Spending	Recovery Index
2019	$1,378	
2020	$268	19
2021	$72	5
2022	$364	26
2023	$900	65
2024	$1,467	106
2025	$1,643	119
2026	$1,798	130
2027	$1,922	139
2028	$2,012	146
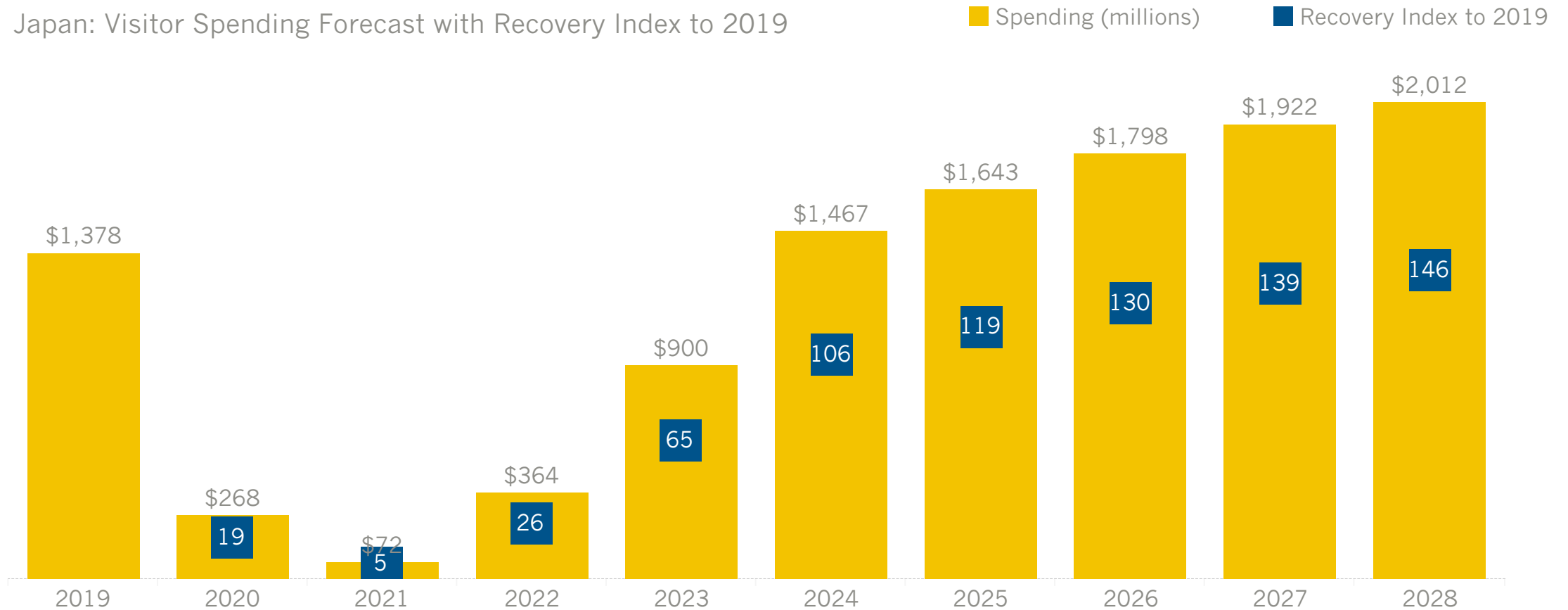
Forecast: Visitor Volume

The chart below shows the state's visitation forecast and recovery index for the focus market.

Japan: Visitation Forecast with Recovery Index to 2019

■ Visitation (thousands)   ■ Recovery Index to 2019

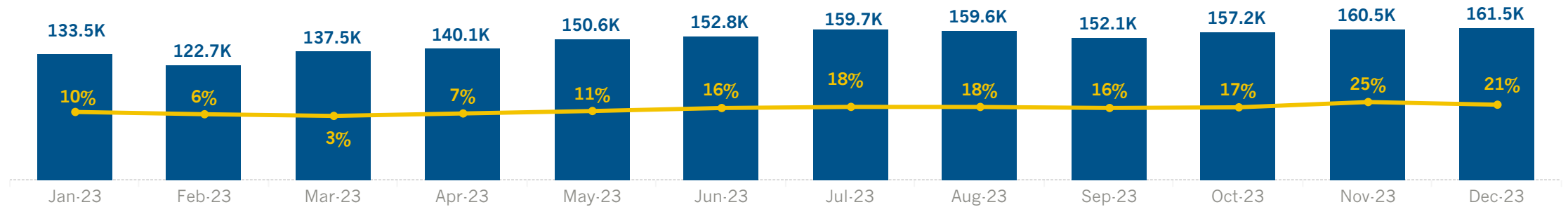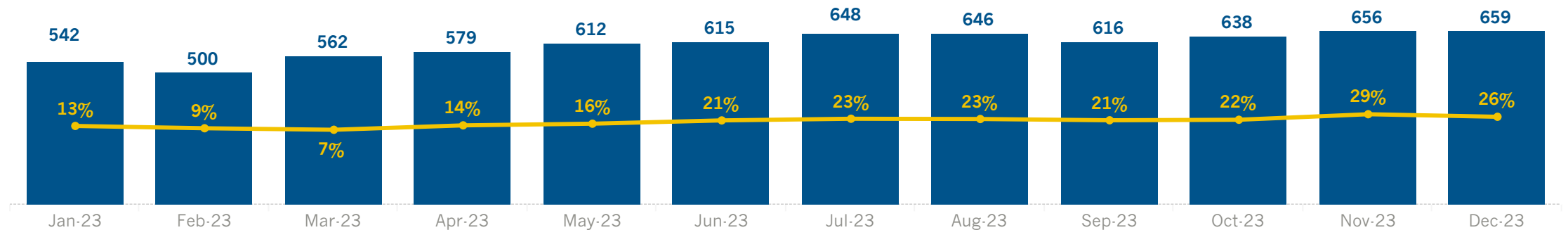| Year	Visitation (thousands)	Recovery Index to 2019
2019	559	
2020	104	19
2021	30	5
2022	129	23
2023	321	57
2024	521	93
2025	572	102
2026	613	110
2027	643	115
2028	667	119

Airlift to California

The charts below shows airlift to California and percent change to 2019 for the focus market.

Japan: Non-Stop Seats to CA (% chg vs 2019)

Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
133.5K	122.7K	137.5K	140.1K	150.6K	152.8K	159.7K	159.6K	152.1K	157.2K	160.5K	161.5K
10%	6%	3%	7%	11%	16%	18%	18%	16%	17%	25%	21%

Japan: Non-Stop Flights to CA (% chg vs 2019)

Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
542	500	562	579	612	615	648	646	616	638	656	659
13%	9%	7%	14%	16%	21%	23%	23%	21%	22%	29%	26%

Source: Cirium

Non-Resident Arrivals to California

The chart below shows non-resident arrivals at California's ports of entry and percent change to 2019 for the focus market.

Japan: Non-Resident Arrivals at CA Ports of Entry (% change vs. 2019)
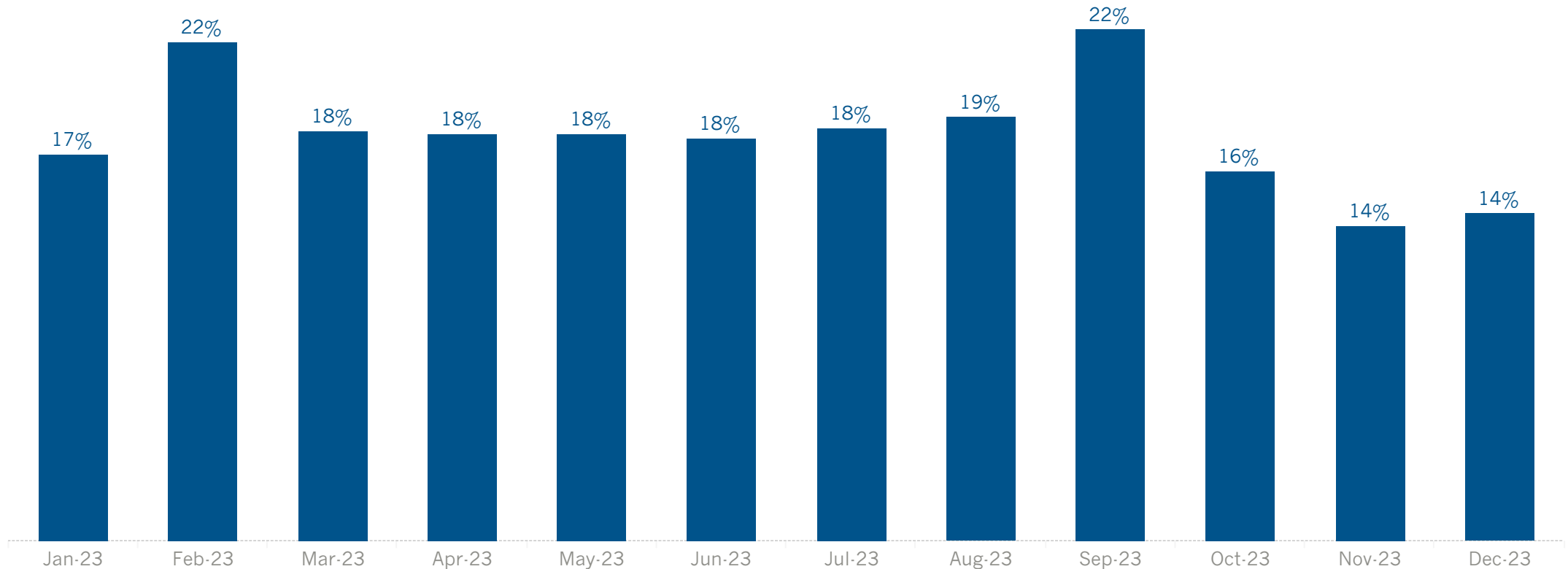

