

# Toward a Tourism Nation

- Expansion of inbound demand, challenges and future initiatives -

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# Significance to be a Tourism Nation

## Pillars of the growth strategy

Restore Japan's **strong economic power** by **attracting tourism demand from the rest of the world**, especially **rapidly growing Asian economies**.

## Key to the development of the region

Maintain **the vitality of the regions** and develop society by **increasing the number of visitors from Japan and abroad** and by **consumption on travel**, in the midst of a declining population and an aging population with a declining birthrate.

## Japan's power in the international community

**Strengthen trust and sympathy for Japan** through **two-way exchanges with other countries** to deepen **international mutual understanding**. It is extremely important to consolidate Japan's position in the international community through the enhancement of Japan's soft power.

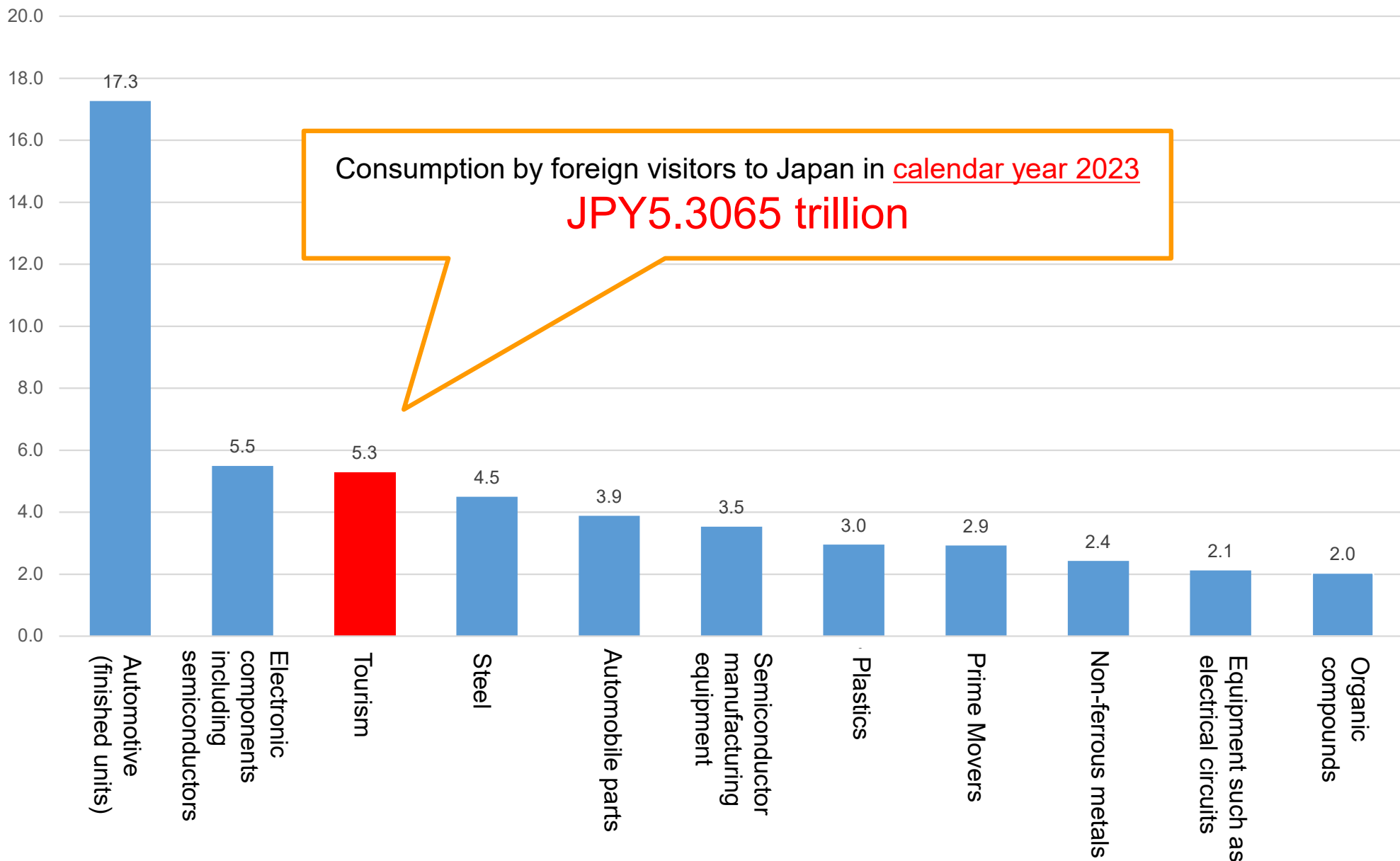
## Pride in one's own culture and region

**Open the country** with tourism by giving foreign people a chance to experience **Japanese culture** and **the essence of Japanese people**, **the Japanese themselves reaffirm the value** to be proud of their culture and region.

# Compared Consumption by Foreign Tourists to Japan with the Export Values by Product



(Unit: trillion yen)



Source: Compiled by the Japan Tourism Agency based on the *Survey of Consumption Trend among Foreign Tourists*, by Japan Tourism Agency and the *Trade Statistics* by the Ministry of Finance  
 Note: Please note that export values by product are preliminary.

Annual consumption  
per head Japanese  
**JPY1.35 million**

A decrease in  
inhabitant by one  
person **means a  
decreased  
consumption of  
JPY1.35 million**

