

# The State of Overseas Tourist Travel 2019

August 1<sup>st</sup>, 2019

【Contact】 <https://www.tourism.jp/en/contact/>



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## **Point: Strong Japanese Overseas Travel and Characteristics of Travelers**

- In 2018, the number of Japanese overseas travelers was the highest ever at 18.95 million. The cumulative total for May 2019 is also up 9.0%. A higher percentage of men and women in their 20s traveled outside the country. Rate of growth from the previous year was especially high among women ages 20-24 (40.5%, 115.5%), nearly twice rate of the outbound travel as men in the same age group (Ministry of Justice immigration control statistics).
- The more a person has traveled overseas for tourism in 2018 and January-June of 2019, the more inclined they are to travel overseas for tourism again within the year. The percentage of people inclined to travel within the year who traveled overseas for tourism during this year's Golden Week was 77.6%, even higher than for people who traveled in January-June.
- In terms of the booking process, people “use the internet entirely, from inquiries to booking” (48.2%) and “use a travel agency office entirely, from inquiries to booking” (31.8%). The older a person is, the more they complete their bookings online; only among men and women ages 18-29, who “use a travel agency office entirely, from inquiries to booking,” is the trend reversed.

**Introduction:**

Fifty-five years have passed since the liberalization of overseas travel in 1964. At the time of liberalization, the number of Japanese overseas travelers was approximately 8,000 people, a number that broke 18 million for the first time in 2012. While that number subsequently declined and remained low into 2015, it rose to an all-time high of 18.95 million people in 2018 (6.0% year-on-year increase) and has reached a cumulative January-May total of 8.0214 million people in 2019 (9.0% year-on-year increase),\* bringing the possibility of achieving “20 million in 2020” into focus. \*Published by Japan National Tourism Organization

According to our same survey from last year and Ministry of Justice immigration control statistics, a generational shift in consumption is underway in overseas travel as the Baby Boom Generation, which has driven overseas travel in the past, has mostly entered their 70s and finished with overseas travel. Meanwhile, despite a stereotype that younger people do not travel, the current young-aged, digitally native Millennial Generation and, behind them, Post-Millennial Generation (Generation Z) do frequently leave the country and are gradually becoming a driver of travel. At the same time, however, the population of Japan has been declining since 2010, falling by 1.61 million by 2018. Even if the near term looks strong, it is unavoidable in the future that the Japanese overseas travel market shrink.

This survey builds on that of last year to better understand the state of overseas travel in 2018 and the first half of this year while identifying the travel characteristics of the current younger generation, which is now the new main player in the market, in order to reflect on the kind of environment that will encourage a greater number of people to travel overseas.

**Survey Overview:**

Survey Method: Internet-based Questionnaire Survey

Screening Survey Participants: Internet-based survey of 30,000 men and women, ages 18-79, residing throughout Japan

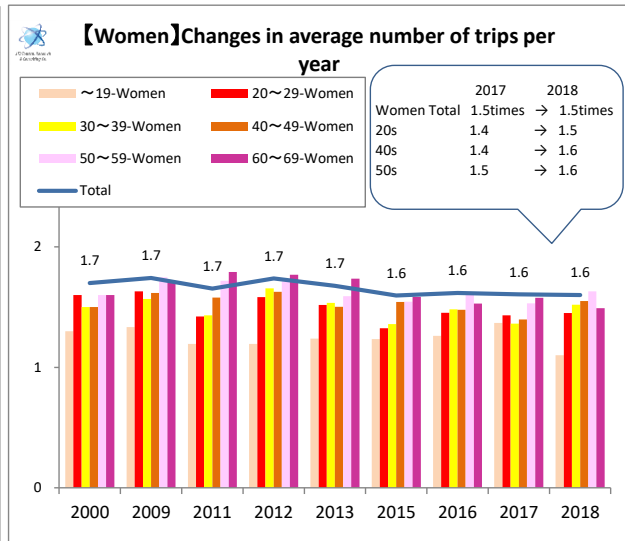
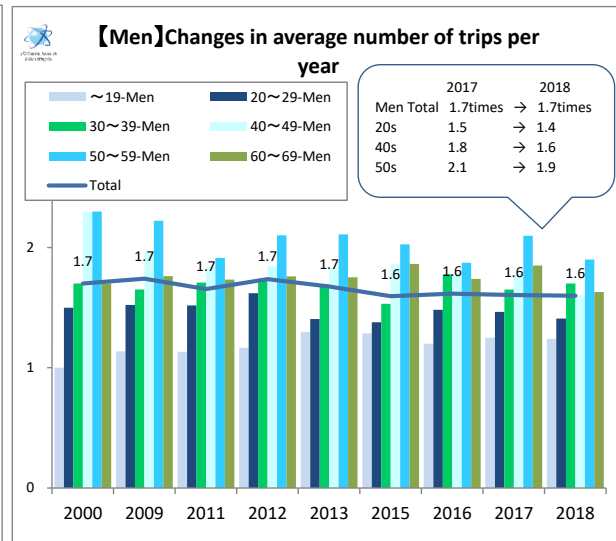
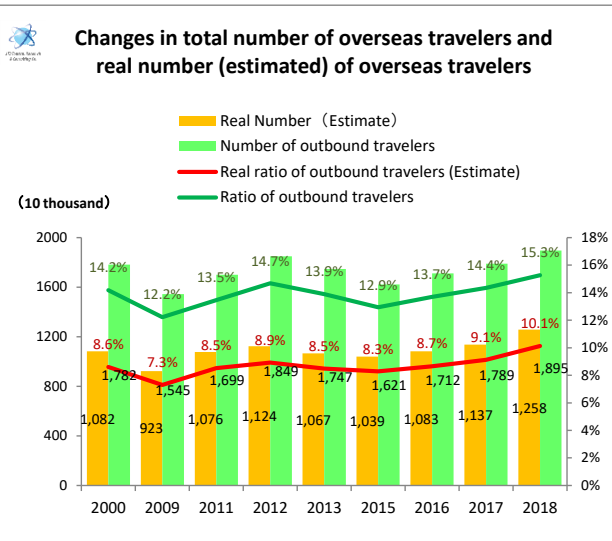
Main Survey Participants: Based on participant screening, the 2,060 people who engaged in overseas tourist travel (including business travel and visiting family and friends) between January 2018 and June 2019

Survey Period: June 12-June 14, 2019

In 2018, the real number of overseas Japanese travelers was 12.58 million, while the real percentage of outbound travelers was 10.1%, the highest ever. There was an increase in the total number of people who traveled

The number of Japanese overseas travelers published by the Ministry of Justice is the total number of travelers. To better understand changes in the size of the market as the population continues to decline, i.e. whether increases in the number of travelers in recent years reflects more frequent travel by individuals or an overall increase in the number of people who traveled, we made our calculations for “the number of actual persons who traveled overseas (real number of overseas travelers),” “real percentage of outbound travelers,” and “the average number of trips per overseas traveler in a single year” based on our company’s “Factual Survey of the Overseas Travel Situation”. The real number of overseas travelers in 2018 was estimated at 12.58 million (with 18.95 million outbound travelers in total) and a real percentage of outbound travelers at 10.1% (15.3% total). Both figures exceed last year’s and are the highest ever. The average number of overseas trips made by individual travelers in a single year (business included) is unchanged since 2015 at 1.6 trips, leading us to believe that there has been an overall increase in the number of people who have traveled overseas.

Looking at the average number of trips by gender and age shows that men overall made 1.7 trips in 2018 and 1.7 trips in 2017. Compared to last year, the average fell for men in their 20s, 40s, and 50s. Findings also showed that women made 1.5 trips in 2018 and 1.5 trips in 2017, with the average increasing for women in their 20s, 40s, and 50s.