Month	Arrivals	% change vs. 2019
Jan-23	17,409	-50%
Feb-23	20,517	-59%
Mar-23	24,299	-52%
Apr-23	18,112	-61%
May-23	20,061	-42%
Jun-23	21,301	-41%
Jul-23	27,295	-36%
Aug-23	41,322	-31%
Sep-23	42,332	-18%
Oct-23	27,733	-37%
Nov-23	26,587	-32%
Dec-23	25,610	-43%
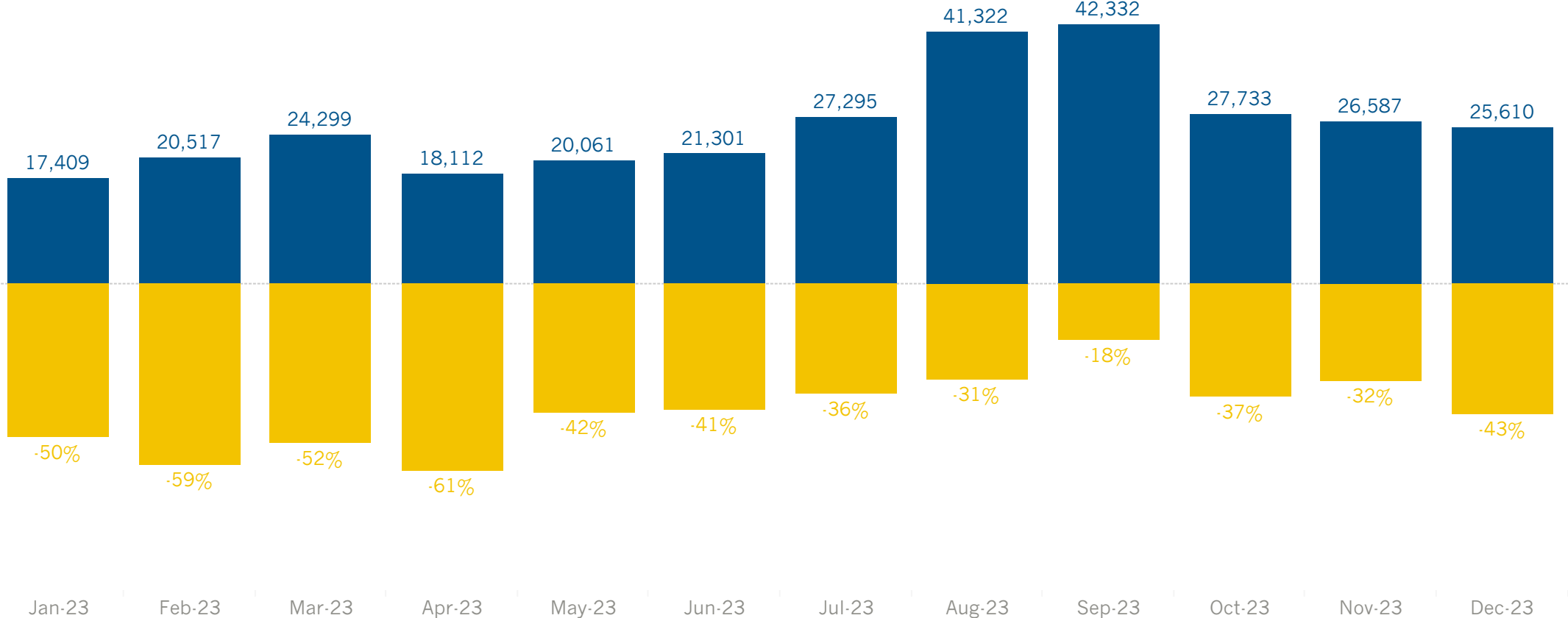
California's Share of Arrivals

The chart below shows California's share of arrivals from the focus market based on First Intended Address (FIA).

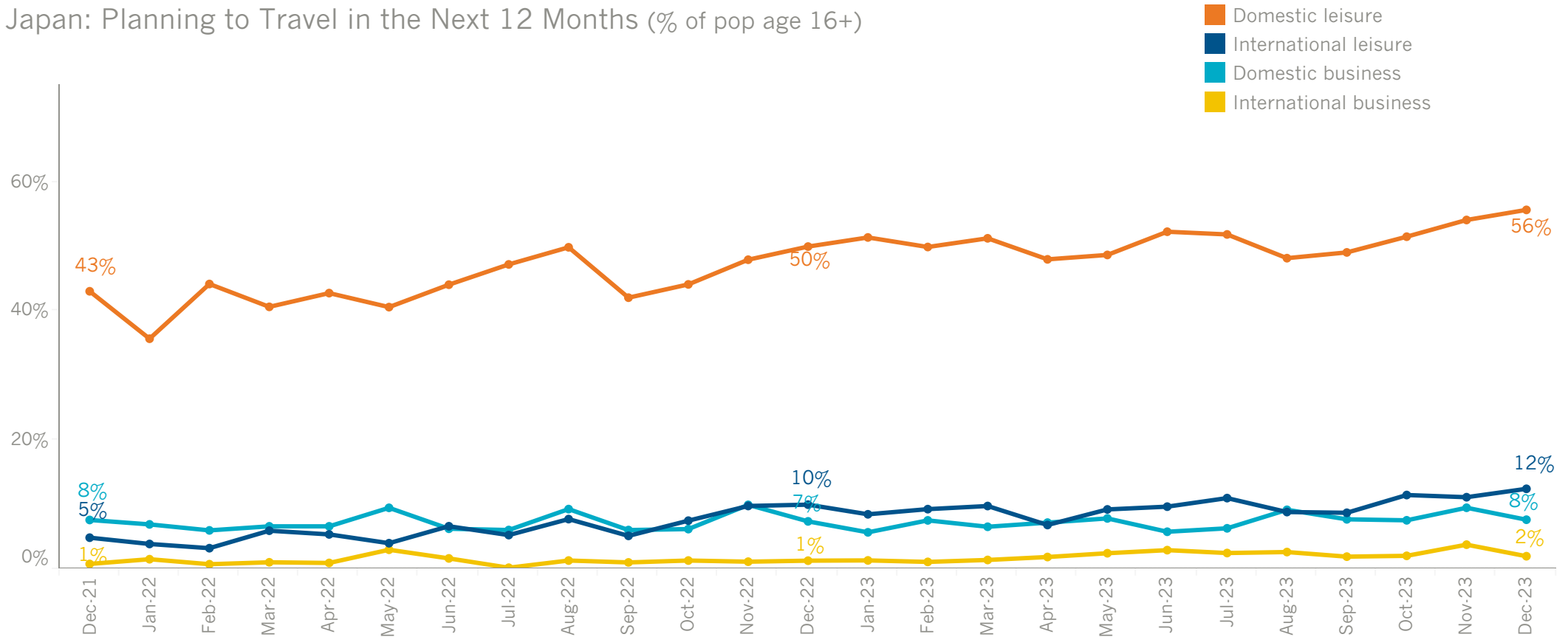Japan: California Market Share of Arrivals Based on First Intended Address (%)

Month	Share
Jan-23	17%
Feb-23	22%
Mar-23	18%
Apr-23	18%
May-23	18%
Jun-23	18%
Jul-23	18%
Aug-23	19%
Sep-23	22%
Oct-23	16%
Nov-23	14%
Dec-23	14%

Data reported through: December 2023

Travel Planned in Next 12 Months

The chart below shows the types of trips planned in the next 12 months for the focus market.

Japan: Planning to Travel in the Next 12 Months (% of pop age 16+)

Legend:
- Domestic leisure
- International leisure
- Domestic business
- International business

Data labels: 43%, 50%, 56%, 8%, 5%, 10%, 7%, 12%, 8%, 1%, 1%, 2%

X-axis: Dec-21, Jan-22, Feb-22, Mar-22, Apr-22, May-22, Jun-22, Jul-22, Aug-22, Sep-22, Oct-22, Nov-22, Dec-22, Jan-23, Feb-23, Mar-23, Apr-23, May-23, Jun-23, Jul-23, Aug-23, Sep-23, Oct-23, Nov-23, Dec-23