Converted to  
inbound tourists,



Foreign visitors to Japan  
Consumption:  
JPY213,000 per person

Equivalent to about **6** people



Domestic tourists  
(with overnight stay)  
Consumption:  
JPY63,000 per person

Equivalent to about **21** people

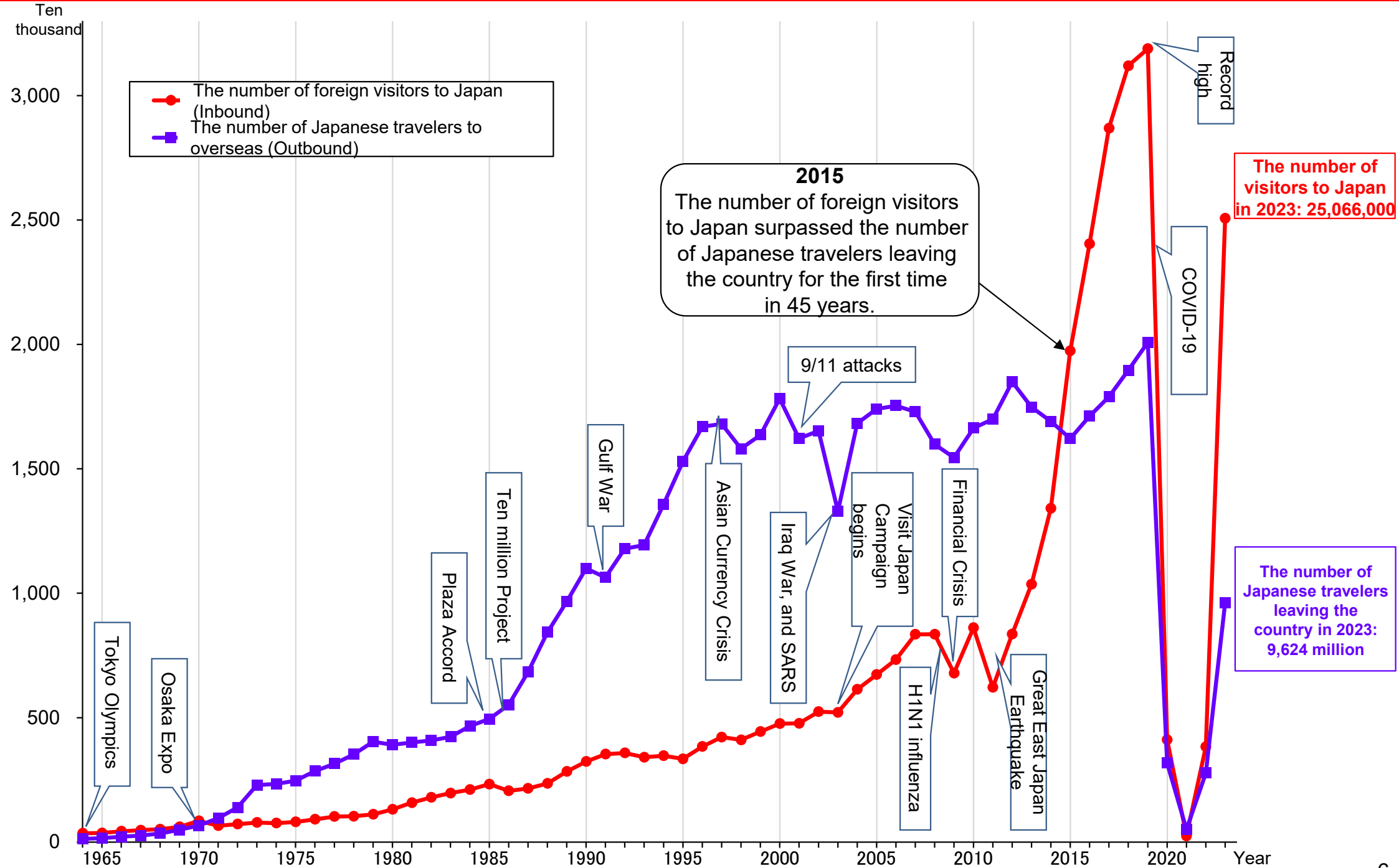


Domestic travelers  
(Day Trip)  
Consumption:  
JPY19,000 per person

Equivalent to about **71** people

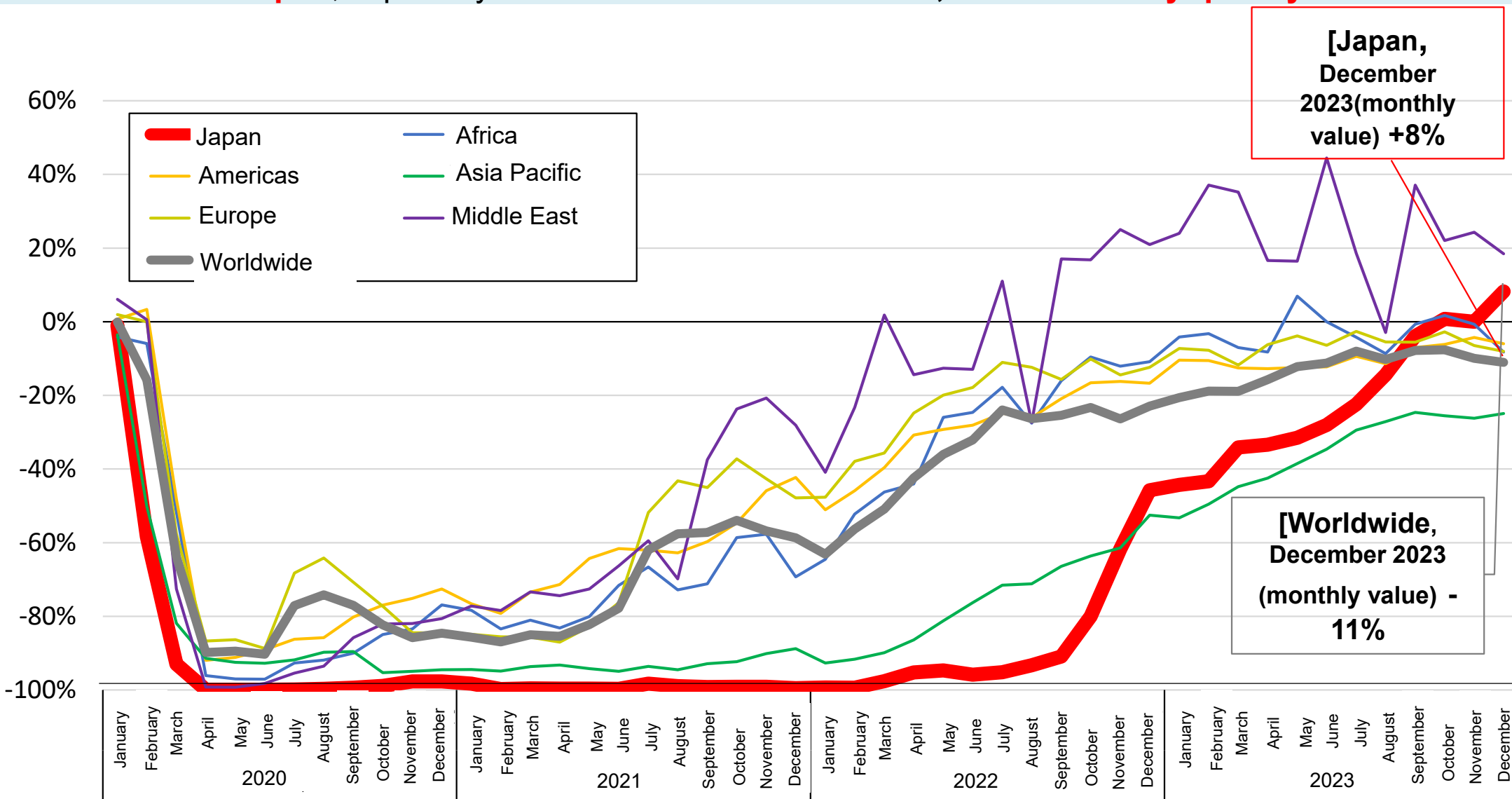
# Current State of Inbound Tourists

# Change in the number of Foreign Visitors to Japan and the number of Japanese Travelers Leaving Japan (1964-2023)



# Change in the number of International Tourists in the World (Year-on-year 2019)

- The number of international tourists in major countries and regions has generally recovered to pre-COVID-19 level.
- **Travelers to Japan**, especially after the second half of 2022, **recovered very quickly**.



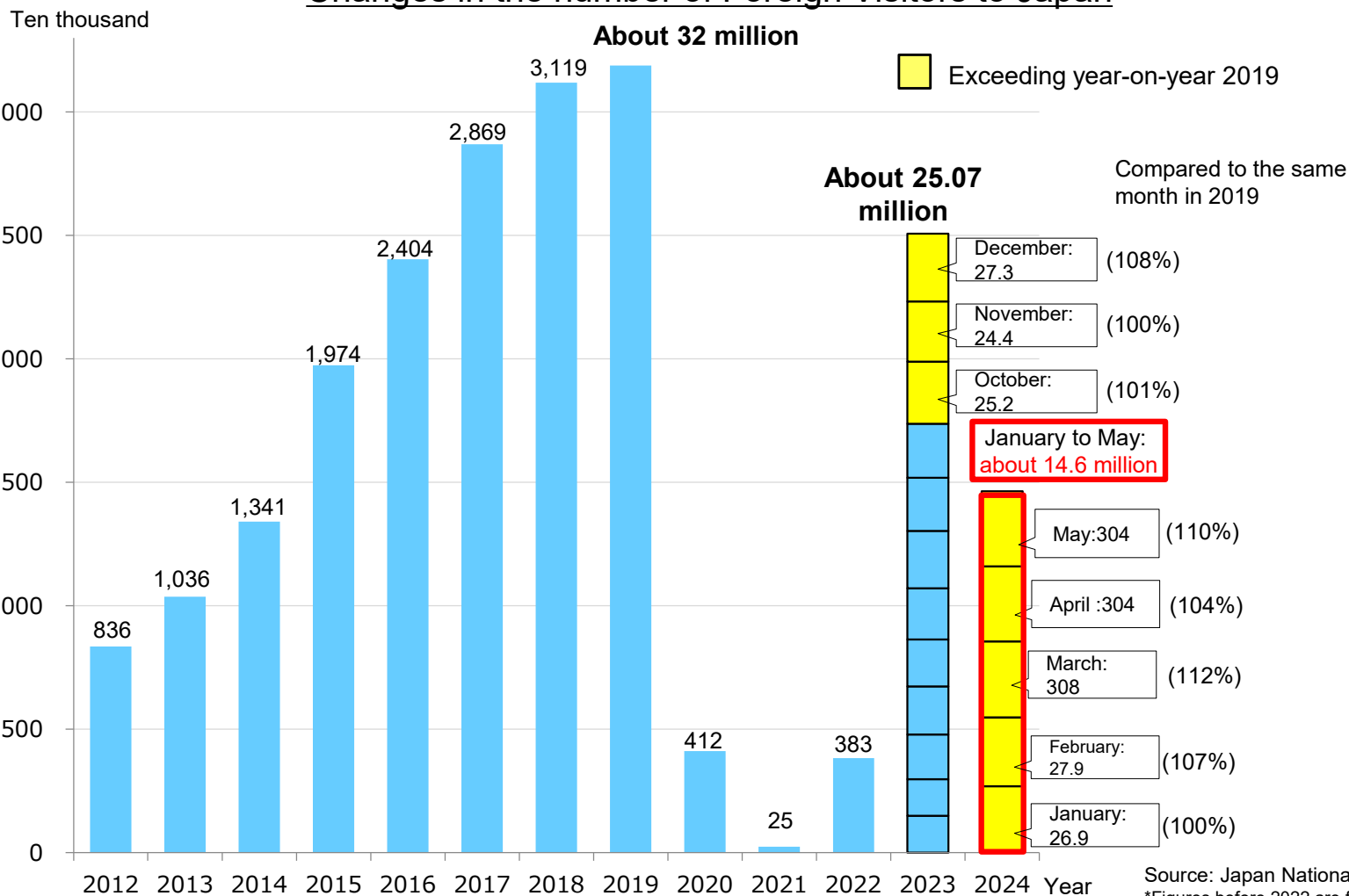
Source: Compiled by the Japan Tourism Agency based on data from the World Tourism Organization (UN Tourism) (as of March 2024) and *Statistics on Foreign Visitors to Japan* by the Japan National Tourism Organization (JNTO).



# State of Inbound (The number of travelers)

- Since the relaxation of border quarantine measures in October 2022, **the number of foreign visitors to Japan has recovered steadily and exceeded 25 million in 2023.**
- **The number of foreign visitors to Japan in May** was about 3.04 million, **a 110% recovery** compared to 2019 pre-COVID-19 levels, it **recovered to pre-COVID-19 levels in a monthly comparison for eight consecutive months since October last year.**
- **A total from January to May** resulted in about 14.6 million.

### Changes in the number of Foreign Visitors to Japan



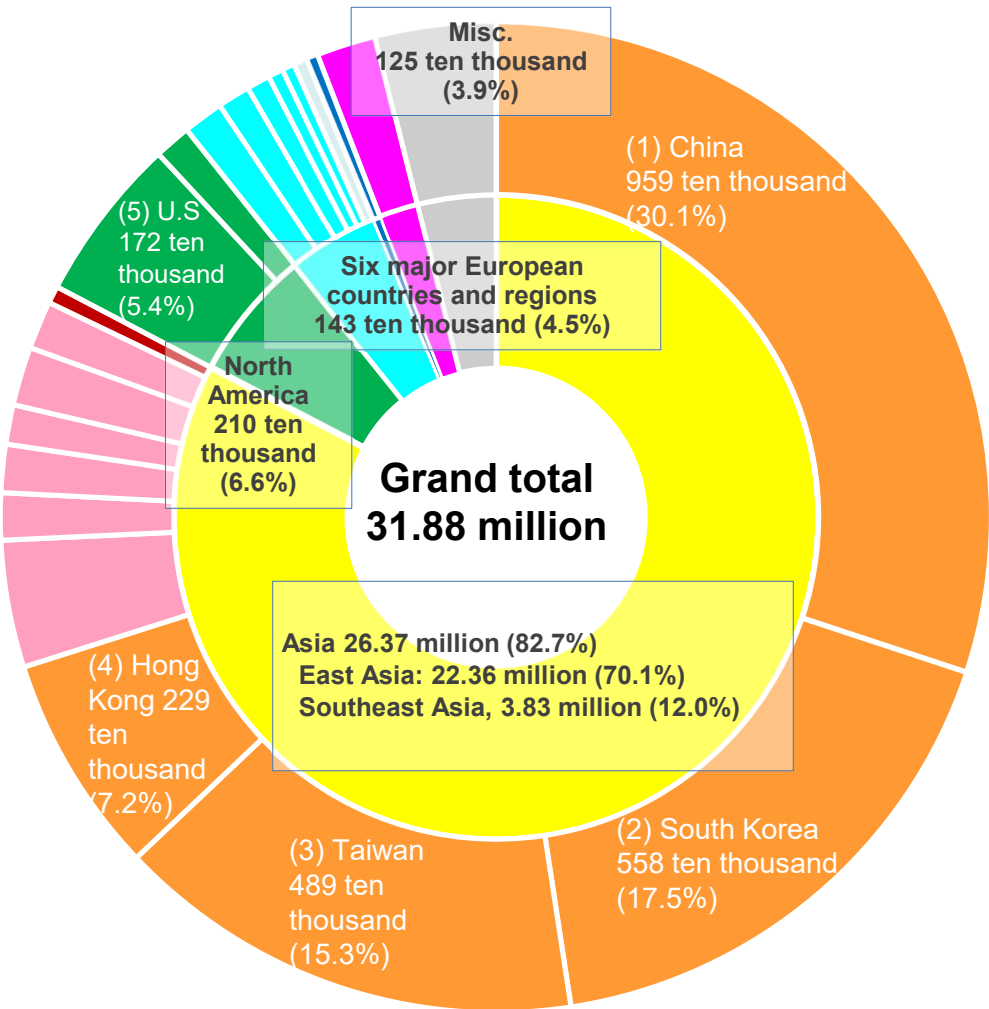
### The top numbers of visitors to Japan by country or region

