



# Market Profile: Japan

April 2007

<b>Estimated Outbound Travel from Japan (2005):</b> 17.4 million	<b>Population:</b> 127,463,611
<b>Direct Customs Entries to BC (2006):</b> 215,562	<b>Unemployment Rate (2005 est.):</b> 4.4%
<b>BC's Share of Japanese Custom Entries (2006):</b> 55.8%	<b>GDP(2006 est.):</b> \$5.1 Trillion US*
<b>Japan as a Share of BC's Total Int'l Customs Entries (2006):</b> 4.5%	<b>GDP Growth (2004 vs 2005):</b> 1.9%
<b>Asia/Pacific as a Share of BC's Total Int'l Customs Entries (2006):</b> 17.8%	<b>GDP Growth (2006 est.):</b> 2.2%
<b>Japan as a Share of BC's Asia/Pacific Customs Entries (2006):</b> 25.1%	<b>Forecasted GDP Growth (2007):</b> 2.0%

Sources: Statistics Canada, 2004 JTB Report, OECD, CIA World Factbook, TIA.  
\*\$US at 2000 prices and exchange rates

**In 2006, Japan continued to be one of BC and Canada's top ten largest markets ranking for direct customs entries, following the US and the UK.**

**Japan was the largest Asia/Pacific market to BC and to Canada in 2006.**

**Japan held 25.1% of BC's Asia/Pacific market share and 25.3% of Canada's Asia/Pacific market share.**

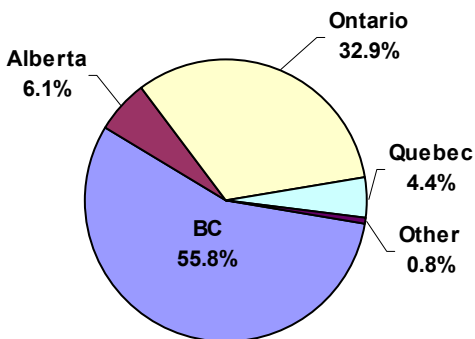
Top 10 Countries to BC	
U.S.A. Overnight	1
United Kingdom	2
Japan	3
Australia	4
South Korea	5
China	6
Taiwan	7
Germany	8
Hong Kong	9
Mexico	10

Based on 2006 customs entries data

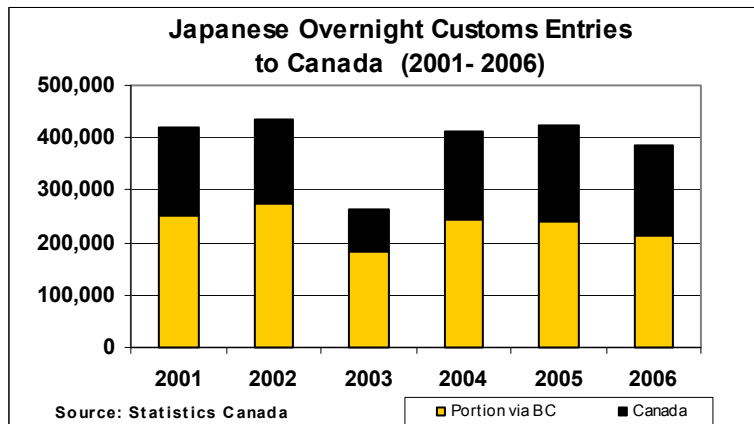
## SIZE & REVENUE OF JAPANESE MARKET:

- In 2006, over 386,000 Japanese travellers visited Canada, of whom, over 215,000 entered directly through British Columbia (55.8%).
- In 2006 Japanese custom entries to BC decreased 10.5% compared to 2005 and 14.8% compared to 2001.
- Tourism BC forecasts that Asia/Pacific overnight visitor revenue will increase 19.2% by 2009 while Japanese overnight visitor revenue is forecast to increase by 8.8%.