Q: Which, if any, of the following trips are you planning to take in the next 12 months?
Data reported through: December 2023
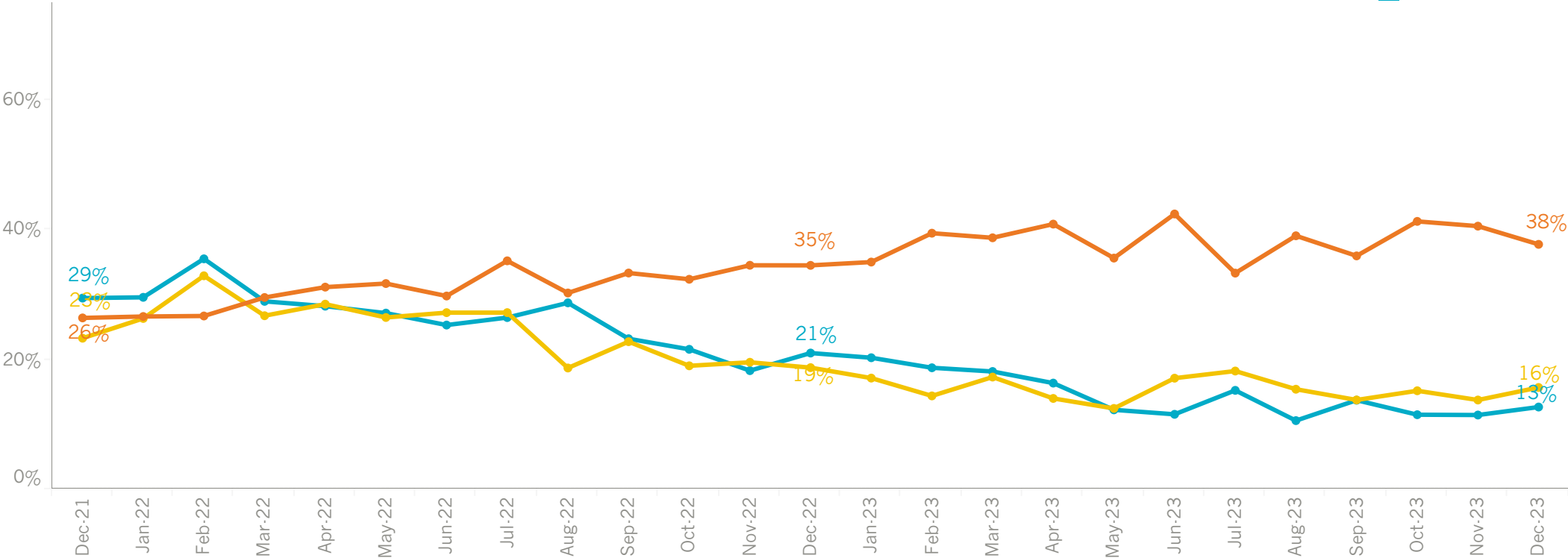
Source: YouGov

Barriers to Travel

The chart below shows perceived barriers to travel among consumers not currently planning an international trip in the focus market.

Japan: Barriers to Travel (% among not planning to travel internationally in next 12 months)

- Price of travel
- Safety
- Health risks

Q: Which, if any, of the below factors are currently preventing you from traveling?
Data reported through: December 2023

Audience Insights

Audience Profile

The chart shows the incidence of international leisure travelers in the focus market and the subset of international leisure travelers considering California as a destination.

The following audience profile is based on the survey responses over a 12-month period of those consumers considering California as a destination for international leisure travel.
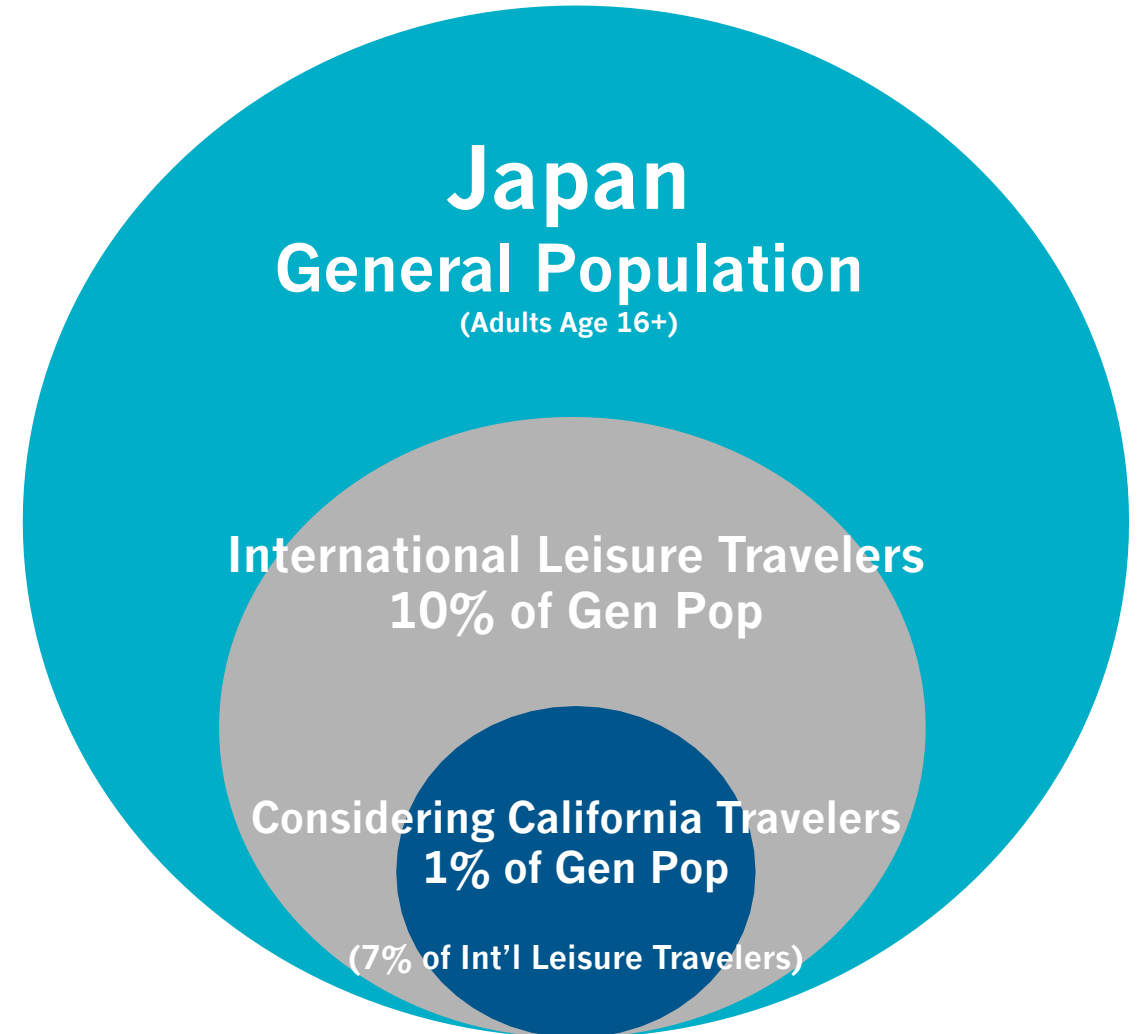
Definitions:

International Leisure Travelers:
Consumers in the focus market planning an international leisure trip in the next 12 months.

Considering California Travelers ("CA Traveler Target")*:
Among the consumers in the focus market planning international leisure travel, those who are considering California as destination for travel in the next 12 months.

*Note: Due to sample size limitations for the China and Japan markets, the YouGov profile reporting is supplemented with sample of travelers considering U.S. destinations for leisure travel in addition to travelers specifically considering California. The target size shown to the right, however, reflects travelers considering California.

Japan
General Population
(Adults Age 16+)

International Leisure Travelers
10% of Gen Pop

Considering California Travelers
1% of Gen Pop

(7% of Int'l Leisure Travelers)

How to Read the Data

Generation	CA Traveler Target	Index
Gen Z	5%	59
Millennial	51%	115
Gen X	29%	124
Baby Boomer	13%	60

Generation Definitions:
- Gen Z (2000 and later)
- Millennial (1982-1999)
- Gen X (1965-1981)
- Boomer (1946-1964)

Data:

- **CA Traveler Target:** Shows the incidence (%) of the demographic characteristic or travel activity among international leisure travelers considering California as a destination in the focus market.

- **Index:** Compares the incidence (%) of the CA Traveler Target to the incidence (%) of all International Leisure Travelers. For example, an index of 115 indicates that the measure among the CA Traveler Target is 1.15x greater than among International Leisure Travelers in the focus market.

Demographic Profile

The chart below shows the demographic profile of the consumer target in the focus market.

Japan

Gender

	CA Traveler Target	Index
Female	49%	109
Male	51%	93

Marital Status

	CA Traveler Target	Index
Married	64%	103
Single	26%	103

Family Status

	CA Traveler Target	Index
Children <18	14%	116

Age

	CA Traveler Target	Index
Age 16-24	7%	94
Age 25-34	14%	106
Age 35-44	25%	121
Age 45-54	14%	94
Age 55+	39%	91

Generation

	CA Traveler Target	Index
Gen Z	5%	80
Millennial	30%	104
Gen X	35%	116
Baby Boomer	30%	87

Income*

	CA Traveler Target	Index
Higher income	29%	111
Middle income	47%	104
Lower income	18%	88
Prefer not to say	7%	75

Region

	CA Traveler Target	Index
Kantō	58%	126
Kansai	14%	74
Chūbu	11%	73
Kyūshū	8%	112
Chūgoku	5%	87
Tōhoku	3%	77
Hokkaidō	1%	42
Shikoku	1%	77

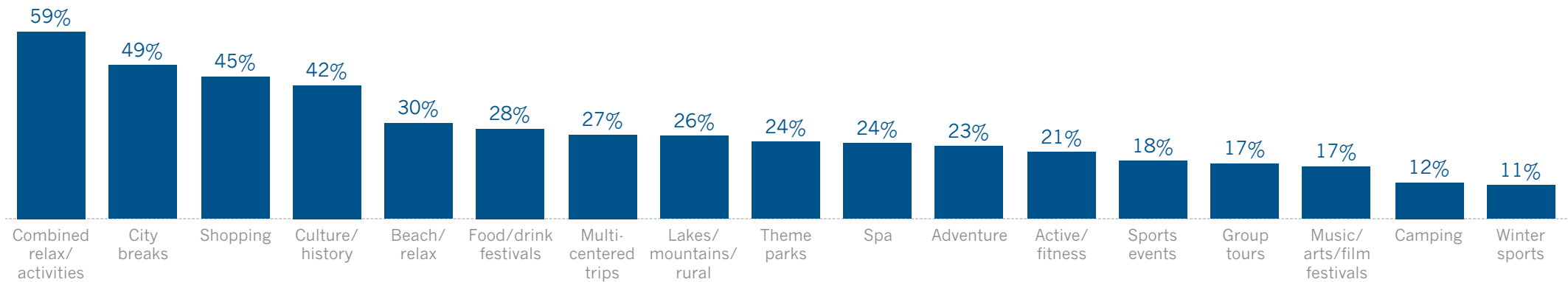*Income definitions: Higher >200% of median, Middle 75% to 200% of median, Lower <75% of median

Trip Preferences/Characteristics

The chart below shows the typical trip preferences & characteristics of the consumer target in the focus market.