Country or Region	May 2024 (Year-on-year 2019)
(1) South Korea	738,800 (122%)
(2) China	545,400 (72%)
(3) Taiwan	466,000 (109%)
(4) United States	247,000 (157%)
(5) Hong Kong	217,500 (115%)

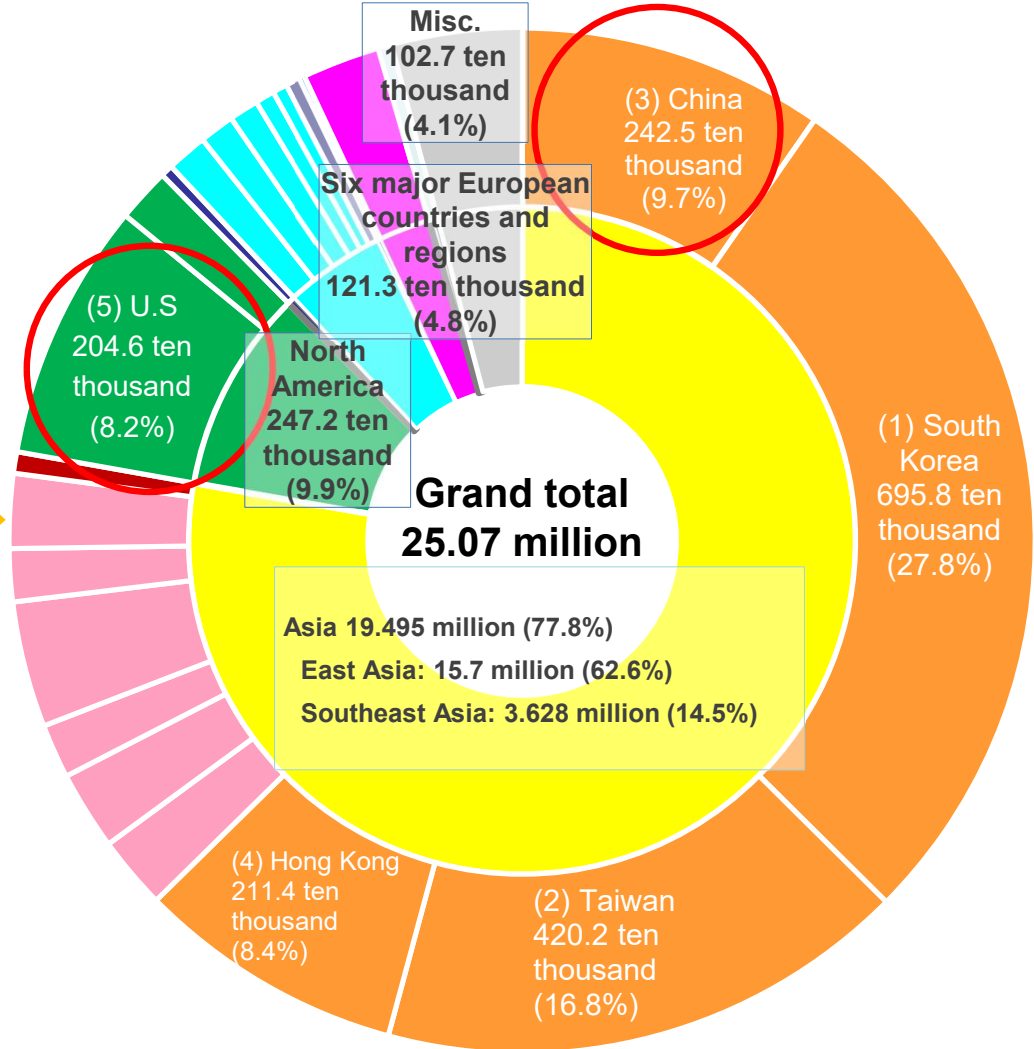
Source: Japan National Tourism Organization (JNTO)  
 \*Figures before 2022 are final; those in 2023 are provisional values, 2024 are estimate values

# The number and composition of Foreign Visitors to Japan by country and region

## [2019 Confirmed]



## [2023 Provisional]



\* (1) to (5) are the leading five countries / regions in the number of foreign visitors to Japan among the priority markets (as 23 shown above). \* ( ) shows percentage by respective country / region in total number of foreign visitors to Japan

\*Miscellaneous includes countries / regions not listed even if they are in Asia, Europe, and other regions.

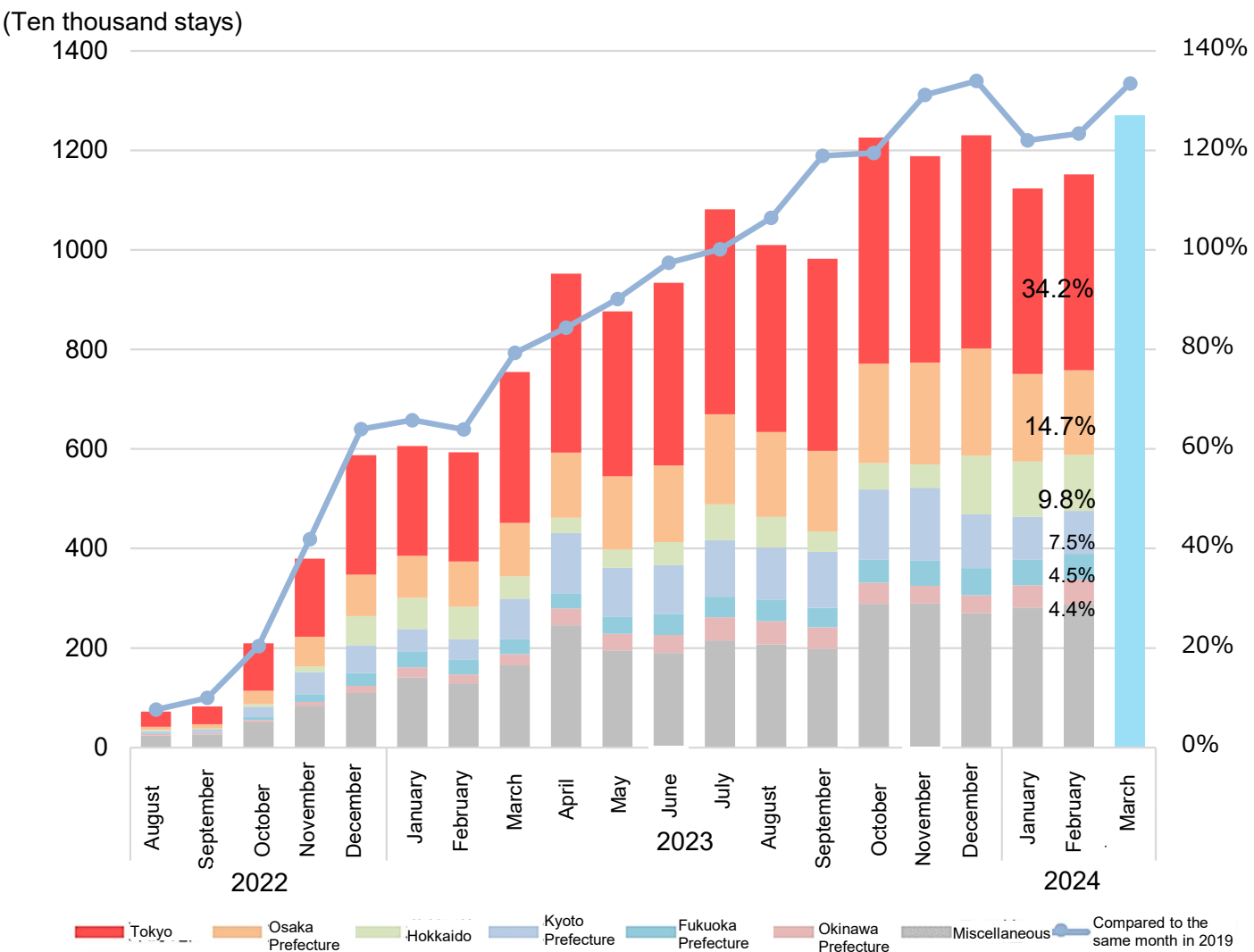
\*: Figures are rounded to the nearest whole number, so there may be cases where fractions do not match the sum.