**Japanese Overnight Customs Entries to Canada 2006**



**Japanese Overnight Customs Entries to Canada (2001- 2006)**

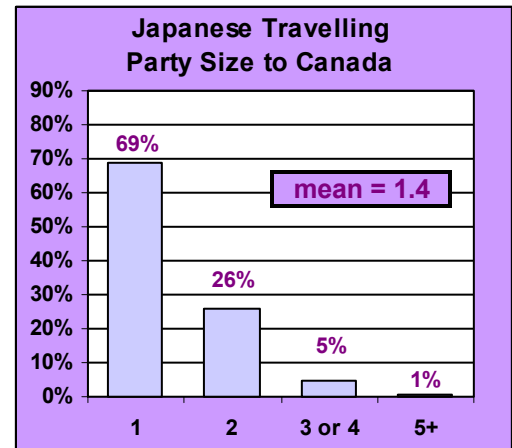
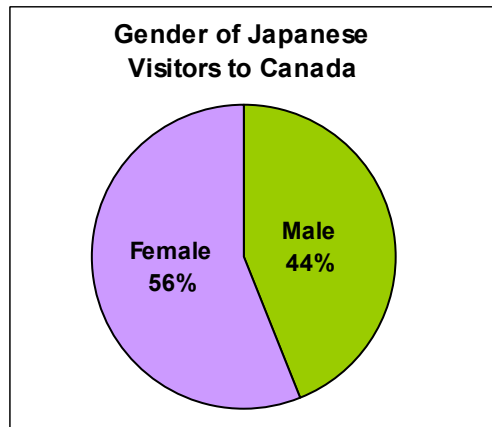
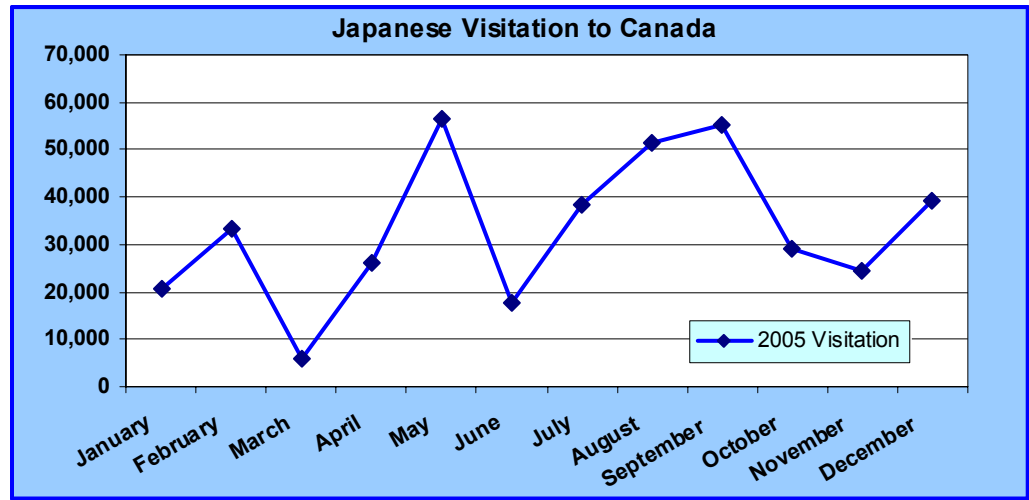


Source: Statistics Canada

\*Reader Alert: Several information sources were used to compile this profile. Readers should exercise caution because definitions and methodologies may differ across sources, leading to inconsistencies in information from different sources.

## INTERNATIONAL TRAVEL SURVEY (2005) & THE JAPANESE TRAVELLER:

- The International Travel Survey (ITS) is an ongoing survey conducted by Statistics Canada in partnership with the Canadian Tourism Commission and some provinces, including BC. The survey contains questions designed to collect data on the characteristics of travellers. The ITS, provides statistics on the volume of international travellers and on characteristics of their trips such as expenditures, activities, places visited, accommodations and length of stay.

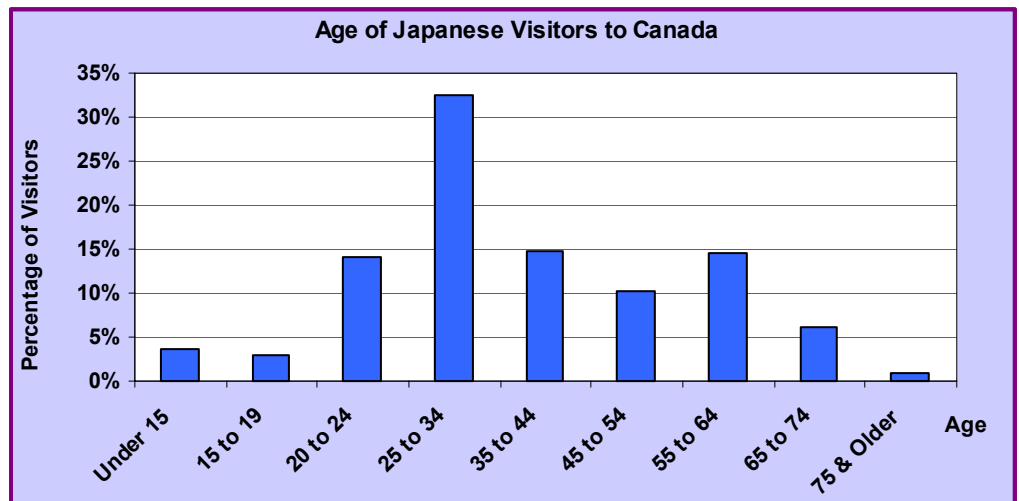


- In 2005, peak months for Japanese travel to Canada were, May, July, August and September. For the winter months, December and February saw the most Japanese visitors.