Japan

Trip Type

Trip Type	Percentage
Combined relax/activities	59%
City breaks	49%
Shopping	45%
Culture/history	42%
Beach/relax	30%
Food/drink festivals	28%
Multi-centered trips	27%
Lakes/mountains/rural	26%
Theme parks	24%
Spa	24%
Adventure	23%
Active/fitness	21%
Sports events	18%
Group tours	17%
Music/arts/film festivals	17%
Camping	12%
Winter sports	11%

Traveler Type

	CA Traveler Target	Index
Budget	30%	97
Luxury	15%	112
Responsible	14%	102
All-inclusive	11%	132
Adventurous	5%	66

Travel Party (from most recent vacation)

	CA Traveler Target	Index
My partner	54%	101
My children	26%	105
Friend(s)	21%	111
Other family	18%	122
Solo	13%	84
Other person(s)	2%	275

Q Trip Type: Which of the following types of holidays do you typically take?
Q Traveler Type: Which of the following best describes the type of traveler you are?
Q Travel Party: Thinking about your most recent holiday, which of the following best describes the group or individual you went on holiday with?
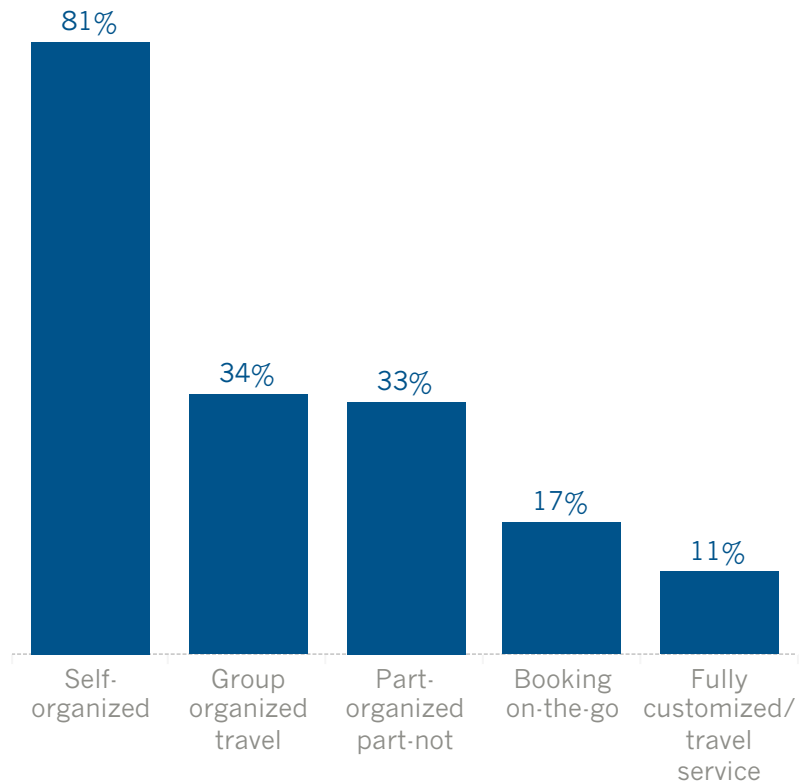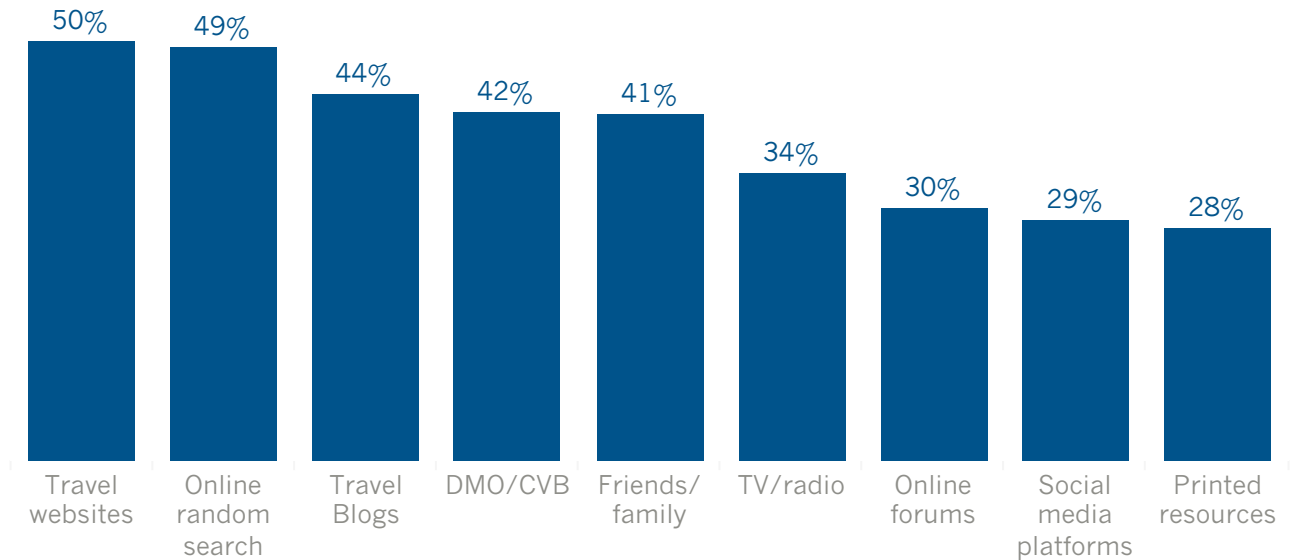
Source: YouGov (2023)

Organizing/Planning Methods

The chart below shows the organizing and planning methods of of the consumer target in the focus market.

Japan

Organizing Travel

- Self-organized: 81%
- Group organized travel: 34%
- Part-organized part-not: 33%
- Booking on-the-go: 17%
- Fully customized/ travel service: 11%

Planning Methods

- Travel websites: 50%
- Online random search: 49%
- Travel Blogs: 44%
- DMO/CVB: 42%
- Friends/ family: 41%
- TV/radio: 34%
- Online forums: 30%
- Social media platforms: 29%
- Printed resources: 28%

Q Organizing: Which of the following describe how you generally organize your holidays?
Q Planning: Which of the following methods do you generally use to help plan a holiday?
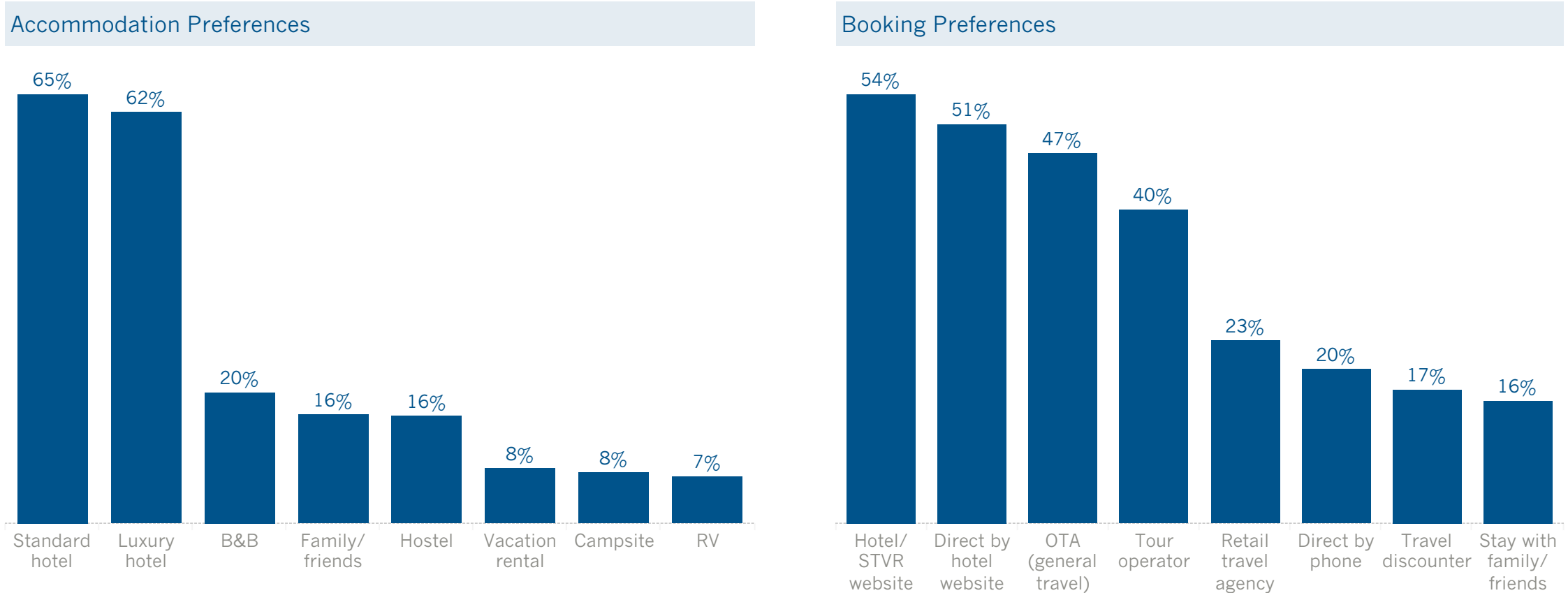
Source: YouGov (2023)

Booking Preferences

The chart below shows the accommodation preferences of of the consumer target in the focus market.