\* Compiled from reference material by the Japan National Tourism Organization (JNTO)

# State of Inbound (The number of stays in total)

○ The total number of foreign guests staying at accommodations in 2023 was approximately 114 million stays, **recovering to 99% of pre-COVID-19 levels** (2019: approx. 116 million stays)

## Trends in the total number of Foreign Tourists Stays



## The total number of Foreign Tourists Stays by Prefecture (2023)

Top 5 in the three metropolitan areas		
	Share	The total number of stays
Tokyo	37.4%	42.73 million stays
Osaka Prefecture	16.2%	18.48 million stays
Kyoto Prefecture	10.6%	12.12 million stays
Chiba Prefecture	2.8%	3.24 million stays
Kanagawa Prefecture	2.3%	2.67 million stays

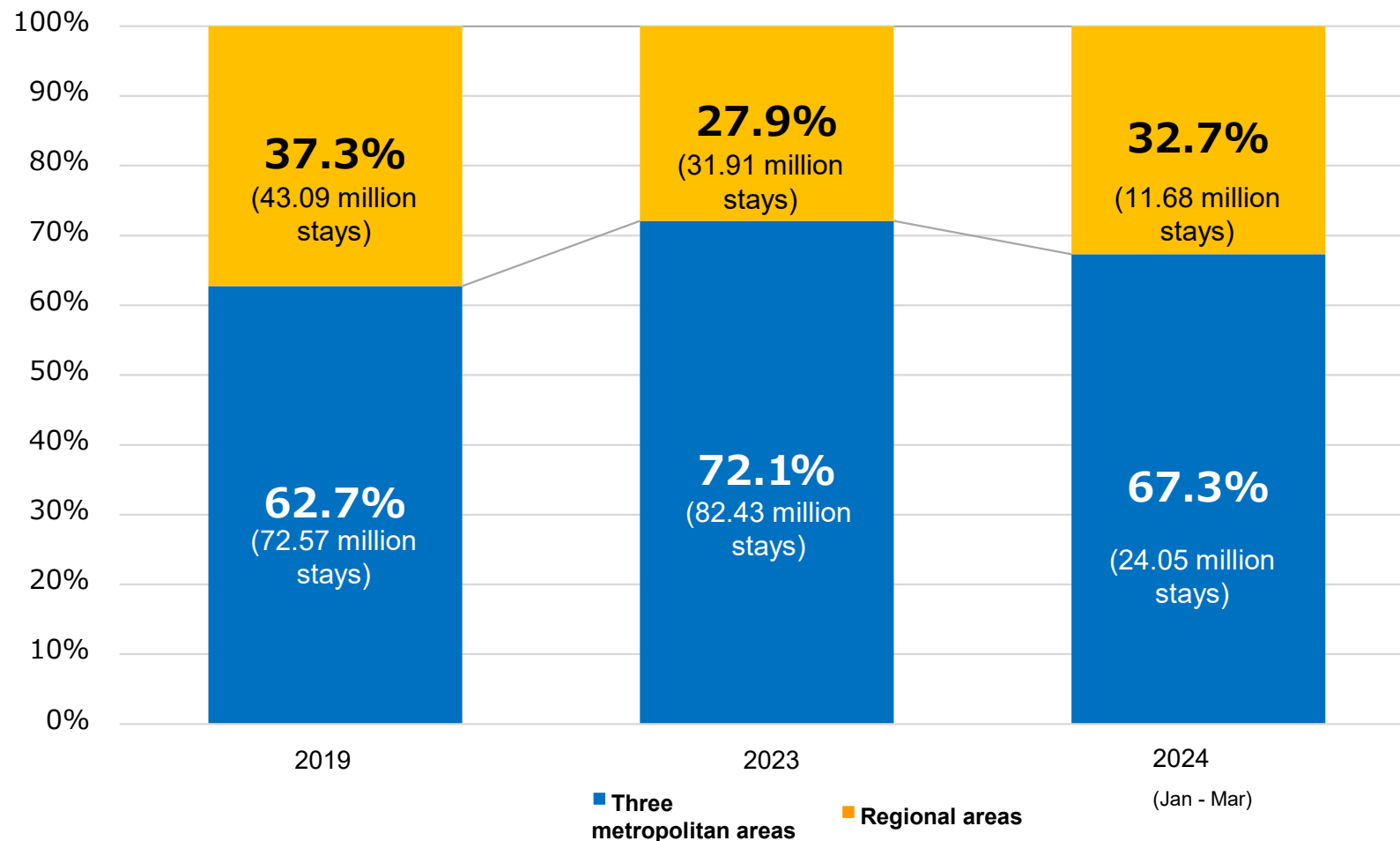
Regional Top 5		
	Share	The total number of stays
Hokkaido	5.9%	6.78 million stays
Fukuoka Prefecture	4.1%	4.74 million stays
Okinawa Prefecture	3.6%	4.15 million stays
Nagano Prefecture	1.24%	1.42 million stays
Yamanashi Prefecture	1.16%	1.33 million stays

Source: Statistics Survey on Overnight Stay Travel by Japan Tourism Agency

\* Saitama Prefecture, Chiba Prefecture, Kanagawa Prefecture, Tokyo Metropolitan, Aichi Prefecture, Kyoto Prefecture, Osaka Prefecture, and Hyogo Prefecture

# Proportion of the total stays by foreigners in the three metropolitan areas and regional areas

- **Approximately 70% of the total number of foreign tourists stays in 2023 were concentrated in the three metropolitan areas**; compared to before COVID-19, inbound demand tends to be uneven by region. (62.7% in 2019 ---> 72.1% in 2023)
- Ratio of the three metropolitan areas in the latest data of January–March, 2024 was 67.3%.



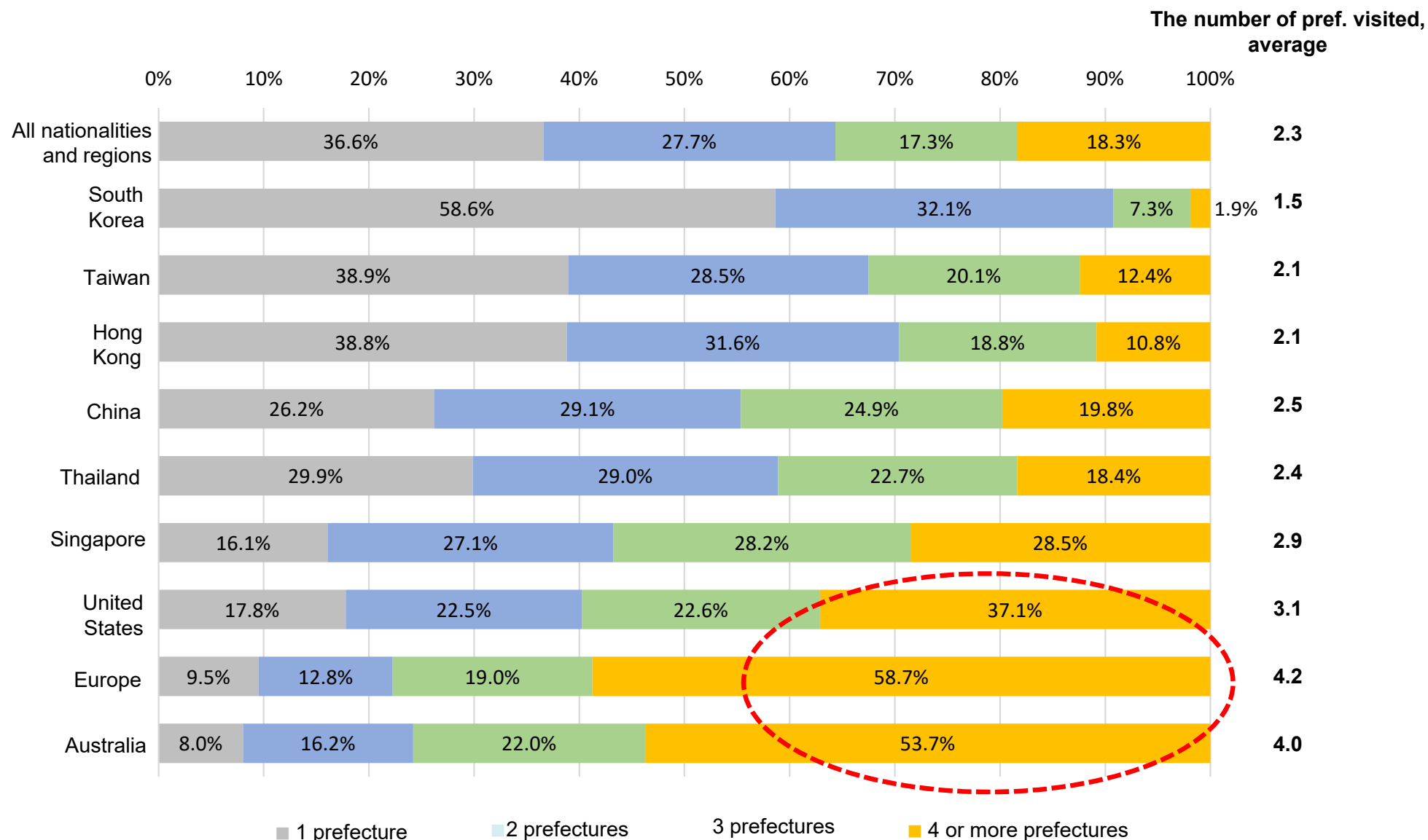
Source: Statistics Survey on Overnight Stay Travel by Japan Tourism Agency

Note 1: Data of 2023 is preliminary.

Note 2: The three metropolitan areas consist of the eight prefectures of Tokyo, Kanagawa, Chiba, Saitama, Aichi, Osaka, Kyoto and Hyogo prefectures. Regional areas mean the rest of the prefectures other than those in the three metropolitan areas

# The number of Prefectures Visited by Nationality and Region (2023)

○ Travelers from Europe, America, and Australia with longer stay in Japan are likely to visit more prefectures.