**Groups with a higher percentage of outbound travelers over last year are women ages 20-24 (115.5%) and women ages 15-19 (114.9%). Men ages 65-69 declined (96.5%)**

**Women ages 20-24 had the highest percentage of outbound travelers (40.5%), logging more than double the percentage of men in the same age group (18.4%)**

Which group is currently the most active in overseas travel? We split outbound travelers in 2018 into five-year groups. The group with the highest percentage over the last year was women ages 20-24 (115.5%). Their number of outbound travelers—at 1,171,455—was also the highest among women, while the percentage of outbound travelers, 40.5%, was more than double that for men in the same age group (18.4%). As this makes clear, the year 2018 was a year in which young women were determined to travel overseas. The number of travelers among men ages 20-24 was 561,928, which was less than half the number of women but 110.3% of last year’s number. While not as strong as among women, this was the second highest growth among men, after men in their 70s at 111.4%. Given also that both men and women ages 25-29 showed an increase, it is fair to say that an active interest can be seen among the younger generation. In terms of volume, the largest group of all was men ages 45-49 at 1,269,893 travelers (102.7% of last year, with the percentage of outbound travelers at 26.6%). It is presumed that this age group travels frequently on business.

Regarding senior-age groups ages 60 and above, findings showed no growth compared to other age groups among both men and women, with the number of outbound travelers among men ages 65-69 falling from last year (96.5%) and among women ages 65-69 remaining about the same as last year. Even so, the percentage of outbound travelers in this generation is increasing among both men and women, presumably because the large population of the Baby Boom Generation are now mostly in their 70s.

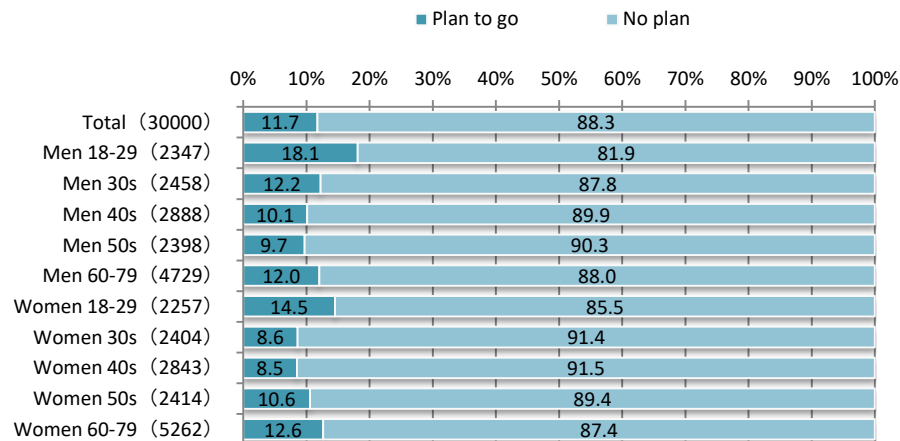
| <b>2018</b> |        | <b>20-24</b>     | 25-29     | 30-34     | 35-39     | 40-44     | <b>45-49</b>     | 50-54     | 55-59     | 60-64     | 65-69     | 70+       | <b>Total</b>  |
|-------------|--------|------------------|-----------|-----------|-----------|-----------|------------------|-----------|-----------|-----------|-----------|-----------|---------------|
| Men         | Number | <b>561,928</b>   | 670,346   | 822,831   | 963,244   | 1,144,380 | <b>1,269,893</b> | 1,182,226 | 975,621   | 719,000   | 590,351   | 598,793   | 10,315,429    |
|             | %      | <b>18.4%</b>     | 22.1%     | 23.9%     | 25.0%     | 24.8%     | <b>26.6%</b>     | 28.9%     | 25.9%     | 19.2%     | 12.8%     | 5.6%      | 17.0%         |
|             | Growth | 110.3%           | 105.7%    | 101.2%    | 101.5%    | 100.1%    | 102.7%           | 104.2%    | 104.8%    | 104.5%    | 96.5%     | 111.4%    | 103.7%        |
| Women       | Number | <b>1,171,455</b> | 977,485   | 772,000   | 646,082   | 657,435   | 708,535          | 671,103   | 584,268   | 501,021   | 462,168   | 479,185   | 8,638,602     |
|             | %      | <b>40.5%</b>     | 33.6%     | 23.2%     | 17.4%     | 14.8%     | 15.3%            | 16.7%     | 15.5%     | 13.0%     | 9.4%      | 3.2%      | 13.5%         |
|             | Growth | <b>115.5%</b>    | 110.1%    | 103.9%    | 104.7%    | 103.8%    | 109.5%           | 111.3%    | 109.7%    | 106.5%    | 100.2%    | 113.3%    | 108.8%        |
| Total       | Number | 1,733,383        | 1,647,831 | 1,594,831 | 1,609,326 | 1,801,815 | 1,978,428        | 1,853,329 | 1,559,889 | 1,220,021 | 1,052,519 | 1,077,988 | 18,954,031    |
|             | %      | 29.2%            | 27.7%     | 23.6%     | 21.3%     | 19.9%     | 21.0%            | 22.9%     | 20.7%     | 16.1%     | 11.1%     | 4.2%      | <b>15.3%</b>  |
|             | Growth | 113.8%           | 108.3%    | 102.5%    | 102.8%    | 101.4%    | 105.0%           | 106.7%    | 106.6%    | 105.3%    | 98.1%     | 112.2%    | <b>106.0%</b> |

**The more a person has traveled overseas for tourism in 2018 and January-June of 2019, the more inclined they were to travel overseas for tourism again within the year**

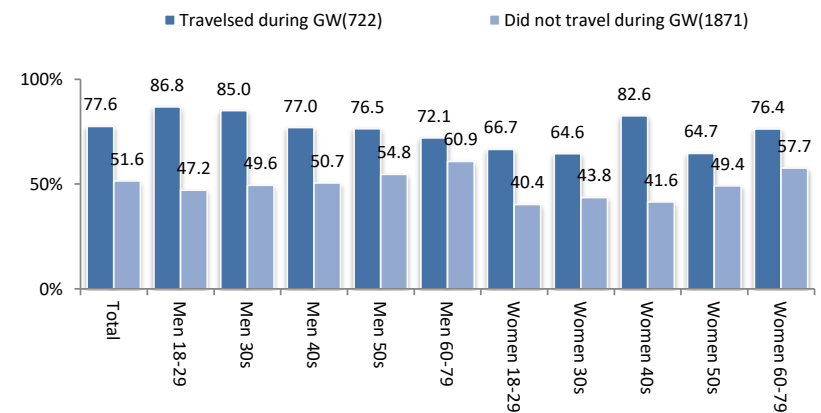
**Among people who traveled overseas for tourism during this year's Golden Week were even more inclined to travel overseas for tourism again with the year**

In the screening survey, the percentage of people planning to travel overseas within the year subsequent to June 2019 (the period after the survey) was 11.7% of the total. People highly inclined to travel were men ages 18-29 at 18.1%, followed by women ages 18-29 at 14.5%, showing how active the younger generation is (Diagram 4). When people who answered that they planned to travel later on within the year were asked about their travel in 2018 and January-June 2019, 38.9% of intending travelers said they had “traveled in 2018 and already traveled in 2019,” while 25.3% said they had “traveled in 2018” and 4.5% said they had “already traveled in 2019, though not in 2018,” showing that people who more frequently travel were more inclined to travel again. Meanwhile, people who traveled overseas for tourism during Golden Week tended to be even more inclined to travel again within the year. On the other hand, when people who answered that they “would not travel overseas for tourism within the year” were asked about their travel in 2018 and January-June 2019, 91.1% indicated that they had not traveled at all during that period of time.