Japan

Accommodation Preferences

Category	Value
Standard hotel	65%
Luxury hotel	62%
B&B	20%
Family/friends	16%
Hostel	16%
Vacation rental	8%
Campsite	8%
RV	7%

Booking Preferences

Category	Value
Hotel/STVR website	54%
Direct by hotel website	51%
OTA (general travel)	47%
Tour operator	40%
Retail travel agency	23%
Direct by phone	20%
Travel discounter	17%
Stay with family/friends	16%

Q Accommodation: Which of the following types of accommodations do you typically stay in when you are on holiday?
Q Booking: Which of the following booking methods do you typically use when booking accommodations for the holidays?
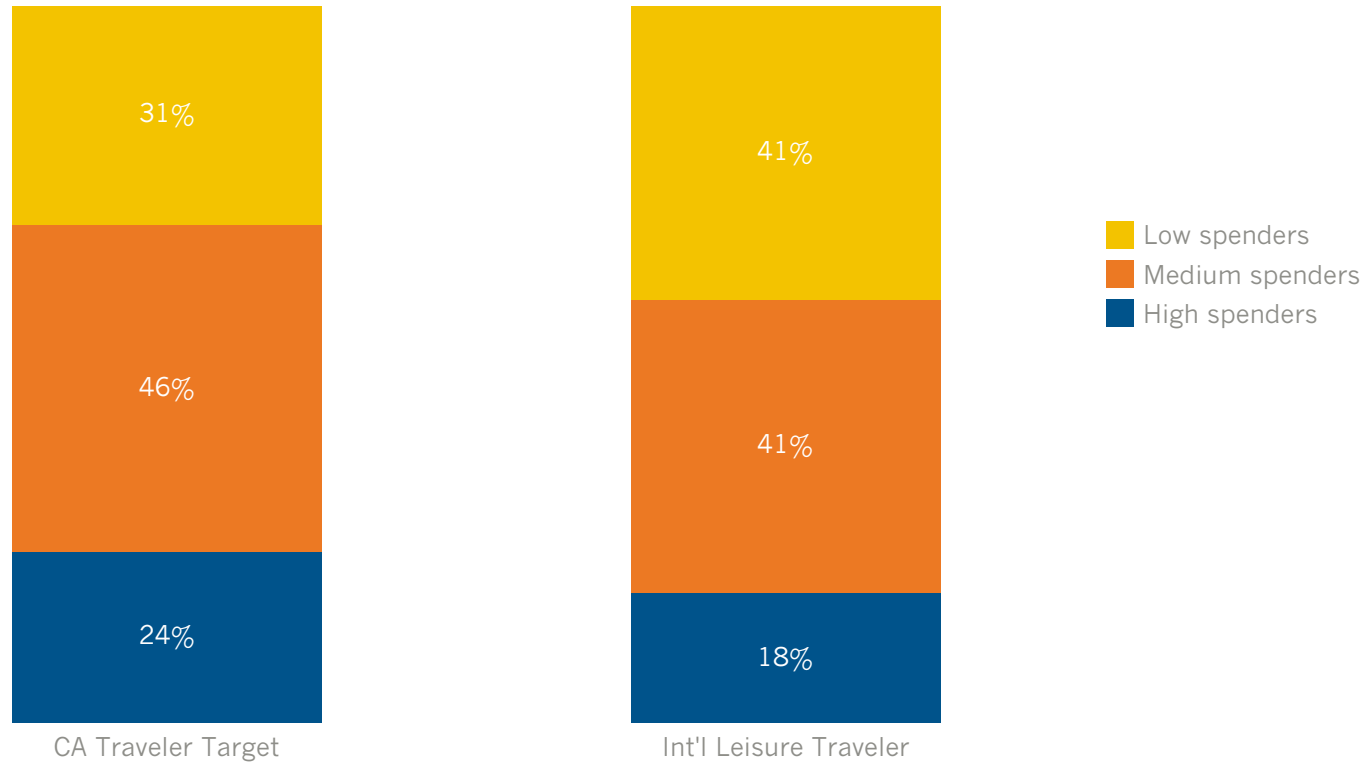
Travel Spending

The chart shows the travel spending of the consumer target in the focus market based on the most recent vacation.

Japan

Travel Spending (from most recent vacation)

CA Traveler Target
- Low spenders: 31%
- Medium spenders: 46%
- High spenders: 24%

Int'l Leisure Traveler
- Low spenders: 41%
- Medium spenders: 41%
- High spenders: 18%

Legend:
- Low spenders
- Medium spenders
- High spenders

Q: Thinking about your most recent holiday, approximately how much in total was spent per person?

Media & Advertising

The data shows advertising influences and sports preferences of the target consumer in the focus market.

Japan

Advertising Influences

	CA Traveler Target	Index
Travel websites	45%	95
Direct mail	42%	154
Social media	39%	123
TV - Free to view channels	35%	134
Billboards	34%	160
Magazines (digital)	30%	138
National newspaper (digital)	28%	134
Online streaming services	27%	133
National newspaper (physical)	27%	127
Cinema	25%	186
Magazines (physical)	25%	124
Local newspaper (physical)	23%	122
Local newspaper (digital)	23%	129
Radio	14%	183
Public transport	14%	113
TV - paid/subscription	12%	175
Podcast	11%	215

Sports Watched/Followed

	CA Traveler Target	Index
Baseball	48%	115
Soccer/Football	30%	112
Tennis	30%	143
Golf	24%	118
Swimming	22%	156
Volleyball	20%	164
Athletics/Track & Field	19%	139
Running/Marathon	18%	118
Basketball	18%	189
Boxing	18%	149
Gymnastics	16%	156
Rugby League	16%	143
NFL	14%	189
Horse Racing	11%	97
Surfing	11%	181
Cycling	11%	167
Australian Rules Football	9%	264
Ice Hockey	9%	184
Cricket	9%	281

Q Advertising: Thinking about your next travel or holiday related purchase,...where would you advertise to catch your attention?
Q Sports: Which of the following sports do you watch or follow?

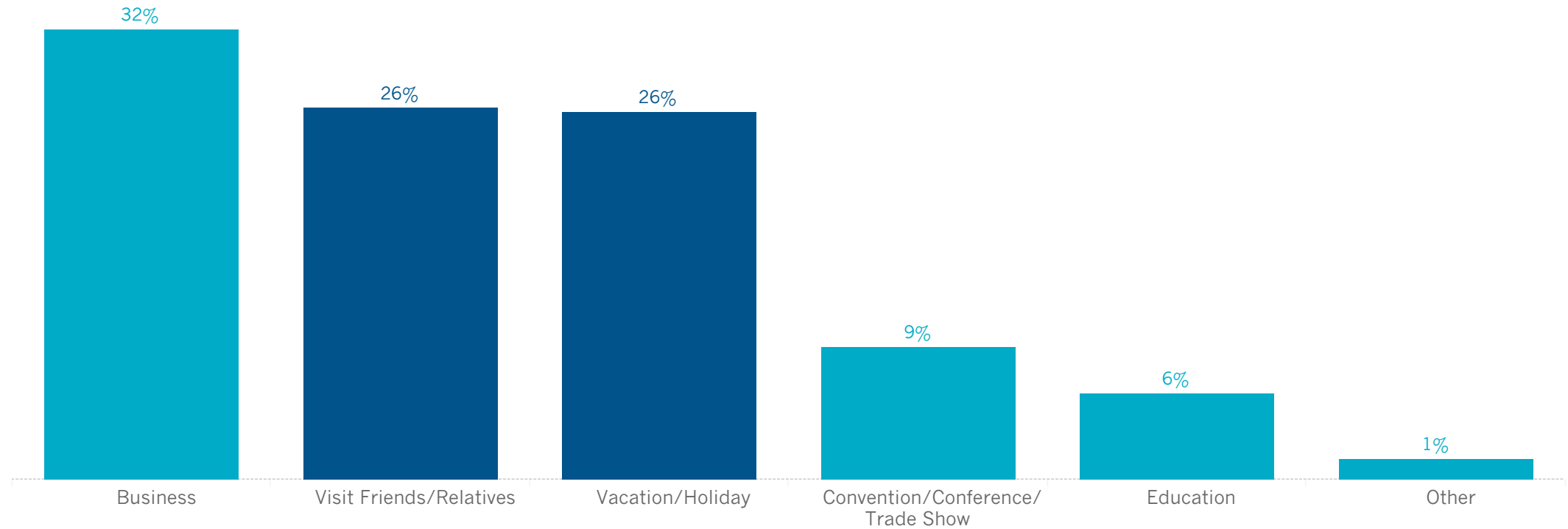California Travelers & California Trip Characteristics

Main Purpose of Trip

The chart below shows the main purpose of the trip among travelers in the focus market.