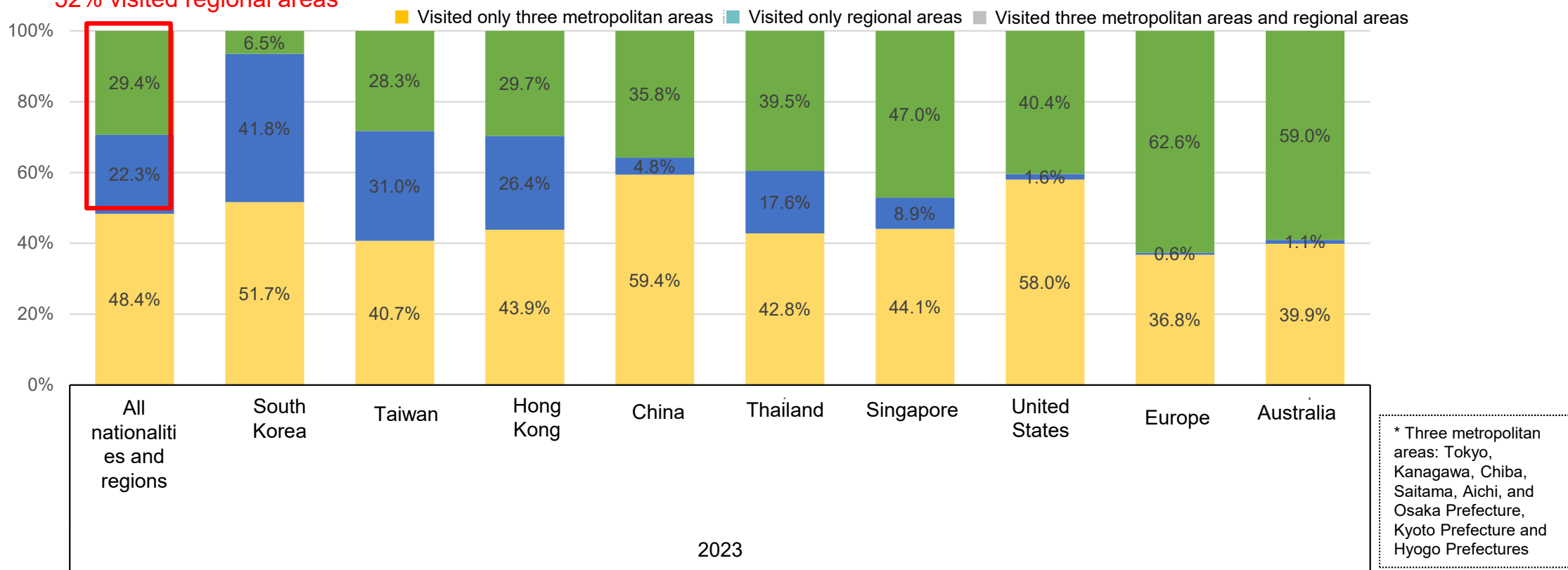
Source: Compiled from data sets of *Survey of Consumption Trend among Foreign Tourists* (for tourism and leisure purposes, 2023) by the Japan Tourism Agency.  
 Note: "prefectures visited" includes not only those visiting prefectures with lodging, but also other prefectures visited without overnight stays.

# Patterns of Visits to Three Metropolitan Areas and Regional Areas

- **Visitors to regional areas** (including day trips to the areas) **account for about 50% of all foreign visitors to Japan.**
- **Travelers in the major Asian countries** are likely to visit, compared to Europe, the United States, and Australia, only rural areas.
- On the other hand, **travelers from Europe, Australia, etc. are more likely to visit both the three metropolitan areas and rural areas\***.

\* Due to restrictions on direct flights to regional areas, American, European, and Australian tourists are required to visit the three metropolitan areas before and after entering and leaving Japan, even if their destinations are regional areas.

52% visited regional areas



Source: Compiled from data sets by region of *Survey of Consumption Trend among Foreign Tourists* (for tourism and leisure purposes, April–December 2019 and April–December 2023 (reference value)) by the Japan Tourism Agency.

Note 1: In *Survey of Consumption Trend among Foreign Tourists*, in addition to the "national survey" to grasp consumption trends by foreign visitors as a whole and by nationality and region, the "regional survey" was carried out to grasp consumption trends by prefecture visited. As the amount spent by foreign visitors in Japan, "the consumption by foreign visitors to Japan", is estimated from "the national survey."

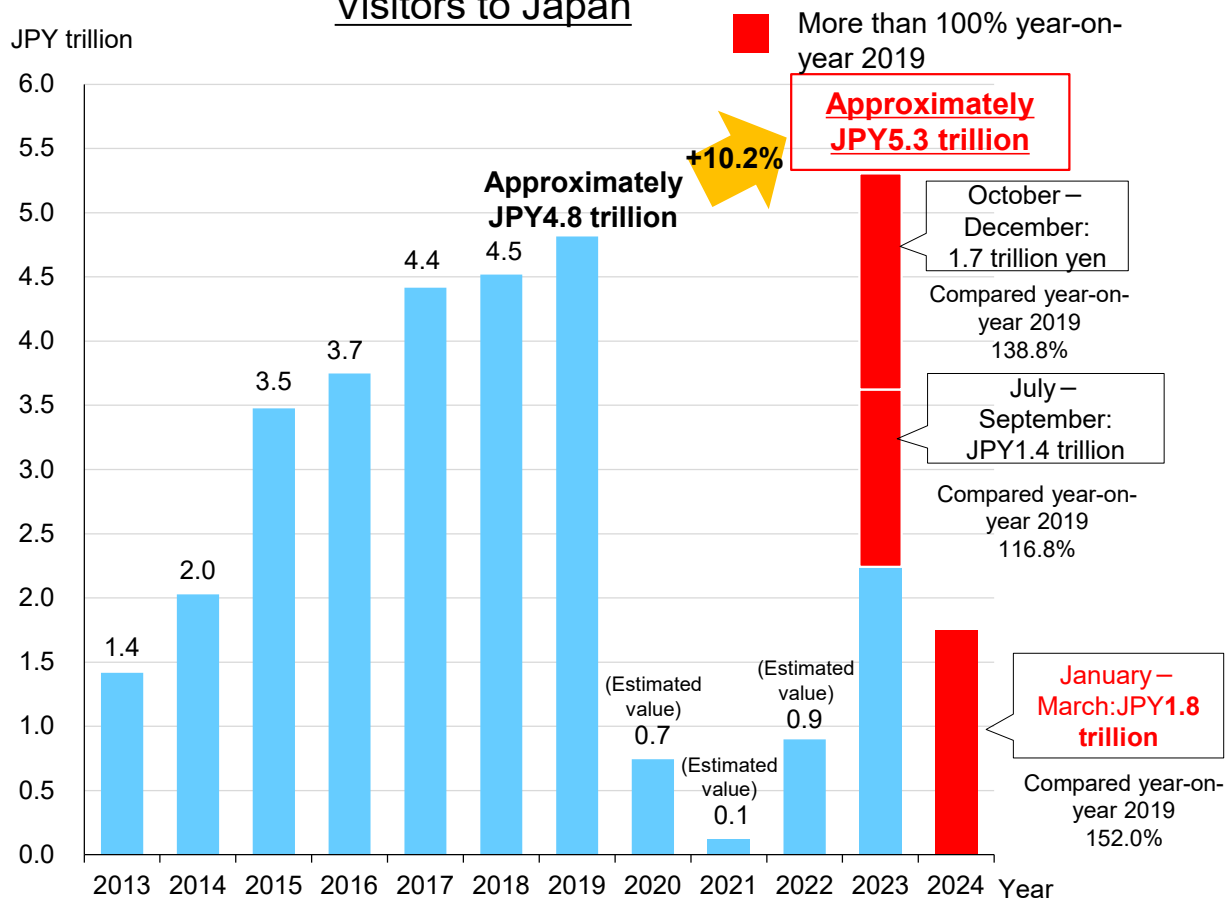
Note 2: Due to the impact of COVID-19, "the regional survey" was suspended from April–June 2020 to January–March 2023, so the calendar year 2023 data does not include data for January–March 2023.

Note 3: "Visit" refers not only to visits to the three metropolitan areas or regional areas with overnight stays, but also to visits without overnight stays.

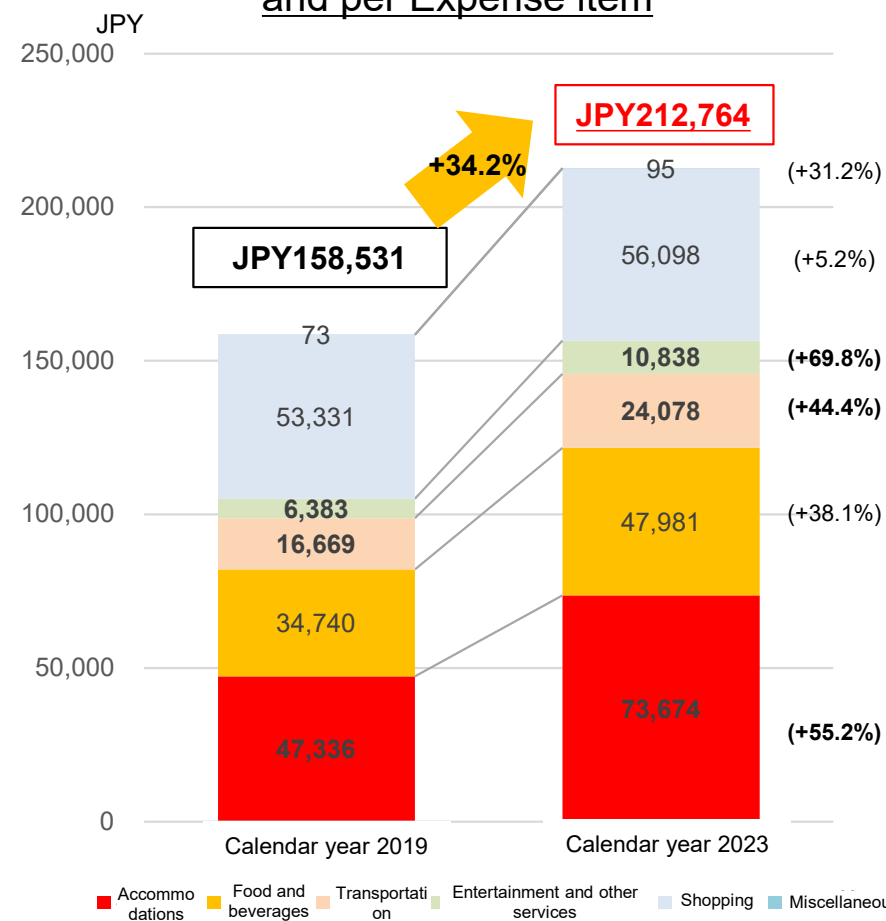
# State of Inbound (Consumption)

- **Consumption of foreign visitors to Japan in 2023** was **JPY5.3 trillion, a record high** (10.2% increase from 2019; JPY4.8 trillion in 2019)
- **Travel expenditure per foreign visitor (general visitor) was JPY213,000** (up 34.2% year-on-year 2019)
- Looking at expenses by item, it shows increased payment for services and transportation, such as accommodations, entertainment, and other services
  - \* **Possible reasons: the number of stays in average increased** (from 8.8 nights to 10.1 nights), and the **depreciation of the yen and the rise in prices**
- **January – March quarter of 2024** recorded the consumption by foreign visitors to Japan **of about JPY1.8 trillion, a record high for a quarter**  
 The travel expenditure per person was **JPY209,000**