**Planning to travel overseas for tourism within the year**



**Plan to travel within a year**



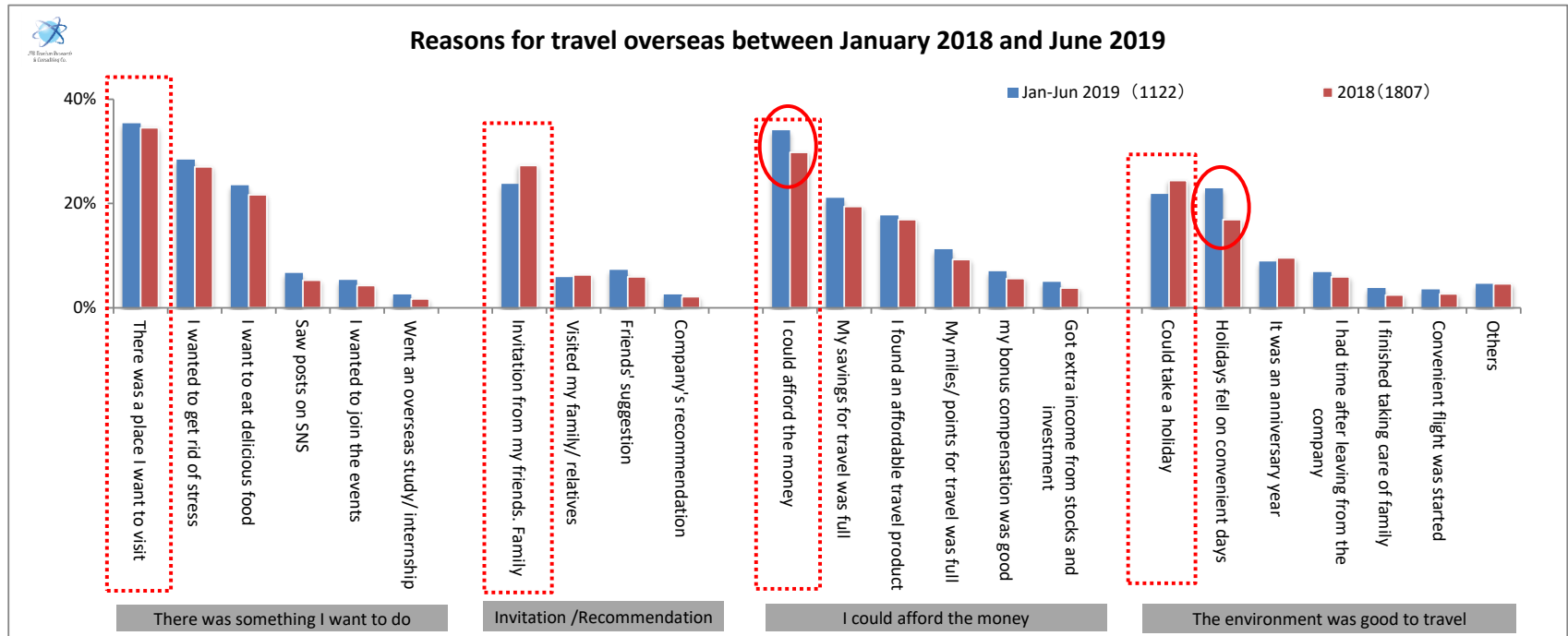
\* Respondents who traveled during Jan-June 2019



## More talk about travel and more opportunities to “invite or be invited” drove overseas tourist travel in 2018 and 2019 (January-June)

Among people who have traveled overseas since January 2018, what were their reasons for going on overseas tourist travel? Overall, the strongest was “found a country I wanted to visit” (33.3%), followed by “managed to pull together the money for overseas travel” (29.9%), “invited by family/friends” (27.7%), and “got a paid vacation at the right time” (23.6%). As factors that increase the number of overseas travelers, past surveys by our company have shown that more close-by talk about travel, word-of-mouth recommendations, and more opportunities to “invite or be invited” improve chances among the “undecided” who do not normally travel overseas. A similar phenomenon is likely occurring with overseas tourist travel in 2018 and 2019 as well. Additionally, conditions have likely changed to make it relatively easier for people to go on overseas tourist travel, including a jobs environment that continues to be strong and more companies encouraging workers to take extended paid vacation as part of workplace reforms.

Looking at the differences between 2018 and 2019 (January-June), the percentage of people in 2019 saying the “calendar lined up better” grew the most. Not surprisingly, the 10-day Golden Week holiday was very likely a large reason why people traveled overseas for tourism. While there was a slight decline in people who were “invited by family/friends,” there tended to be more people who cited a “recommendation by a friend/acquaintance who had visited the place” and who “saw scenes/experiences of the travel destination on SNS, etc.,” suggesting that close-by information continues to play a key role.



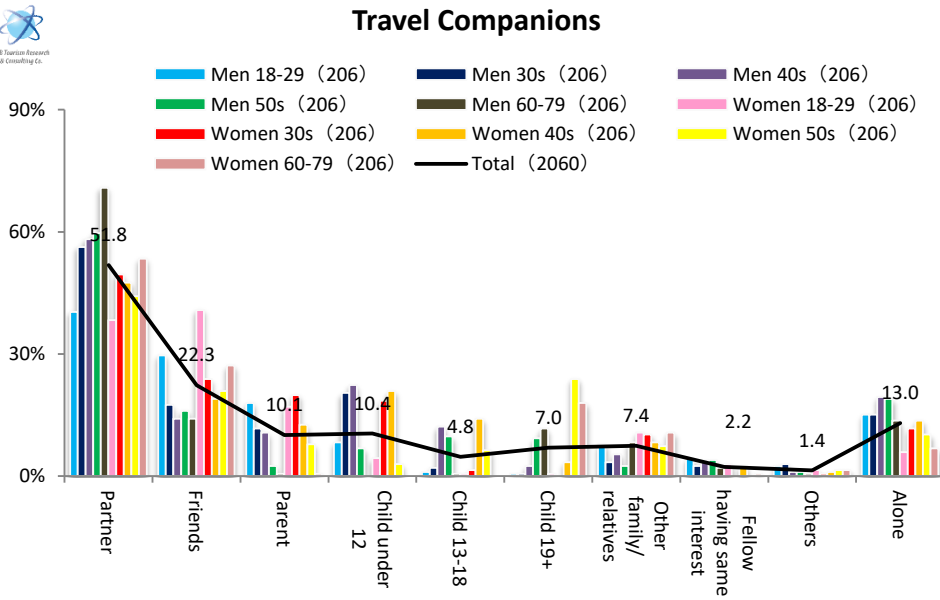


**Purchased travel products included “reservations/purchases made separately for airline tickets and hotels” (36.2%) and “free-plan tour without welcome/send-off” (17.9%)**