Japan

Main Purpose of Trip

Business	Visit Friends/Relatives	Vacation/Holiday	Convention/Conference/Trade Show	Education	Other
32%	26%	26%	9%	6%	1%

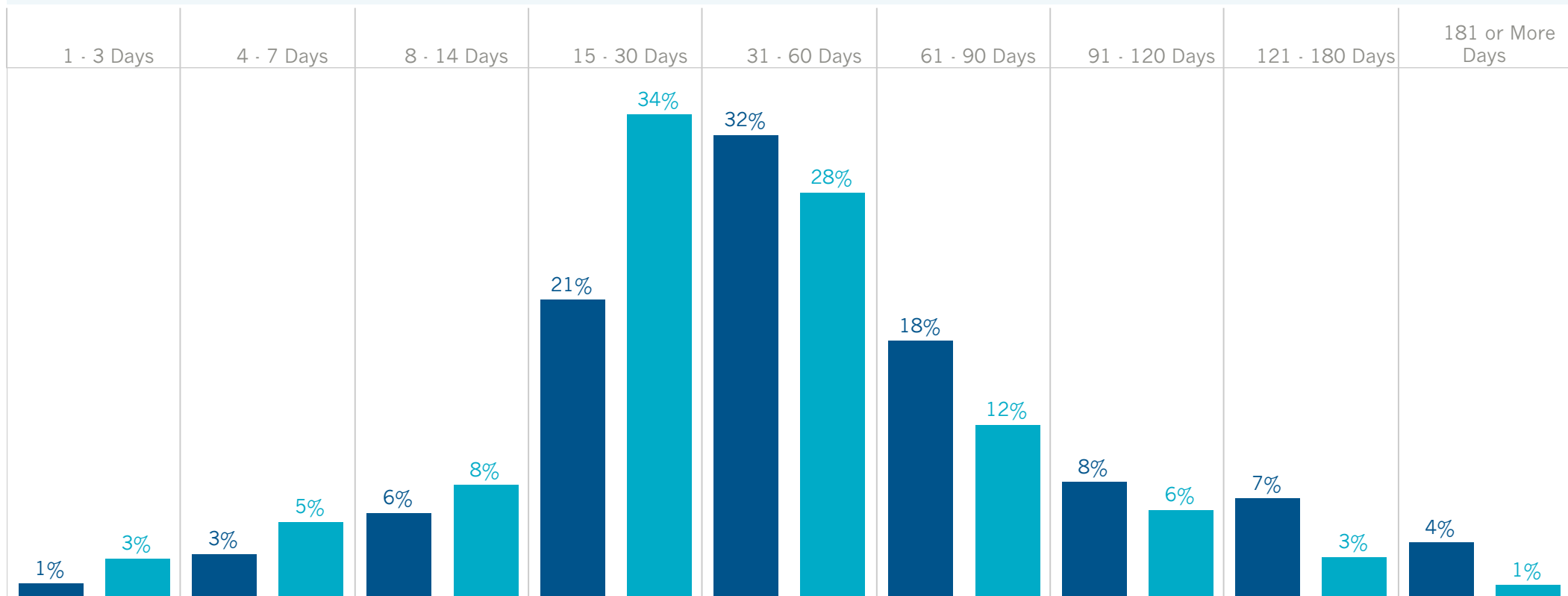Q. What was the main purpose of your trip?

Decision Making vs Reservations

The chart below shows the timeframe for making the decision to travel and making the reservations among travelers in the focus market..

Leisure travelers

Japan

Decision Making vs Reservations

	1 - 3 Days	4 - 7 Days	8 - 14 Days	15 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 180 Days	181 or More Days
Decision	1%	3%	6%	21%	32%	18%	8%	7%	4%
Reservations	3%	5%	8%	34%	28%	12%	6%	3%	1%

■ How many days prior to departure did you make the decision to travel?
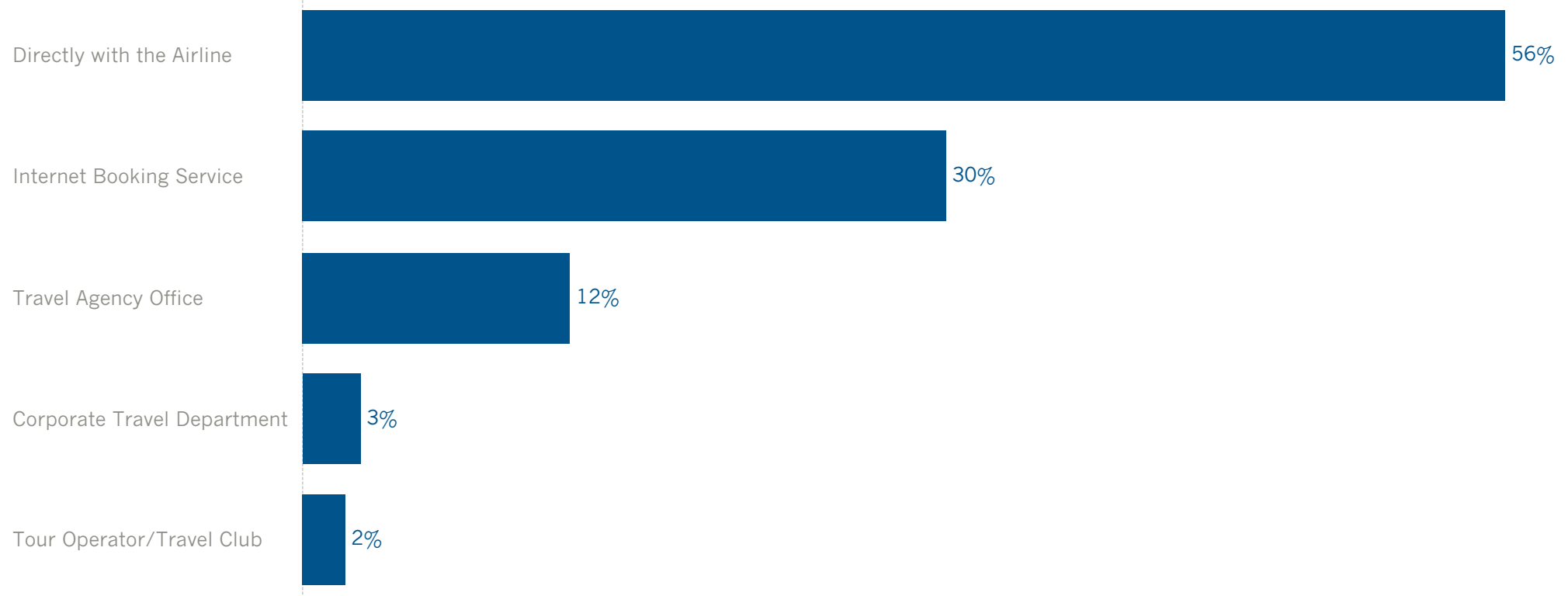■ How many days prior to departure did you make air travel reservations?

Airline Reservations

The chart below shows how airline reservations were made for the trip among travelers in the focus market.

Japan

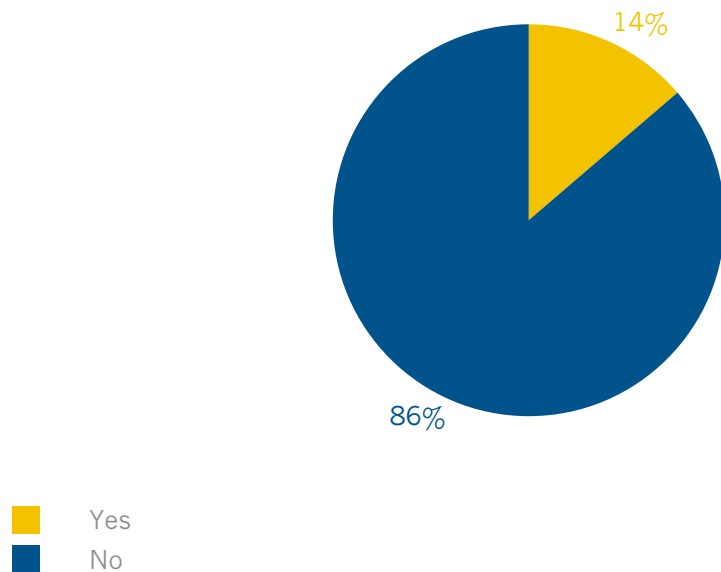| Airline Reservations	
Directly with the Airline	56%
Internet Booking Service	30%
Travel Agency Office	12%
Corporate Travel Department	3%
Tour Operator/Travel Club	2%