### Changes in Consumption by Foreign Visitors to Japan



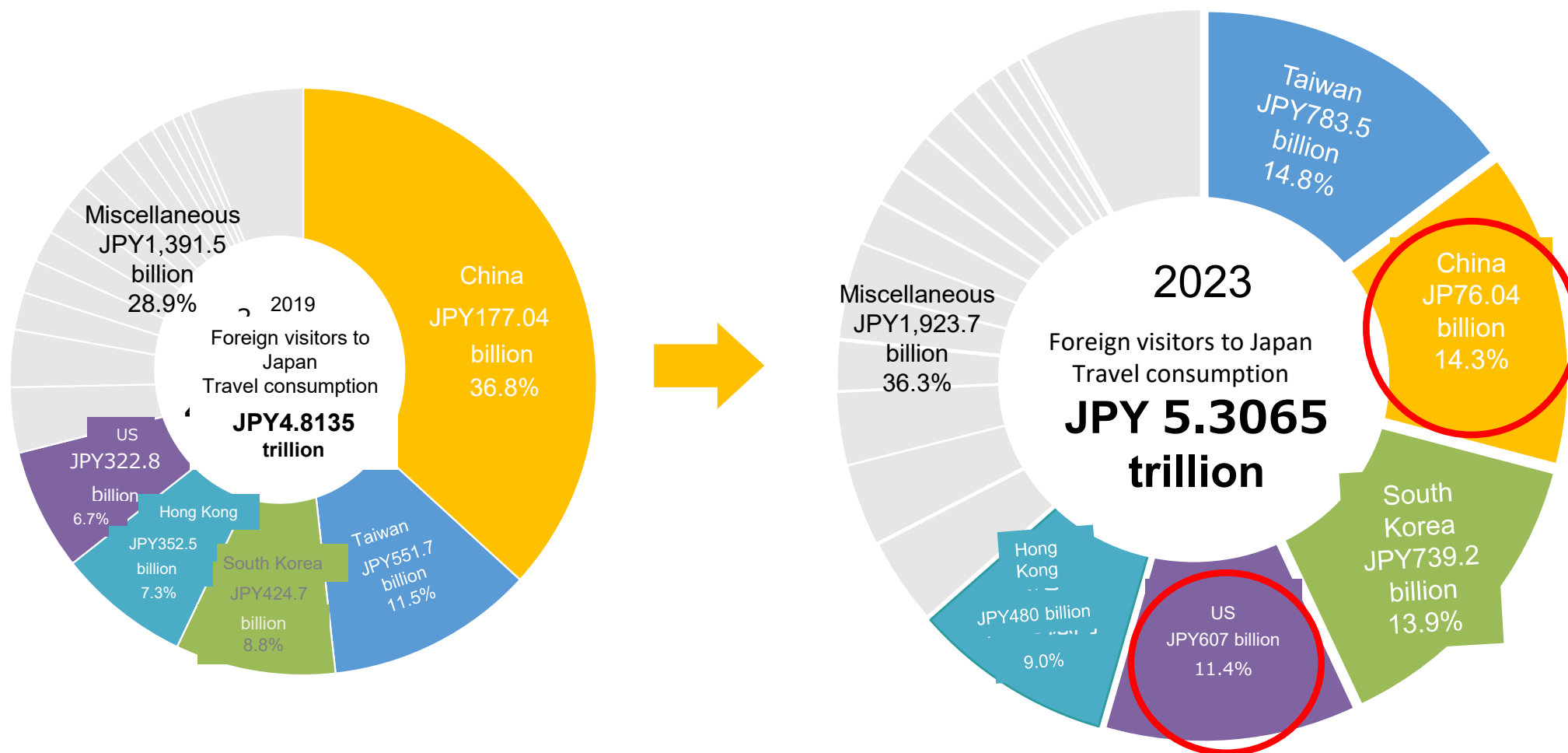
### Travel Consumption per Person, per Trip, and per Expense item



# Consumption of Foreign Visitors to Japan by Nationality in 2019 and 2023

- **Composition of the top five countries and regions in terms of consumption** shows **China** accounted for about 40% of the total in 2019 but decreased to **about 15% in 2023**. **United States** used to account for about 7% of the total in 2019, but it almost **doubled (about 12%) in 2023**.

## Consumption of Foreign Visitors to Japan by Nationality and Region





# Trends of Inbound Market and Growing Interest in Regional Areas

(Overall)

- ✓ Proportion of group travel has decreased, and the one for personal travel has increased
- ✓ From consumption of things to consumption of experiences

(China) \*71.2% of Chinese tourists visiting Japan (for tourism and leisure purposes) are in their 40s or younger

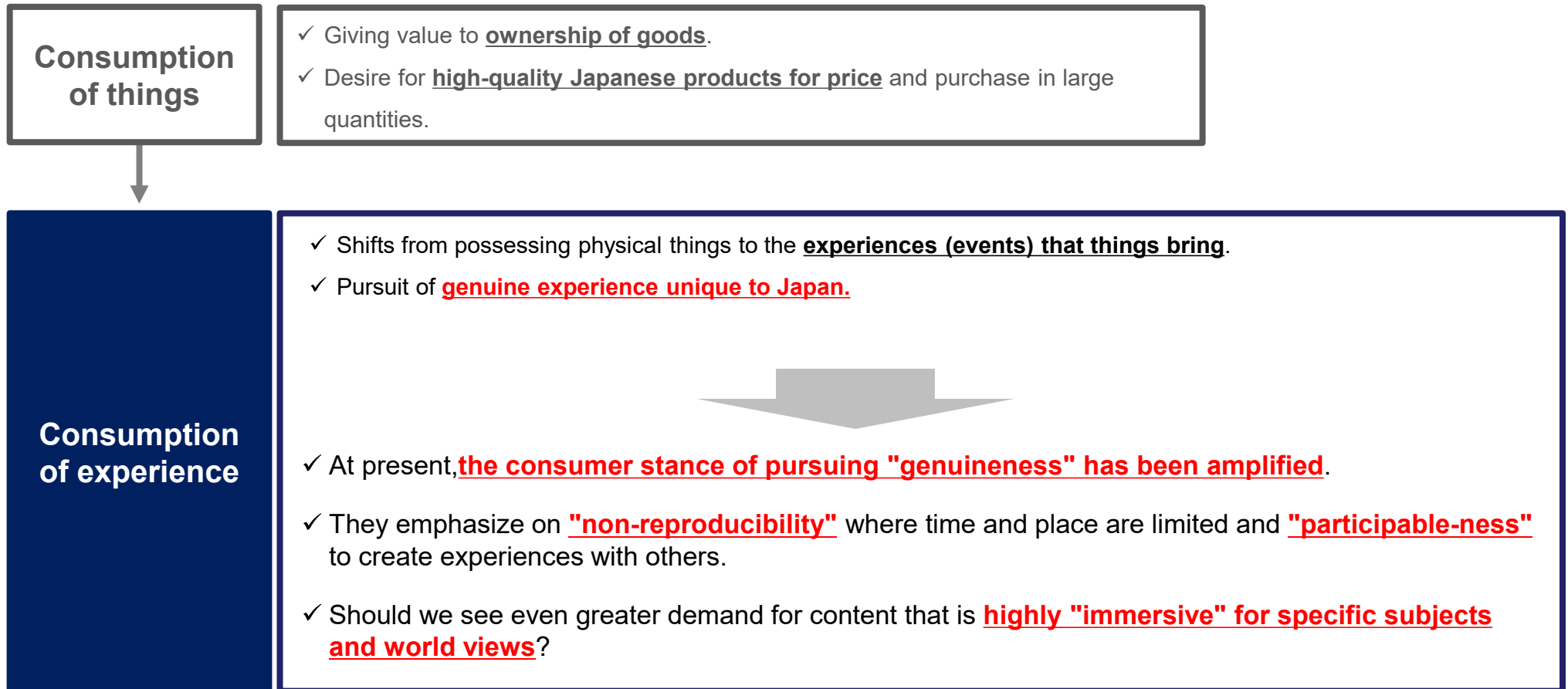
- ✓ While interest in "shopping" has decreased slightly, interest in "Food Culture" and "nature" continues to be strong., interest in "pop Culture" and "museums" increased.
- ✓ "Hands-on travel" is the trend
- ✓ Proportion of repeat visitors are increasing

(U.S.A. ) \*81.8% of U.S. tourists visiting Japan (for tourism and leisure purposes) were under the age of 40 in 2023

- ✓ Increased attention to regional areas (By introduction of regional cities in Japan by major travel magazines and the New York times )
- ✓ Interest in "experiencing history and traditional culture" has risen significantly
- ✓ Strong demand for cruise tourism

# Changes in Inbound Tourism Consumption Trends

- Inbound consumption concerns: from **"consumption of things"**, which finds value in the ownership of goods, to **"consumption of experience" where value is found in hands-on events**. The Japan Tourism Agency is also supporting the creation of **experiential content** to respond to this change in consumption trends.
- Currently, with the spread of social media, it has become easy to relive the experiences of others, and **there is a tendency to seek one-of-a-kind experience that no one has experienced**. It is expected that **the desire for highly "immersive" content for specific subjects and world views will grow even more**.



## Condé Nast Traveler, a major travel magazine in the United States, ranked Japan as **#1** in the *World's Most Attractive Country Ranking* (October 2023)

First place: Japan

Second place: Italy

Third: Greece

4th: Ireland

5th: New Zealand

6th: Spain

7th: Portugal

8th: Israel

9th: Norway

10th: Switzerland

(Source) JNTO

## The Washington Post, in its **"Where to travel in 2024, without crowds,"** introduced **Fukui Prefecture** (January 2024)

The Washington Post wrote, "Go to Fukui to see one of the **most spiritual parts** of Japan. **"A new Shinkansen (Hokuriku Shinkansen) line** (Kanazawa—Tsuruga extension) **is scheduled to start operation in March**, making it possible to travel there taking **about three hours from Tokyo**. As a recommendation by a travel agency based in Tokyo, the report mentioned Eiheiji Temple, the head temple of the Soto sect as a site to visit.