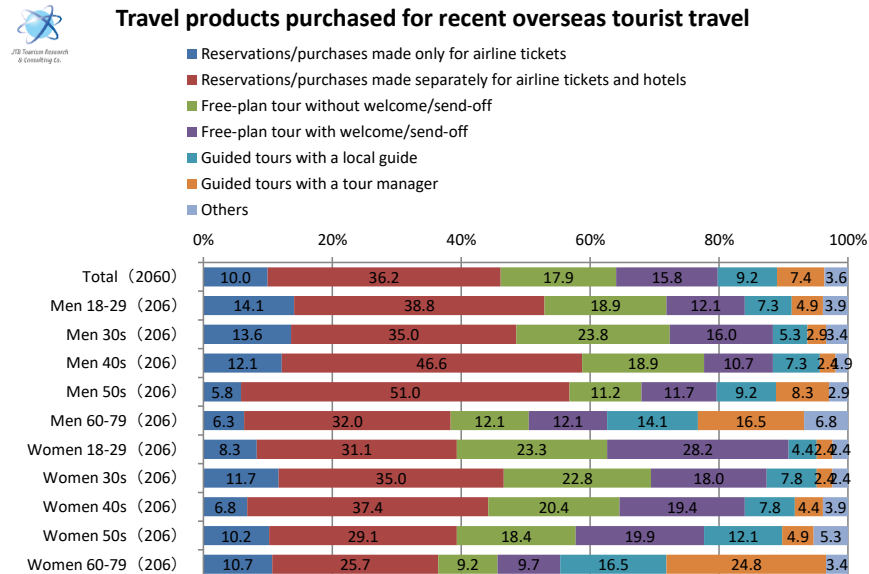
Next, to understand the travel characteristics, the survey asked about recent overseas travel. Among travel companions, the highest percentage was “spouse, boy/girlfriend, etc.” (51.8%), followed by “friend” (22.3%). “Parent” was also prevalent among women ages 18-29 and in their 30s; conversely, among women in their 50s or 60s and older, “19-year-old or older child” was more a prevalent travel companion than it was for other generations. Solo travel was prevalent among men, reaching 15.0% among men ages 18-29. In contrast, that figure was 5.8% among women ages 18-29.

Looking at the forms of travel product that were purchased, “reservations/purchases made separately for airline tickets and hotels” (36.2%) was first, followed in order by “free-plan tour without welcome/send-off” (17.9%) and “free-plan tour with welcome/send-off” (15.8%). “Reservations/purchases made separately for airline tickets and hotels” was prevalent among men in their 40s and 50s, likely because business trips have accustomed them to individual travel. Guided tours, prevalent among people in their 60s and older, drops sharply beginning with people in their 50s. While there are no major changes overall from last year, “reservations/purchases made separately for airline tickets and hotels” did increase significantly among men and women ages 18-29, while “free-plan tour with welcome/send-off” and “guided tour” declined.

**Travel Companions**

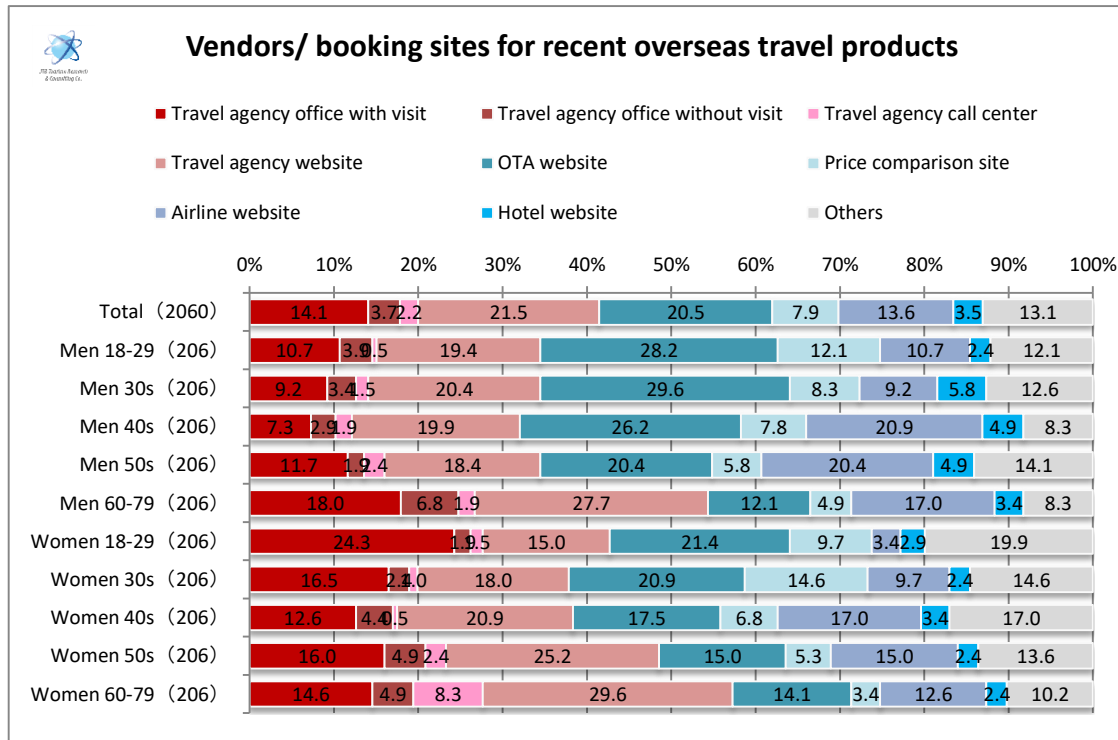


**Travel products purchased for recent overseas tourist travel**



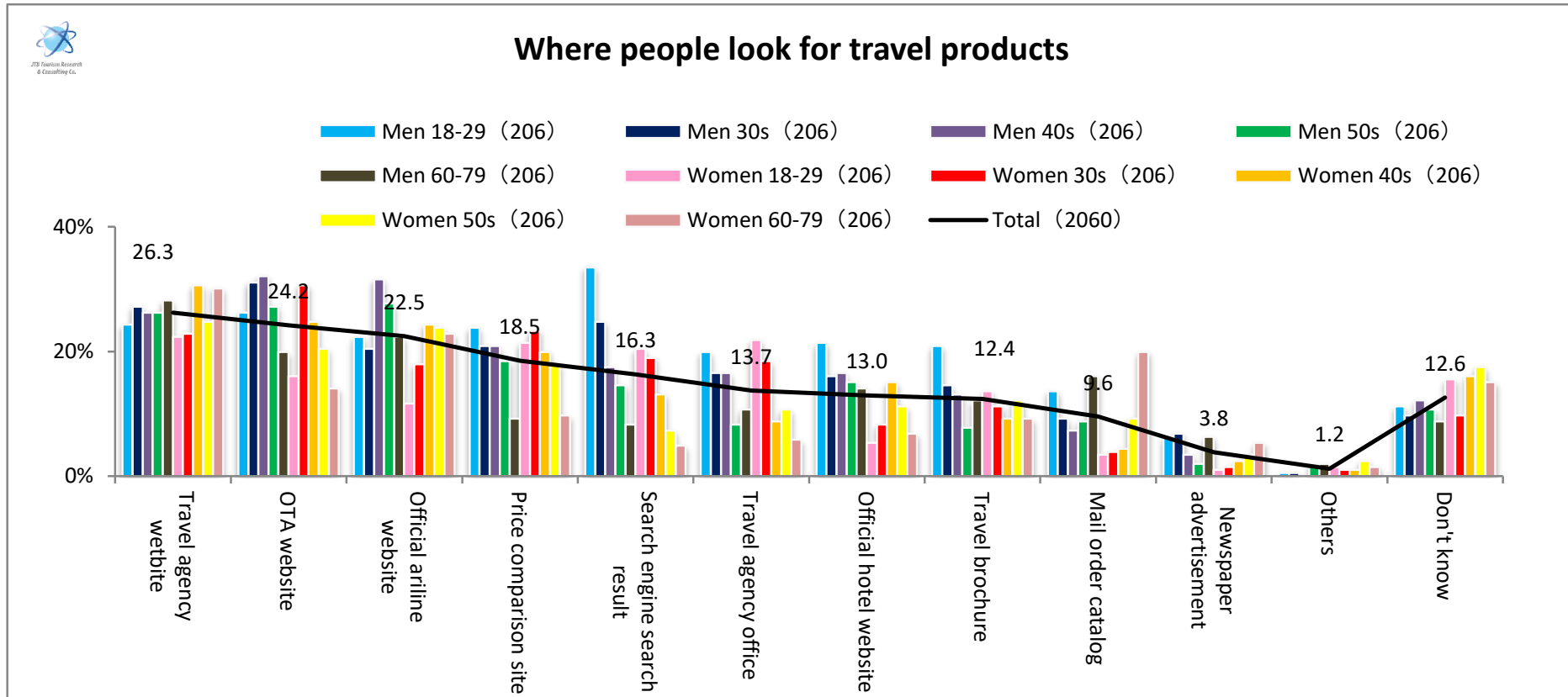
Vendors included “travel agency website” (21.5%), “specialized online accommodations/travel reservation website” (20.5%), and “travel agency office” (14.1%).