Leisure travelers

First/Repeat Visitation, Travel Party Size
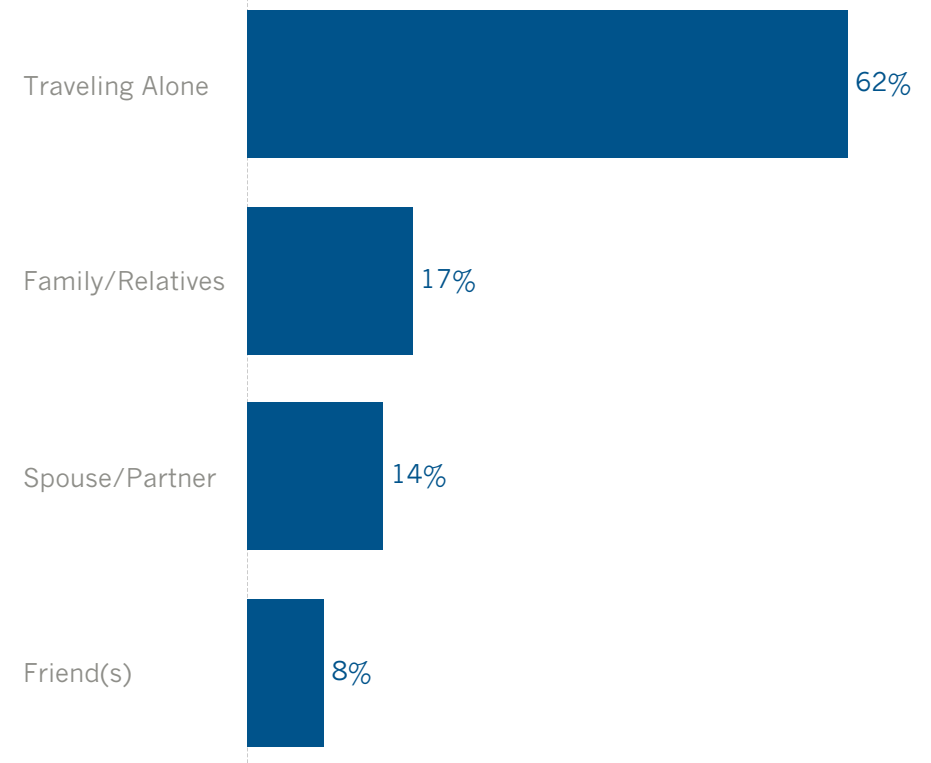
The charts below show first-time and repeat visitation and travel party size among travelers from the focus market.

Leisure travelers

Japan

First trip to the US

14%

86%

- Yes
- No

Travel Companion

Traveling Alone — 62%

Family/Relatives — 17%

Spouse/Partner — 14%

Friend(s) — 8%

Q; Is this your first trip by air to the US?
Q: With whom are you travelling now?

Types of Accommodations & Nights

The charts below show types of accommodations stayed in and number of nights in destination among travelers from the focus market.

Japan

Types of Accommodations

- Hotel or Motel, etc. — 66%
- Private Home — 40%
- Other — 4%

Nights in Destination

- 4-7 Nights — 38%
- 8-14 Nights — 21%
- 15-30 Nights — 15%
- 2-3 Nights — 15%
- 31+ Nights — 8%
- 1 Night — 3%
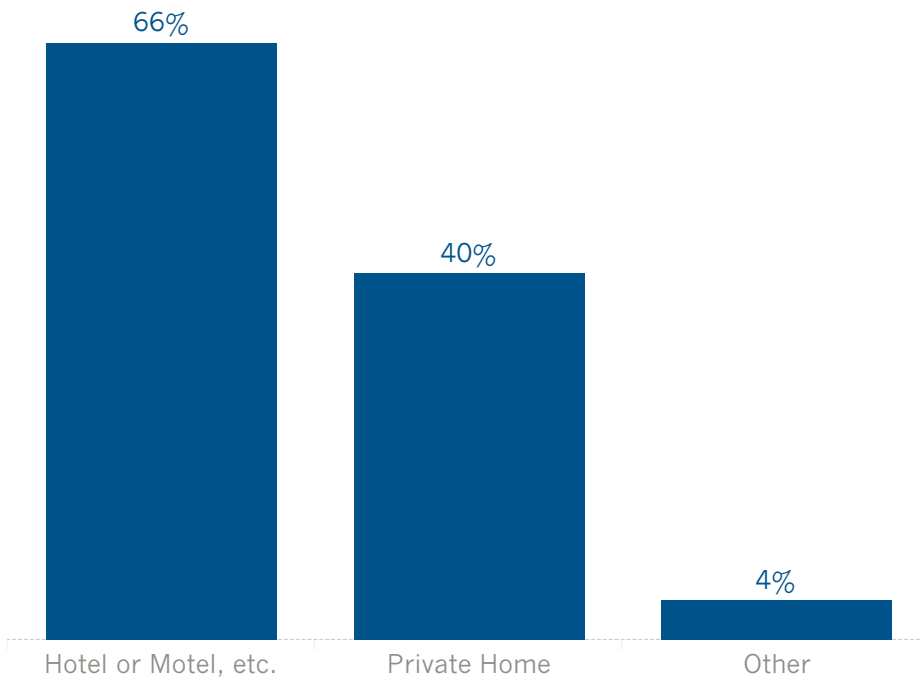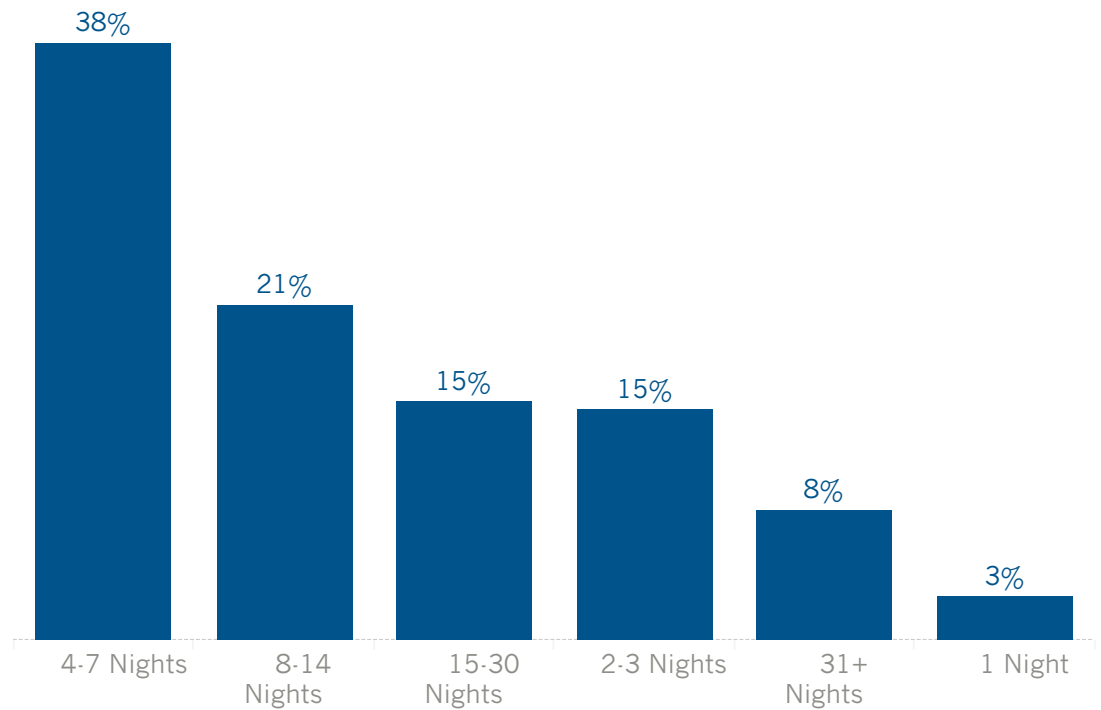
Q: Type of accomodations in the destination
Q: Overall nights in destination

Destinations Visited

The chart below shows top U.S. destinations visited on a trip among travelers from the focus market.

Japan

US Destinations visited

Destination	Percentage
Los Angeles-Long Beach	58%
San Francisco	24%
Anaheim-Santa Ana	17%
San Diego	8%
New York City	7%
Las Vegas	6%
San Jose	6%
Oakland	4%

Q: What U.S. Destinations did you visit (include main destination)?

Source: SIAT 2022
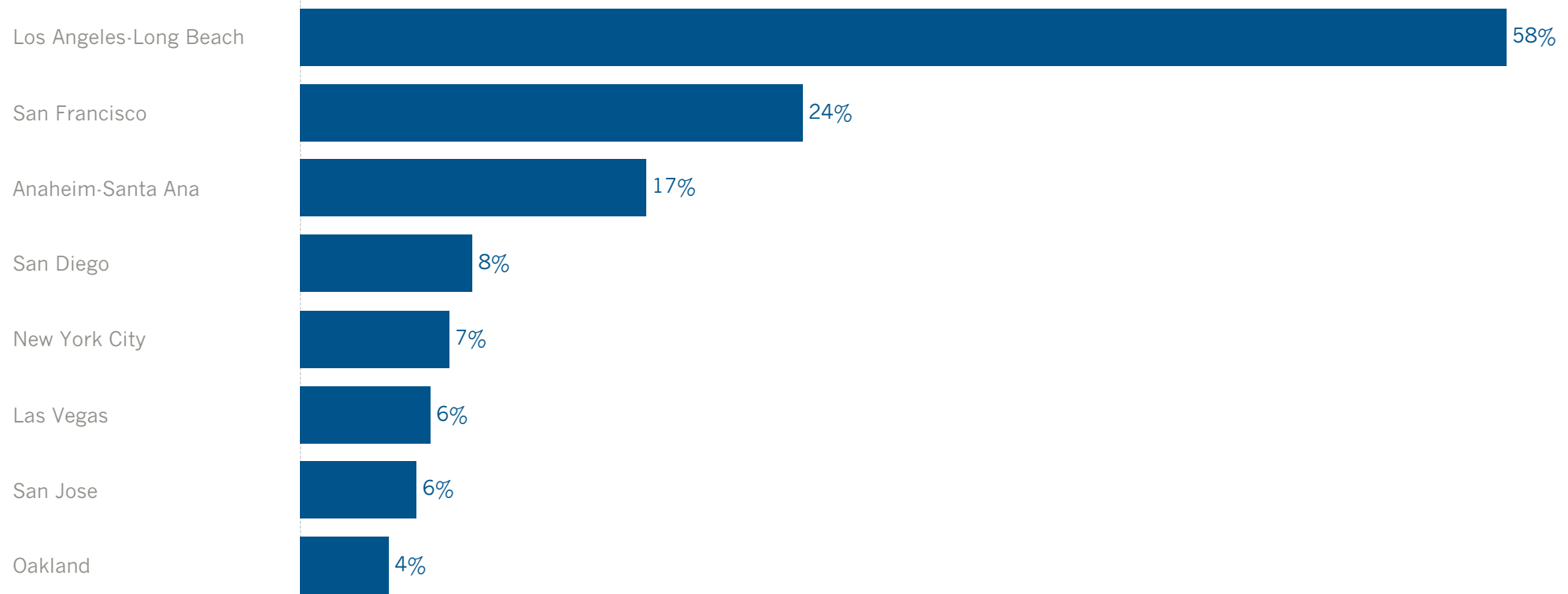
The chart below shows the types of transportation used on the trip among travelers in the focus market.