- In 2005, Japanese visitors to Canada were 56% female and 44% male.

- In 2005, most (69%) Japanese visitors travelled to Canada alone. Parties of 2 are the next largest group of travellers (27%).

- Over 30% of the Japanese visits to Canada in 2005 were between the ages of 25 to 34.



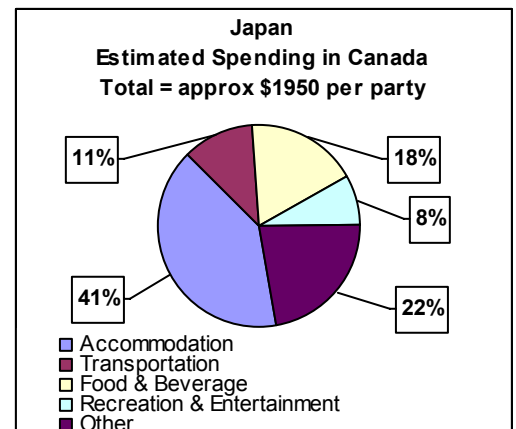
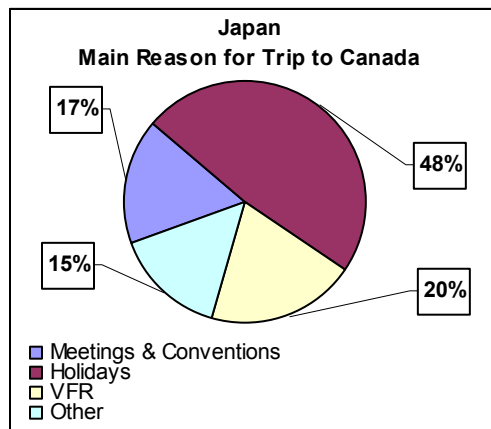
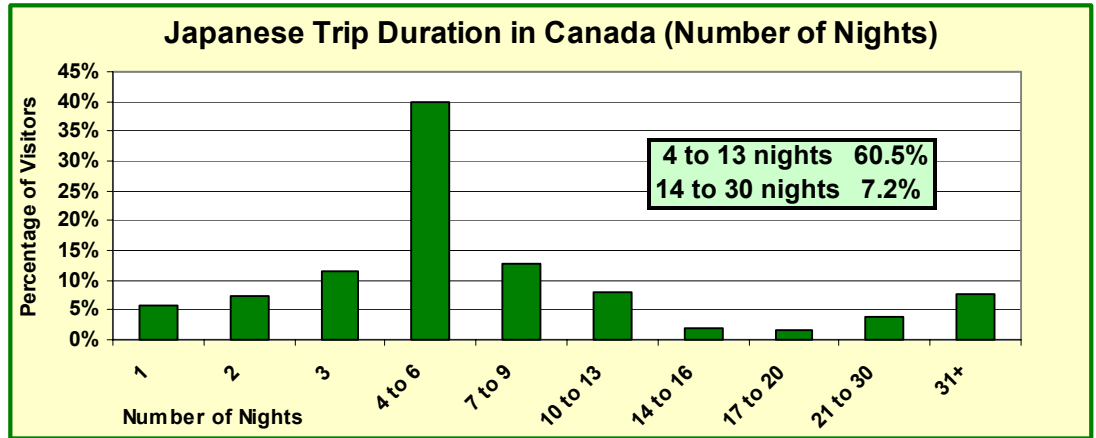
- Forty percent of all Japanese visitors to Canada in 2005 spent 4 to 6 nights.

- Almost half of all Japanese visitors who visited Canada in 2005 did so for a holiday (48%), while 20% came to Canada to see friends and relatives, 17% for meetings and conventions and 15% for other reasons.

- In 2005, Japanese visitors spent an average of \$1,950 per party during their visit to Canada.

- Aside from shopping (93.7%) and sightseeing (84.4%), visiting a national or provincial

nature park was ranked most popular activity participated in by Japanese travellers to Canada who spent a minimum of 1 night in BC. Visiting friends or relatives, participating in sports or outdoor activities, visiting a zoo, aquarium or botanical garden, visiting a historic site, and visiting a museum or art gallery were all somewhat popular activities for the Japanese traveller.