In terms of travel product vendors/booking sites, while the overall order was “travel agency website” (21.5%), “specialized online accommodations/travel reservation website” (20.5%), and “travel agency office” (14.1%), there were age and gender-specific characteristics. “Travel agency website” was prevalent among women in their 50s and men and women ages 60-79, while “specialized online accommodations/travel reservation website(OTA website)” was prevalent among men ages 18-29 and in their 30s and 40s. “Travel agency office” was especially prevalent only among women ages 18-29 (24.3%). Additionally, “travel agency in general (with office visit, without office visit, call center)” was used more often by women than men across all age groups. In terms of comparisons to last year, although “booking made via price comparison site” can provide some perspective, it was just added this year as a new choice; overall, however, the direct use of travel agencies has declined (50.2% in 2018, 41.5% in 2019). Among men ages 18-29, the use of agency offices has dropped significantly, while “specialized online accommodations/travel reservation website” use has grown.



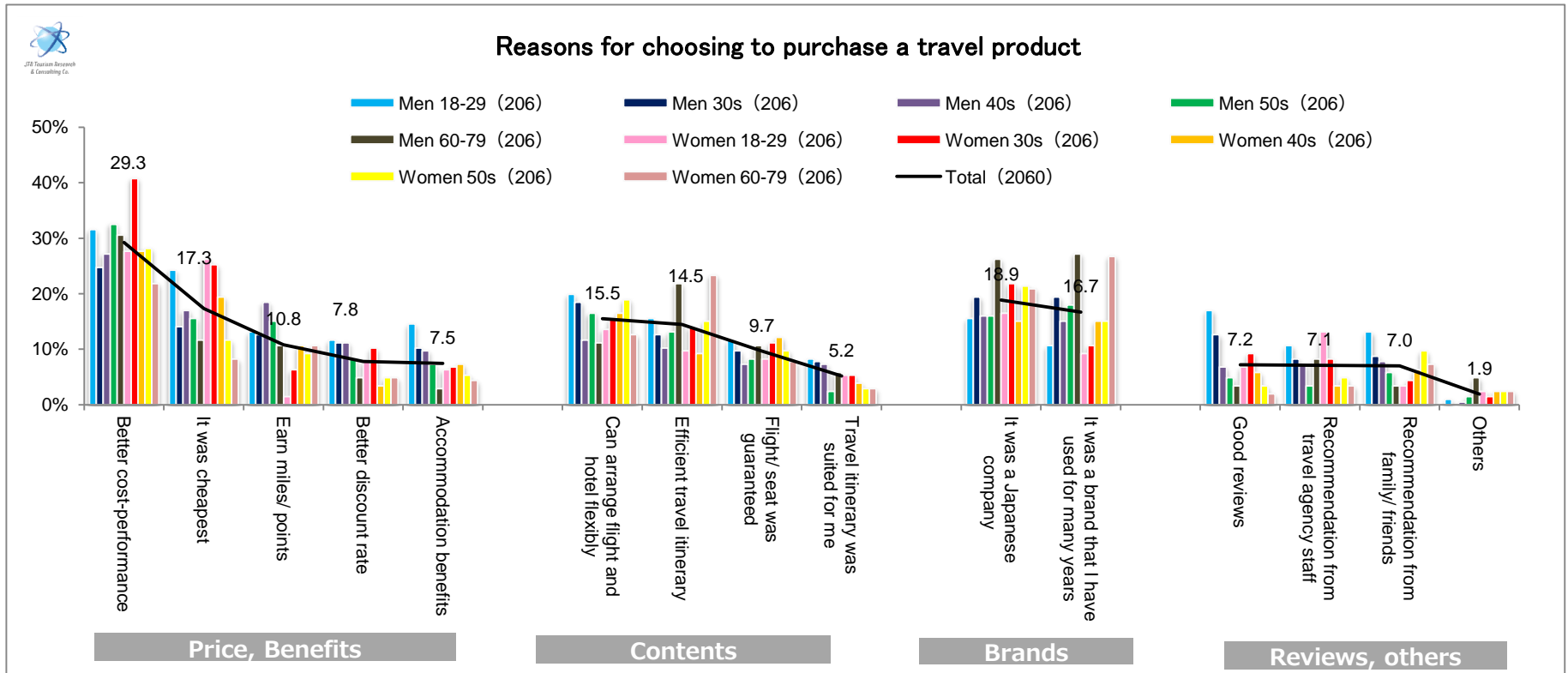
**When purchasing a travel product, “travel agency website” (26.3%), “specialized online accommodations/travel reservation website” (24.2%), and “official airline website” (22.5%) were looked**

When asked where they looked for products when purchasing a travel product, “travel agency website” (26.3%), “specialized online accommodations/travel reservation website” (24.2%), and “official airline website” (22.5%) were cited overall, but results varied by gender and age. “Travel agency website” was common across all groups, but “search engine search results” was especially prevalent among men ages 18-29 (33.5%), while “specialized online accommodations/travel reservation website” was high among men and women in their 30s and men in their 40s. Men in their 30s and 40s used an “airline website,” while “price comparison site” use was roughly 20% among both men and women in their 50s or younger. While “travel agency office” use was prevalent among men and women ages 18-29 and in their 30s, use declined the older a person got.



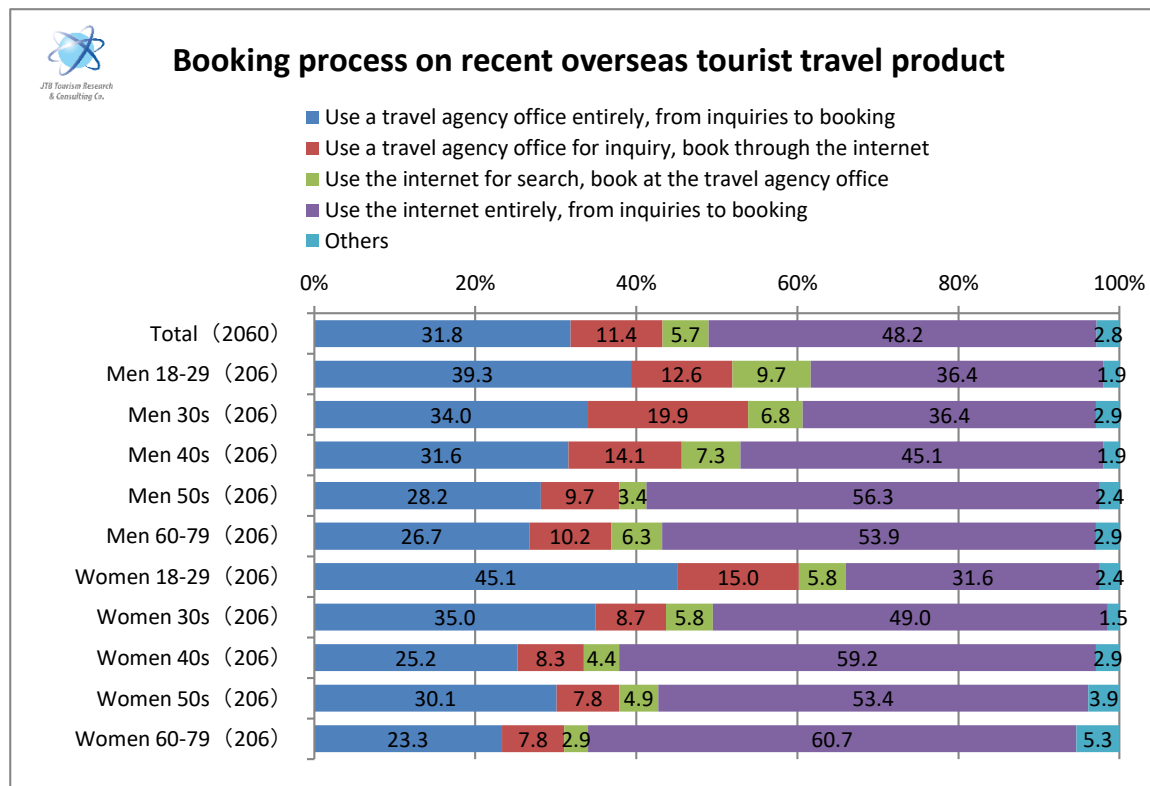
## “Cost-performance” was more important than “Cheapest” for selecting a travel product