Japan

Types of Transportation

Type	Percentage
Auto, Private or Company	43%
Ride-sharing Service	33%
City Subway/Tram/Bus	24%
Rented Auto	21%
Air Travel between U.S. Cities	21%
Taxicab/Limousine	18%
Bus between Cities	17%
Railroad between Cities	9%
Ferry/River Taxi/Srt Scenic Cruise	5%
Rented Bicycle/Motorcycle/Moped	4%
Cruise Ship/River Boat 1+ Nights	1%

Q: What types of transportations were used on this trip?
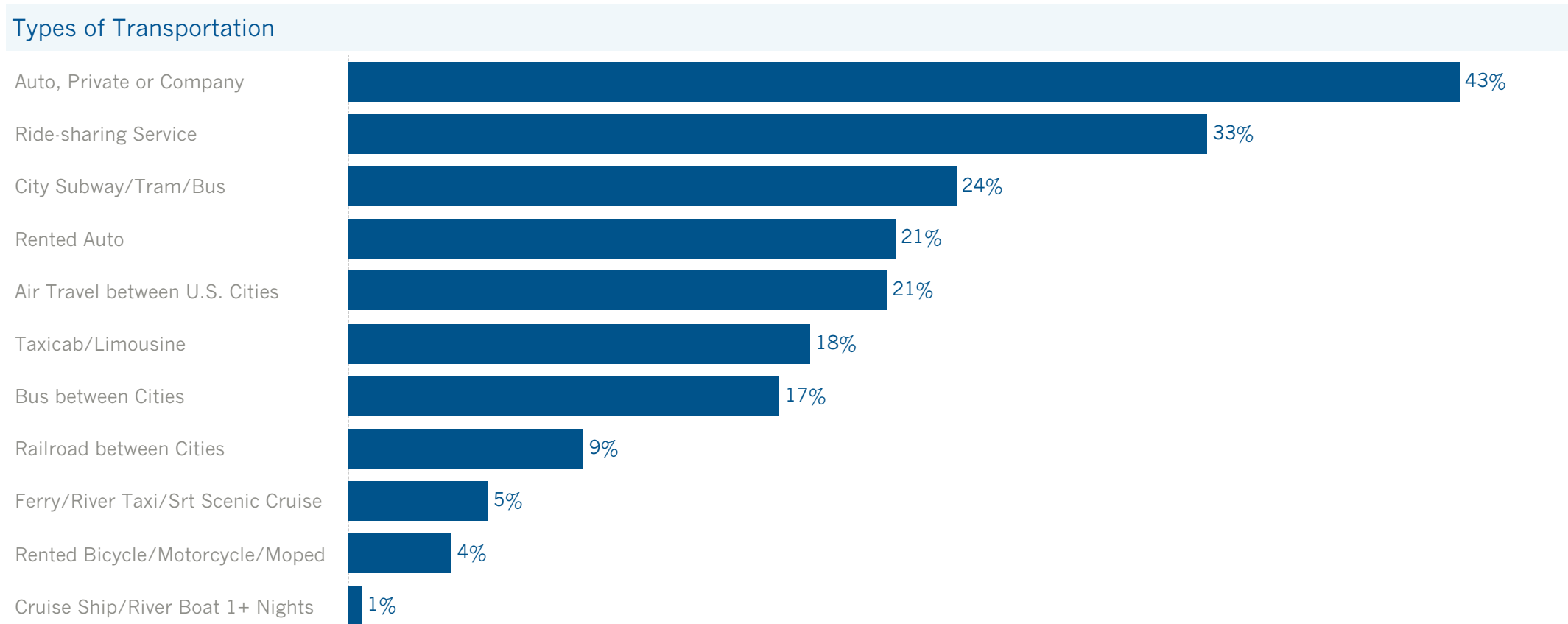
Activities

The chart below shows the leisure activities engaged in on a U.S. trip among travelers to California from the focus market.

Japan

Leisure Activities

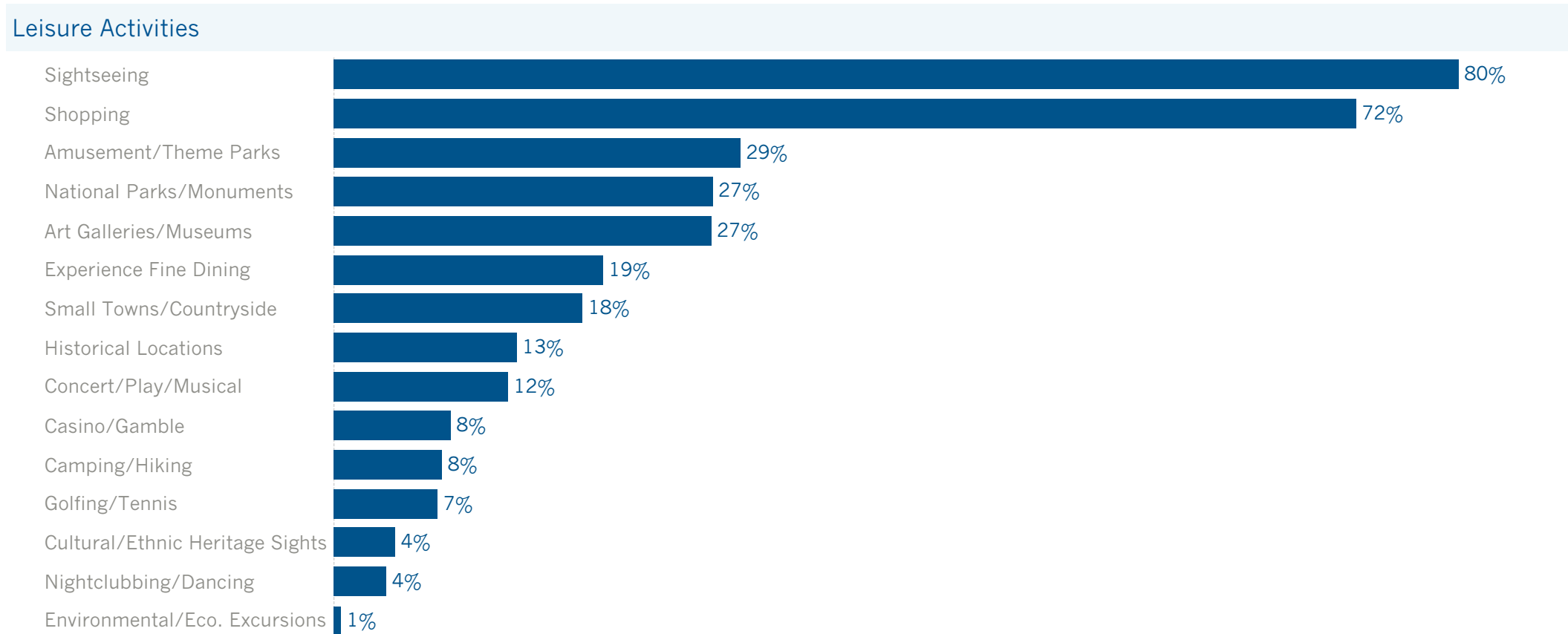| Activity	Percentage
Sightseeing	80%
Shopping	72%
Amusement/Theme Parks	29%
National Parks/Monuments	27%
Art Galleries/Museums	27%
Experience Fine Dining	19%
Small Towns/Countryside	18%
Historical Locations	13%
Concert/Play/Musical	12%
Casino/Gamble	8%
Camping/Hiking	8%
Golfing/Tennis	7%
Cultural/Ethnic Heritage Sights	4%
Nightclubbing/Dancing	4%
Environmental/Eco. Excursions	1%

Q: Did anyone engage in any of the following leisure activities?

Source: SIAT 2022

Expenditures in the US

The chart below shows mean expenditures by category among travelers to California from the focus market.

Japan

Expenditures per visitor	
International Airfare	$1,789
Accommodations/Lodging	$448
Shopping, Gifts, and Other Purchases	$342
Entertainment and Recreation	$207
Food and Beverages	$128
Ground Transportation	$80
Additional Air Transportation	$76

Q. Mean expenditures per visitor/trip

Source: SIAT 2022