BC Visitors Methods of Transportation Used While in Canada		
	Number	Percentage
Bus	137,879	67.8%
Plane	84,765	41.7%
Private Automobile	70,114	34.5%
Boat	43,854	21.5%
Rented Automobile	11,690	5.7%
Train	11,020	5.4%
Private Plane	1,500	0.7%
Private Boat	976	0.5%
Other	94,009	46.2%

Japanese Visitors Overnight to BC: Activities Participated in While in Canada		
		Percentage
1	Visit a national or provincial nature park	45.6%
2	Visit friends or relatives	34.5%
3	Participate in sports or outdoor activities	29.4%
4	Visit a zoo, aquarium or botanical garden	22.9%
5	Visit a historic site	22.1%
6	Visit a museum or art gallery	21.8%
7	Go to a bar or nightclub	19.9%
8	Attend a festival or fair	19.2%
9	Down hill skiing or snowboarding	14.5%
10	Attend a cultural performance (play, concert, etc.)	9.3%

\* Excludes shopping and sightseeing.

- While traveling in Canada, Japanese travellers who spent at least 1 night in BC used buses more than any other mode of transportation (67.8% of all Japanese visitors). Travel by plane, private automobile and boat were the second, third and fourth most popular modes of transportation.

- As can be seen in the accompanying table, Japanese visitors who spent a minimum of 1 night in BC while visiting Canada were generally satisfied with their experiences in Canada.

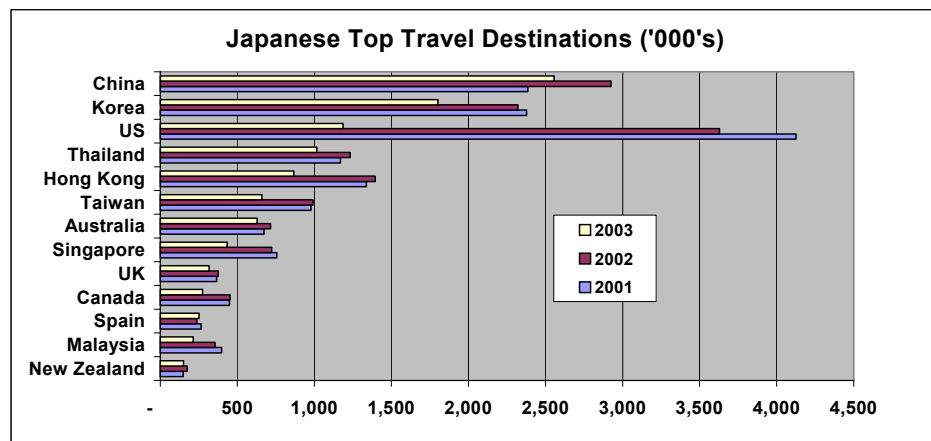
<b>Japanese Visitor Satisfaction</b>		<b>overnight in BC</b>
<b>Transportation services</b>		
Good		57.2%
Average		37.9%
Poor		4.9%
<b>Accommodation services</b>		
Good		64.5%
Average		31.7%
Poor		3.8%
<b>Hospitality of local people</b>		
Good		80.7%
Average		19.3%
Poor		0.0%
<b>Value for your money</b>		
Good		24.1%
Average		58.6%
Poor		17.3%
<b>Variety of things to see and do</b>		
Good		55.6%
Average		40.5%
Poor		3.9%

### ECONOMIC PROFILE:

- After more than a decade of little or no growth the Japanese economy rebounded in 2003 posting a 2.5% increase in real GDP. The economy has shown relatively steady since, leading to a recovering labour market and a sharp increase in consumer confidence
- Expansion in the economy has been driven by both domestic demand and strong export growth. Japan is in the enviable position of having nearly all of its major trading partners, the United States, China, and other Asian economies, growing strongly.

### THE COMPETITION:

- Although Canada is one of the most desired destinations, cost, distance and time involved are likely deterrents for the Japanese traveller.
- Despite Canada's popularity, product knowledge of Canada within Japan is low. Canada is mainly known for its vast natural beauty, otherwise Canada is relatively unknown.



- Due to the similar product offerings and stronger promotional activities Canada's main competitors for the Japanese market are Australia, New Zealand and Switzerland.

### EMERGING TRENDS IN THE TRAVEL TRADE:

- The internet and pamphlets are still the biggest factor for the Japanese when making travel destination decisions, except in cases where friends or family who have travelled overseas make recommendations.