Overall, the reason for selecting a travel product was “because it had better cost-performance” (29.3%), which was higher than “because it was the cheapest” (17.3%). Overall, “because it was a Japanese company” was 18.9% and was especially prevalent only among men ages 60-70. “Because it was a company/product brand that I have used for many years” was also only prevalent among men and women ages 60-79 and dropped sharply among subsequent generations.



The booking flow is to “use the internet entirely, from inquiries to booking” (48.2%) and to “use a travel agency office entirely, from inquiries to booking” (31.8%). Only among men and women ages 18-29, who “use a travel agency office entirely, from inquiries to booking,” is that trend reversed. The older a person is, the more they complete their bookings online

Looking at the booking process, most people “use the internet entirely, from inquiries to booking” (48.2%), but men and women ages 18-29 “use a travel agency office entirely, from inquiries to booking” more than they “use the internet entirely, from inquiries to booking.” On the other hand, more than half of women in their 40s and older and of men in their 50s and older “use the internet entirely, from inquiries to booking.” This suggests that the older a person is, the more likely they are to complete their bookings, including both product inquiries and purchases, entirely online, while younger people with less travel experience are more likely to inquire at travel offices. That said, younger people make extensive use of the internet, and men are especially likely to take advantage of various sources of information, the internet included.



The percentage of outbound travelers among women 20-24 (40.5%) was especially high, more than double that of men 20-24 (18.4%). While men and women were both active, where does this gap come from?

● **Women often talk about overseas travel on SNS and with the people around them, which serves to heighten their interest in travel destinations**

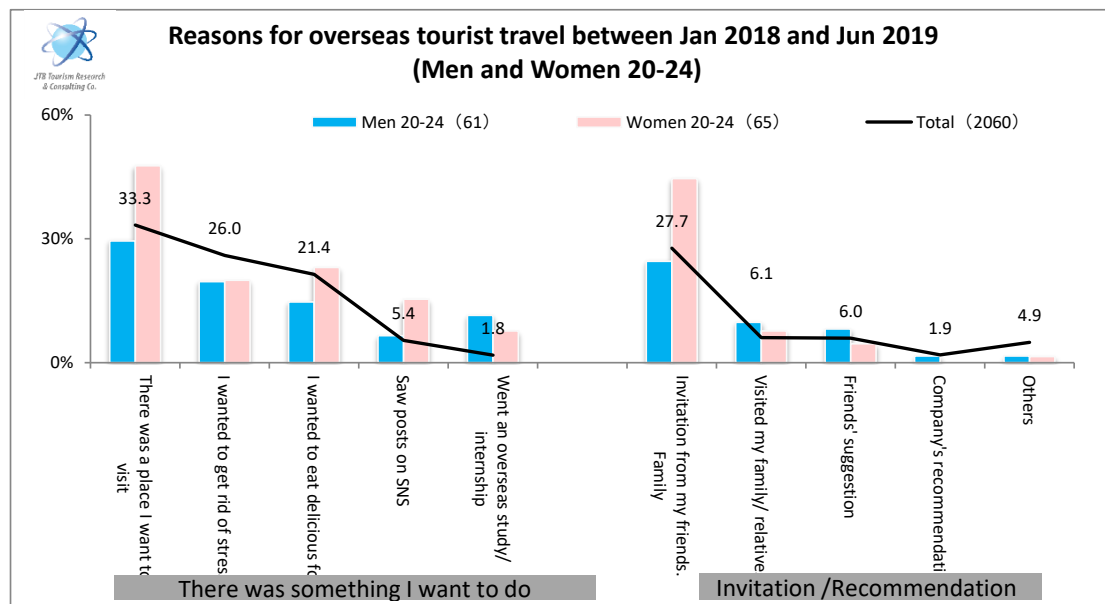
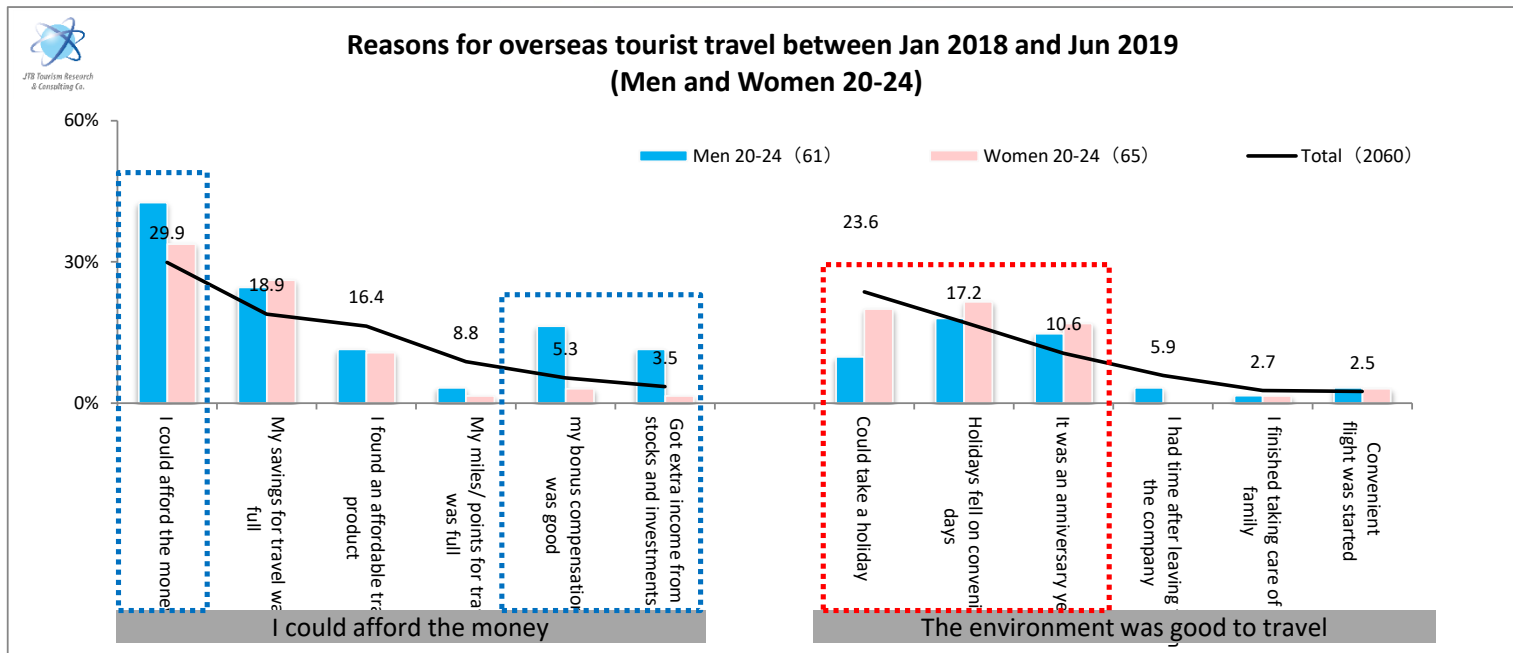
A comparative look at the reasons why women ages 20-24 traveled overseas for tourism between January 2018 and June 2019, which included “found a country I wanted to visit,” “wanted to enjoy the country’s delicious foods,” and “saw scenes/experiences of the travel destination on SNS, etc.,” reveals that having an interest in the travel destination is key. Women tend to use SNS more than men, so the disparity in outbound percentages is perhaps due to the fact that they are exposed more often than men to talk and information about overseas travel, including on SNS.