Source: Mainichi Shimbun



# The New York Times Highly Rates Regional Cities for the Second Year in a Row

- The New York Times announced "52 places to Go in 2023" where **Morioka was the second choice after London** (January 12 2023)

The number of visitors to the Bank of Iwate Red Brick Building in Morioka has tripled from 60,000 in 2022 to 180,000 in 2023. A city spokesperson said that **more foreign tourists are now seen in the city.**

- In January 2024, the NYT announced **52 places to Go in 2024:** and **Yamaguchi City** was selected.

After the total solar eclipse zone in North America, and Paris, the city was featured at third place, and the paper praised it highly, saying, "**it is often called 'Kyoto of the West,' but it is even more interesting.**"



At the request of the editors of the New York times, **an American journalist living in Japan recommended both Morioka and Yamaguchi as attractive places to visit.** It is rated as a compact city with little over tourism.

In regional cities, further improvement of the acceptance environment and the creation of mechanisms to increase local consumption are also issues to solve.

# Foreign Hotels Move into Regional Areas

- Foreign hotels have entered Japan in various styles
- Luxury hotels such as JW Marriott Hotel Nara in 2020 and the Ritz-Carlton Fukuoka in 2023 opened
- Sekisui House and Marriott worked together on the trip base project at a roadside station
- In April 2024, Accor Group re-branded the former Royal Hotel (Daiwa House)
- More foreign-affiliated hotels are planned to open in regional areas, such as the opening of Hotel Indigo Nagasaki Glover Street in Nagasaki



JW Marriott Hotel Nara



Hotel Indigo Nagasaki Glover Street

# Initiatives by the Japan Tourism Agency

# Refining Tourism Resources to Create Special Experiences (1)

- In order to create a **special experience**, a **market-in** mindset focused on enhancing the value of the experience, it is critical to **carefully examine and refine the attractiveness** of the region that makes use of their **unique culture, history, nature, food, etc.**, it is important to provide **high value-added explanations and guides**.
- It is also necessary to **create content that takes into account trends in inbound tourism**, such as sustainable tourism.

## History and Culture

(Taito City, Tokyo)  
Japanese musical instrument concert in the precincts of Ueno Toshogu Shrine

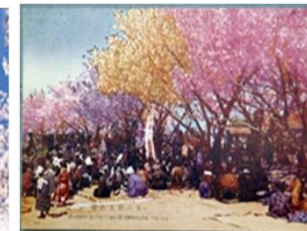
- ✓ **Ueno Toshogu Shrine**, which is designated as an important cultural property, was **open to the public at night**. Events were held in the precincts where you can experience Japanese culture, such as **watching Japanese musical instruments** and **experiencing Japanese taiko drums**
- ✓ **A guided tour by around Ueno Toshogu Shrine** and **commentary on Japanese musical instruments** were held.



## History and Culture

(Adachi City, Tokyo)  
Collaboration of historic cherry blossoms of Adachi and the local shopping street provide a Japanese culture experience

- ✓ **Jigen-ji Temple** (a special temple in Adachi City, where it was allowed by the **Tokugawa Family to use the crest of hollyhock**) was chartered out in **collaboration with local communities and shopping streets** for providing **Japanese cultural experiences** such as local fair, jiguchi andon, and rickshaw excursions





# Refining Tourism Resources to Create Special Experiences (2)

## History and Culture

(Yao District, Toyama City, Toyama Prefecture)  
Special participation and viewing programs at festivals in the prefecture such as Owarakazenobon and Tatemon Festival

- ✓ Special seats where you can **watch the festival** while enjoying **local food and drinks**
- ✓ Also offering hands-on tours where **they could interact with local residents**



## History and Culture

<Kasaoka City, Okayama Prefecture>  
Experience Shiroishi Odori, a UNESCO Intangible Cultural Heritage and nationally designated Important Intangible Folk Cultural Property, at Shiroishi Island, a nationally designated place of Scenic Beauty

- ✓ Using the traditional Shiroishi-odori dance of the region as a tourism resource, they made a program **to actually dance the Shiroishi-odori dance together with local residents to deepen exchanges**
- ✓ Content was prepared including explanation by a guide on the history of Shiroishi Odori, the culture and history of the region, lecture by local dancers on how to dance, as well as hands-on practice of how to dress in costumes; **this event will be held for tourists by deviating schedule of normal dancing event**



## History and Culture

<Chuo City, Tokyo>  
"Tsukiji Honganji School" morning activity experience with monks

- ✓ At **Tsukiji Hongan-ji Temple, a Hongan-ji School of Jodo Shinshu Sect**, they wore the **original samue uniform** to participate in **chincho gongyo** practice; having **breakfast related to Buddhism and Jodo Shinshu**, to experience traditional Japanese culture and a part of the life of a Buddhist monk
- ✓ By visiting the **inner sanctuary and the auditorium that are usually not accessible**, and providing breakfast, the event made guests feel specialness

# Refining Tourism Resources to Create Special Experiences (3)

## History and Culture

(Arita Town, Saga Prefecture)

Lecturing on ceramics, and pottery workshop experience with craftsmen

- ✓ Explanations of the cultural background of pottery and hands-on content of pottery workshop experience are provided in foreign languages
- ✓ Guests were European and American tourists, mainly



## History and Culture

(Asano Blacksmith in Hashima City, Gifu Prefecture)

Blacksmith experience content with craftsmen

- ✓ Providing blacksmith experience content to make short swords together with craftsmen
- ✓ They could take the short sword they made back home



## History and Culture

## Nature

(Ino-cho, Kochi Prefecture)  
Experience nature and paper making

- ✓ History of "Tosa Washi" and an adventure tour of "Niyodo Blue" basin
- ✓ Learn about the history and culture of Japanese paper in Tosa washi traditional papermaking experience



# Refining Tourism Resources to Create Special Experiences (4)

## Food culture

### <Takamatsu City, Kagawa Prefecture>

A round-trip tea ceremony event featuring Japanese sweets and tea using the whole Ritsurin Garden, a nationally designated special place of scenic beauty

- ✓ While touring around the "tea places" dotted around Ritsurin Garden, they enjoyed Japanese sweets made with "**wasanbon sugar,**" which is said to be the origin of Ritsurin Garden and tea.
- ✓ Limited to a small size group, a **special tea ceremony was** held after **the closing of the garden,** hosted by a tea master carefully selected by Mushanokoji Senke



## Food culture

### <Kaga City, Ishikawa Prefecture>

The first night tour of "Japan's wealthiest village" and the ultimate luxurious taste experience tour

- ✓ **One of the most premium local ingredients in Japan:** they enjoyed a special menu using Ruby Roman grapes and Kanoh crab "Kagayaki" at the **Kaga Hashitate important Preservation District for Groups of traditional buildings**
- ✓ Guests met with the descendants of the Kitamae ship owner, farmers and fishermen, **interacted with them and experienced harvesting**



## Food culture

### <Matsumoto City, Nagano Prefecture>

A special night event of Premium Dinner at Matsumoto Castle, a National Treasure

- ✓ At the **Honmaru Garden** of Matsumoto Castle, a National Treasure, Relais et Chateau Top Chef offered **a private premium dinner using local ingredients**
- ✓ The National Treasure Matsumoto Castle keep, which is **normally closed to the public at night,** was **open to the public for a limited time**



# Refining Tourism Resources to Create Special Experiences (5)

## Food culture

### <Miura City, Kanagawa Prefecture>

Offering special food experiences that make use of local agricultural and fishery products and the superb view of the Miura Peninsula

- ✓ Under the supervision of a three-Michelin-starred restaurant manger, we have developed a new menu with a high unit price that makes use of **the rich agricultural and fishery products of Miura City**
- ✓ In addition, taking advantage of **the off-limits areas along the coast**, guests enjoyed an open-air restaurant viewing **the superb scenery of the Miura Coast and the sunset at Mt. Fuji**



## Nature

### <Hokkaido>

Establishing as a promising destination for adventure tourism triggered by ATWS\*

- ✓ Under **the supervision of the world agency for adventure tourism, activities** such as hiking, biking and rafting combined with Ainu culture to make a content with a story.
- ✓ According to inspection by leading buyers of overseas travel agencies, etc., it is rated as a **promising destination for adventure tourism**.



\*ATWS: Adventure Travel World Summit. The world's largest adventure tourism-related business meeting held in Sapporo, Hokkaido from September 11–14, 2023

## Nature

### <Shari-cho, Hokkaido>

Kamuiwakka Hot Waterfall Adventure Tour

- ✓ **Kamuiwakka Yu-no-taki Waterfall (Shiretoko National Park)** where hot springs flow into the waterfall, was open for special occasion. The place was prohibited from entering due to the risk of falling rocks
- ✓ **A special tour where you can soak in the open water in the basin of a waterfall in a limited number of guests with a guide**
- ✓ Approximately 6,000 participants (mainly from Taiwan, France and the United States)

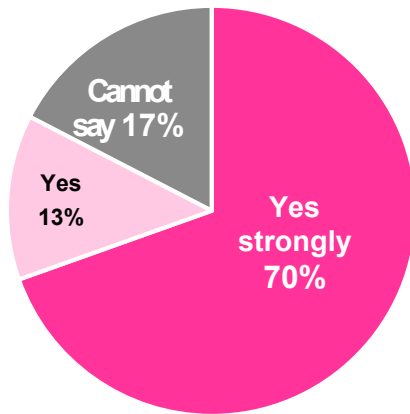


# Importance of Local Guides in the Consumption of Experiences

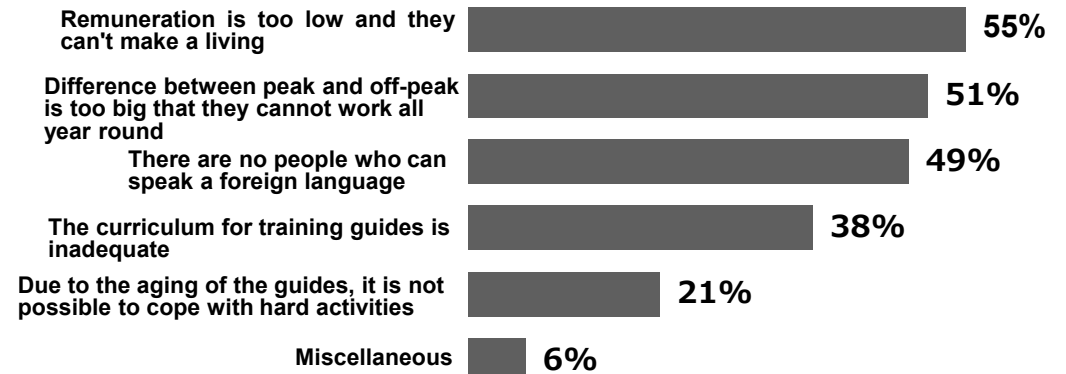
- In "experience consumption," with emphasis on the content of the experience, in order to further increase the satisfaction of the experience, it is essential **to improve the quality of the experience, including the uncertain factors such as the conversation and atmosphere of the day.**
- The local guide is the **"face of the region"** that is closest to the traveler and interacts with the traveler for a long time. As a director and performer who determines the satisfaction of the local experience, we believe that **the quality of interpretation and hospitality will be required more than ever.**
- On the other hand, **securing human resources for local guides is a challenge, especially in regional areas.** The Japan Tourism Agency launched an expert panel on May 8, 2024, to **ensure sustainable recruitment and training of local guide personnel.**  
(An interim report is scheduled for this summer.)