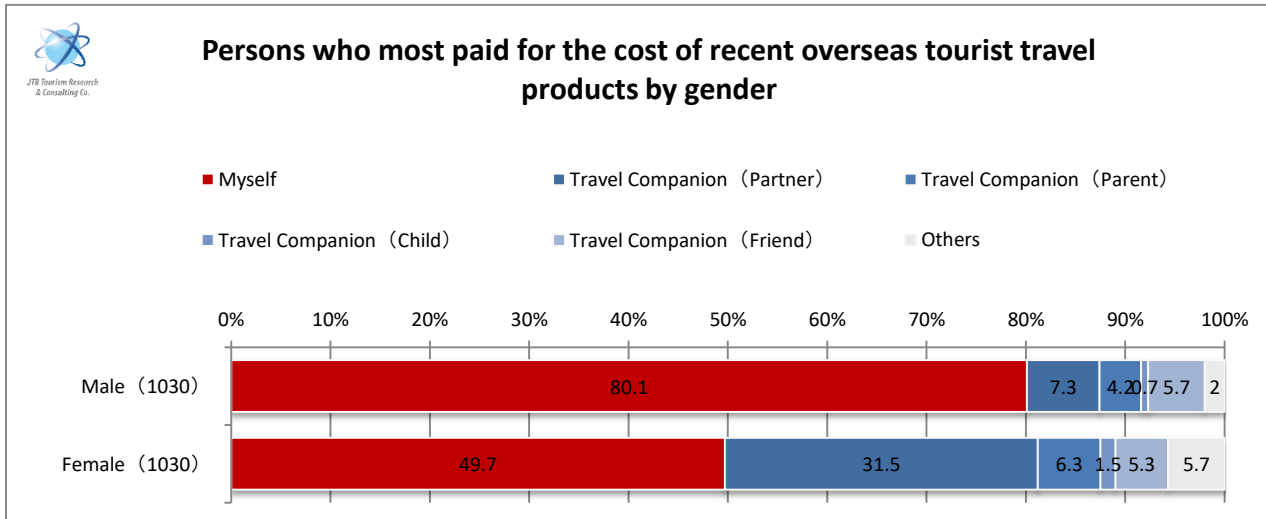
● **Men are potentially divided between those who engage in overseas travel and those who do not. For those who do not, the right recommendation might give them the extra push they need**

On the other hand, economic factors were more prominent among men, including “managed to pull together the money for overseas travel,” “got a higher bonus,” and “got extra income from stocks and investments.” Regarding persons who most paid for the cost of recent overseas tourist travel, a look at the differences between men and women shows that 80 percent of men responded “myself,” while a high percentage of women responded that it was a companion, rather than themselves, who most paid, suggesting that the higher burden of the cost on men may be a factor behind why they have difficulty going. Surprisingly, the survey also showed that “got extra income from stocks and investments” was a large factor on men going traveling overseas. Behind this may be the recent spread of services that help young people to invest more easily, including programs like TSUMITATE NISA (Nippon Individual Savings Account) , which enables long-term funded, diversified investment with low minimums, and investment and financial services that use points.

While not a large percentage, the percentage of men ages 20-24 who “participated in study abroad/internship” was higher than the overall average. Amid globalization, these men appear more keenly aware of the possibility of working overseas and determined to turn their attention overseas. For reference, a look at the relationship between the number of trips taken on business and those taken for overseas tourism shows that, especially in the case of men, the more a person has traveled on business, the more often they travel overseas for tourism. This suggests that men may become even more divided, as those with more overseas connections through work and the like take to traveling overseas more. As a part of education, it seems important to create opportunities for overseas connections early on.

Given that a smaller percentage of men than women are “invited by family/friends,” programs that make it easier for lone individuals to travel and offering ways to match travel companions will likely help to give young men who do not travel the extra push they need.



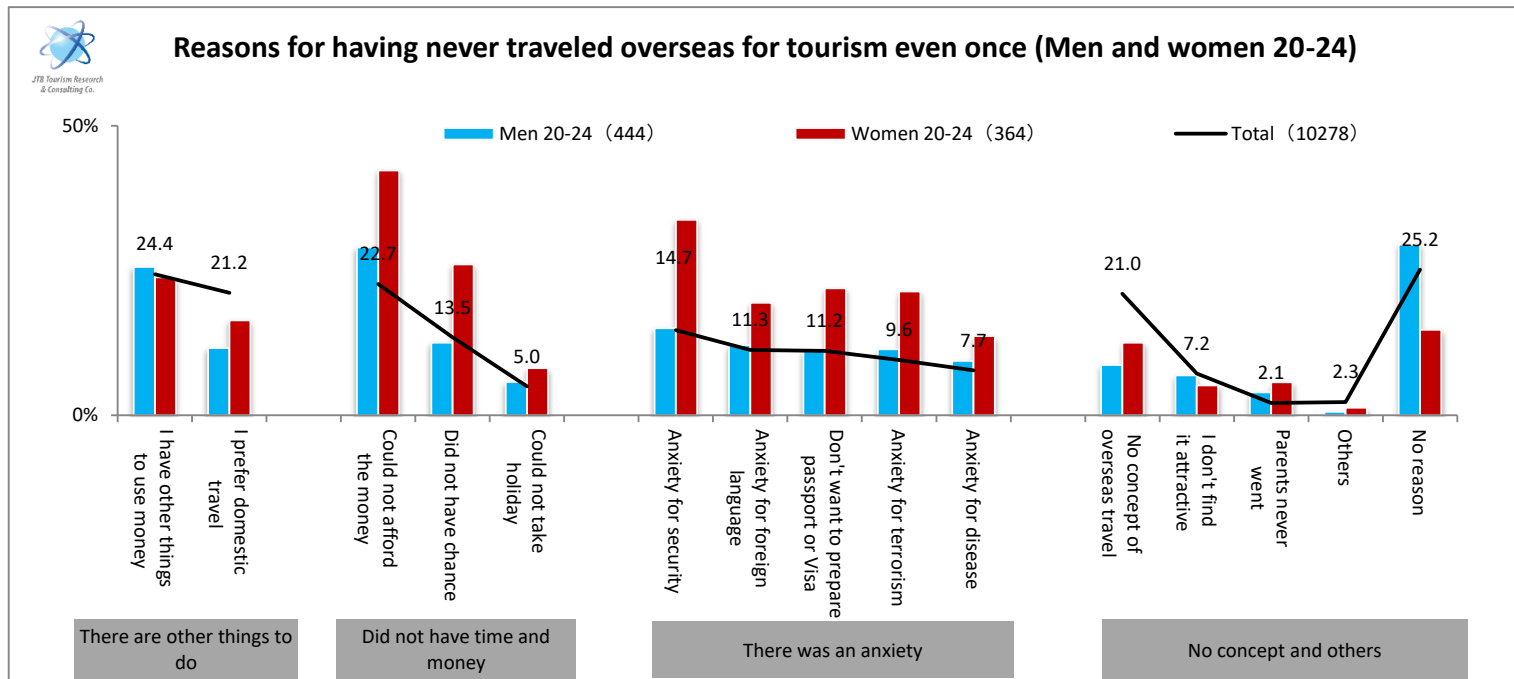


|                                    |             | Number of leisure travel |         |      |       |           |           |            |
|------------------------------------|-------------|--------------------------|---------|------|-------|-----------|-----------|------------|
|                                    |             | n                        | 0 times | Once | Twice | 3-4 times | 5-9 times | 10 times + |
| Number of business travel<br>Men   | 0 times     | 10833                    | 46.2    | 18.0 | 10.5  | 10.8      | 8.3       | 6.1        |
|                                    | Once        | 1120                     | 16.9    | 21.5 | 14.2  | 17.8      | 17.1      | 12.5       |
|                                    | Twice       | 613                      | 12.2    | 16.2 | 17.5  | 20.6      | 17.1      | 16.5       |
|                                    | 3-4 times   | 635                      | 12.6    | 14.0 | 12.8  | 18.7      | 19.1      | 22.8       |
|                                    | 5-9 times   | 567                      | 9.5     | 13.9 | 12.5  | 15.0      | 21.2      | 27.9       |
|                                    | 10-29 times | 591                      | 8.6     | 7.4  | 9.3   | 16.6      | 21.3      | 36.7       |
|                                    | 30 times +  | 461                      | 4.6     | 6.3  | 4.6   | 10.6      | 20.0      | 54.0       |
| Number of business travel<br>Women | 0 times     | 14221                    | 33.3    | 15.2 | 10.3  | 13.6      | 14.1      | 13.6       |
|                                    | Once        | 376                      | 12.0    | 14.9 | 7.7   | 15.7      | 18.6      | 31.1       |
|                                    | Twice       | 175                      | 5.7     | 8.6  | 16.0  | 14.9      | 16.0      | 38.9       |
|                                    | 3-4 times   | 144                      | 3.5     | 4.2  | 6.9   | 16.0      | 22.9      | 46.5       |
|                                    | 5-9 times   | 84                       | 7.1     | 4.8  | 4.8   | 10.7      | 14.3      | 58.3       |
|                                    | 10-29 times | 89                       | 3.4     | 0.0  | 2.2   | 10.1      | 16.9      | 67.4       |
|                                    | 30 times +  | 91                       | 0.0     | 6.6  | 8.8   | 12.1      | 23.1      | 49.5       |



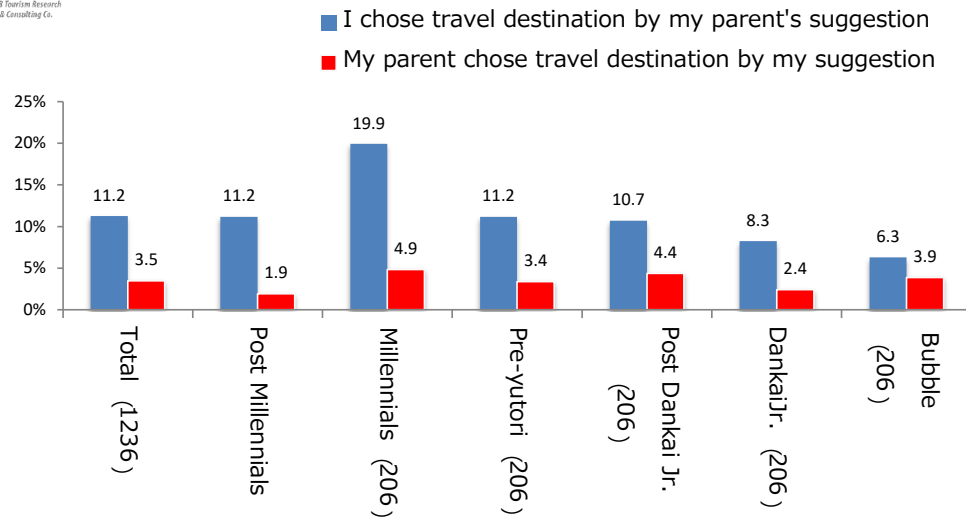
● **Interest in traveling and a desire to travel are passed on from parent to child. It is important to create the right environment, which includes education from early on before adulthood**

Safety, language, and fear of infectious disease and terrorism have become more prominent reasons given by women for why they have never traveled overseas even once. Also slightly above the overall average among men and women was the fact that “parents never went.” Our company’s Millennial Survey (\*2) found that parents have a strong impact on their children when it comes to travel and other cultural activities. The parents of people in their early 20s are part of the Bubble Generation that actively enjoyed overseas travel when they were young. Under the influence of their parents, who have extensive travel experience, it seems likely that they will have a greater interest in travel and go traveling, for instance, as a mother and daughter at the mother’s suggestion. In addition to tourist travel, the Bubble Generation and Second Baby Boom Generation are also taking a growing interest in child education, with many in the parents’ generation also wanting to invest in overseas education given globalization. Building the right environment for cultivating interest/desire and international exchange from earlier on may be a vital step toward surpassing 20 million overseas travelers and eventually reaching 30 million.

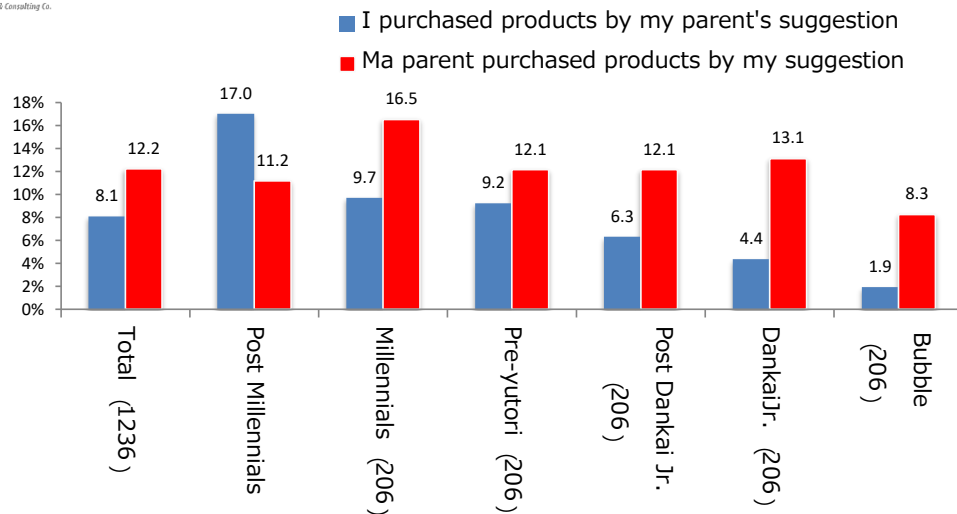




### Influence between parent and child (Travel)



### Influence between parent and child (Electrical goods)



| Generation                                 | Birth Year |      | Age (2019) |
|--|------------|------|------------|
| Bubble                                     | 1960       | 1970 | 49 ~ 59    |
| Dankai Jr.<br>(Second Baby Boom)           | 1971       | 1975 | 44 ~ 48    |
| Post Dankai Jr.<br>(Post-Second Baby Boom) | 1976       | 1980 | 39 ~ 43    |
| Pre-yutori                                 | 1981       | 1988 | 31 ~ 38    |
| Millennials                                | 1989       | 1995 | 24 ~ 30    |
| Post Millennials                           | 1996       | 1999 | 18 ~ 23    |