▼ For FY2024 "Questionnaire Survey on Local Guides"\*, 47 DMOs answered as companies that sell localized travel products with local guides for inbound tourists

## Do you feel a shortage of local guides for inbound tourists?



## What are the reasons for the shortage of local guides for inbound tourists? (Multiple answers)



**We have established an expert panel to examine what kind of initiatives and business models are necessary at the local level to ensure that guides are continuously secured and trained in a reasonable manner, and lead to the sustainable supply of experiential content and the improvement of local consumption at regional areas where human resources are limited**

○ For renovation of accommodation, tourist facilities, demolition of abandoned buildings, and systematic digital transformation (DX), **we have expanded the system so that we can provide systematic and continuous support over multiple years**  
 ⇒ **We will strive to increase tourism demand, improve profitability and productivity, and restore and strengthen the earning power of regions and industries**

## (1) Support in the making of regional plans

## (2) Support of main business based on regional plans

### High value added renovation of accommodation facilities

Support for systematic renovation of accommodation facilities for the systematic revitalization of tourism destinations



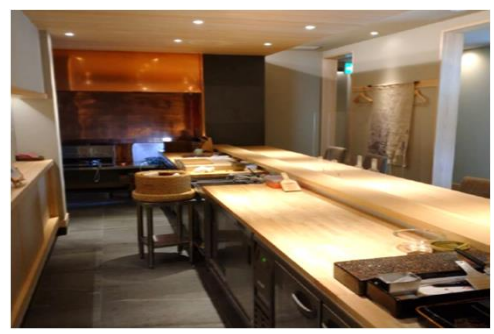
### Dismantling of abandoned buildings

Support for the dismantling of abandoned buildings for the scenic improvement at tourism destinations



### Renovation of tourist facilities, etc.

- Support for systematic renovation of souvenir shops and restaurants that contribute to the systematic revitalization of tourism destinations
- Support for renovation of public facilities for tourism purposes



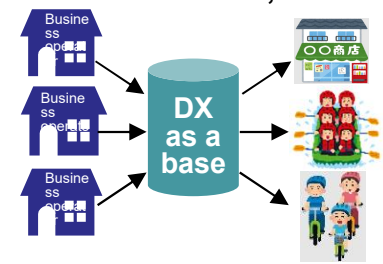
### Systematic DX

Support for systematic DX for the systematic revitalization of tourism destinations

Turning to cashless by the region as one



Centralized management of information on tourism destinations, etc.



## Asamushi Onsen, Aomori Prefecture

Renovation of **facility where they can enjoy Asamushi's Nebuta culture**



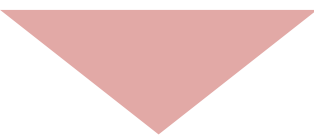
## Kozushima island, Tokyo

The rooms have been refurbished to **offer stargazing views**



### Tendo City, Yamagata Prefecture

Renovated into a **barrier-free** room with an **open-air bath**



### Maizuru City, Kyoto Prefecture

The guest house was converted into a **high-priced facility for rent**





# Creation of high-value-added inbound tourism destinations in rural areas

(11 model areas)

○ Accelerating tourism destination development projects for high value-added travelers\* in 11 model regions in order to strengthen the attraction of high value-added travelers to local areas.

\* Foreign visitors to Japan with local consumption of more than JPY1 million per person

➔ **FY2023** provides comprehensive support for the creation of **high value-added accommodation facilities and contents** through various businesses, and formulates future action guidelines (master plans) in each region.

In FY 2024, we aim to attract customers as soon as possible by **refining content** and **creating sales channels** from an external perspective.

## Core values

Creating attractive content that appeals to high value-added travelers as well

## Accommodations

Adding more values to accommodations that meet the needs of high value-added travelers

## Human resources

Nurture personnel to send visitors to local areas, tour guide and hospitality personnel

## Traveling

Seamless transportation to meet the needs of high value-added travelers

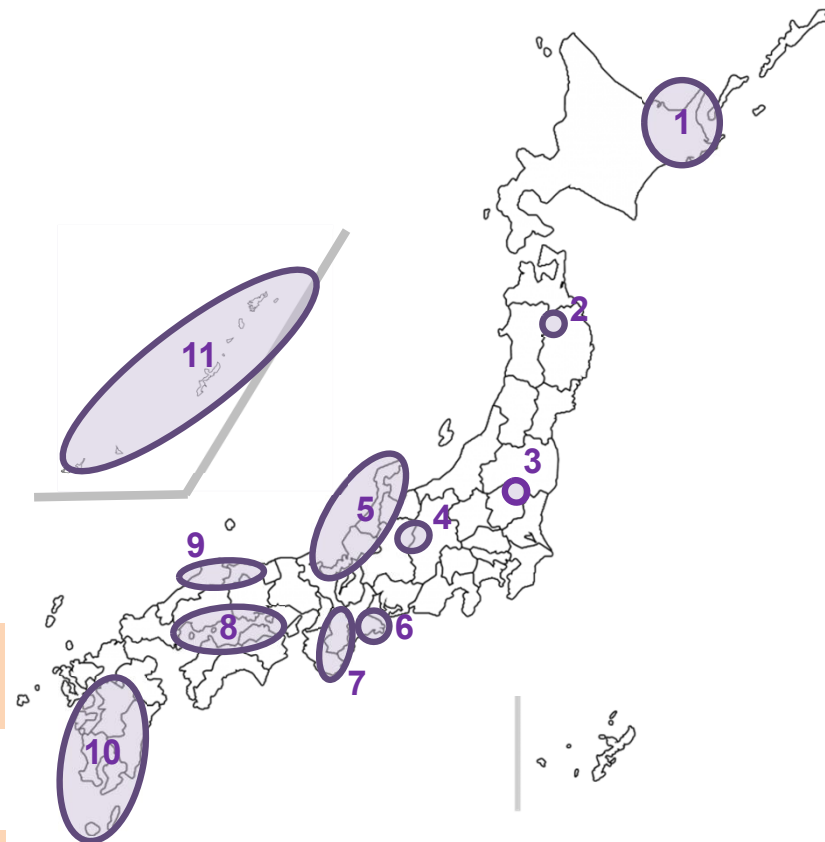
## Model tourist destinations

1	East Hokkaido
2	Hachimantai
3	Nasu and surrounding areas
4	Matsumoto and Takayama
5	Hokuriku
6	Ise-Shima and surrounding areas
7	Southern Nara and Wakayama Nachi-Katsuura
8	Setouchi
9	Tottori and Shimane
10	Kagoshima, Aso and Unzen
11	Okinawa and Amami

Accelerate the improvement of the quality of model areas by developing, verifying, and refining itineraries



Disseminate results and know-how to other regions



# [Initiatives in the East Hokkaido Area]

Legend:  Previous year results

This year implementation



[Area Theme] **Unspoiled nature** recognized by the world such as Shiretoko

— a symbiosis between rare animals and humans —

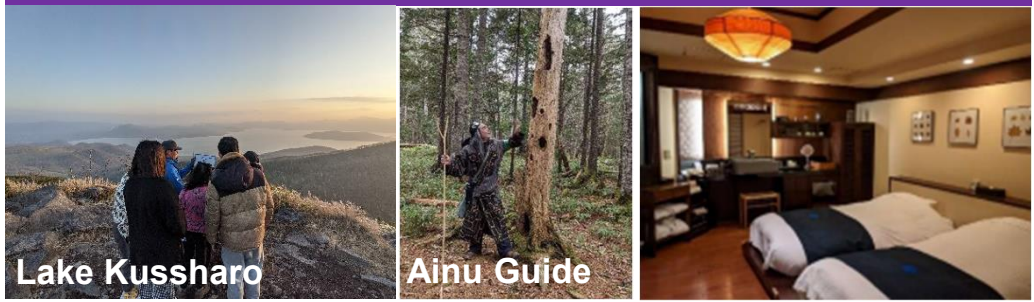
[FY2024] In addition to providing an special experience, support for **adventure tourism** initiatives

[Shari] Higher value-added accommodation facilities that make use of tourism resources

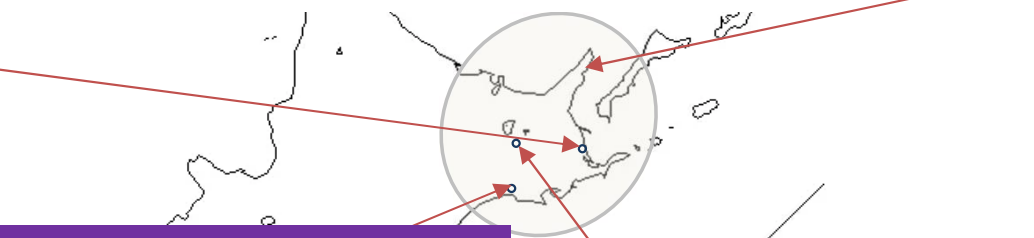


**Kitakobushi Shiretoko**  
- Newly built a luxurious guest room as wide as 100 square meters

Invitation of overseas travel agencies



**Lake Kussharo**      **Ainu Guide**  
- Invited overseas travel agencies with wealthy customers from Hong Kong, Taiwan, and Shanghai to experience accommodation, activities, and food (Held in November 2023)



[Shari] Experience activities at Kamuiwakka Hot Falls in Shiretoko National Park



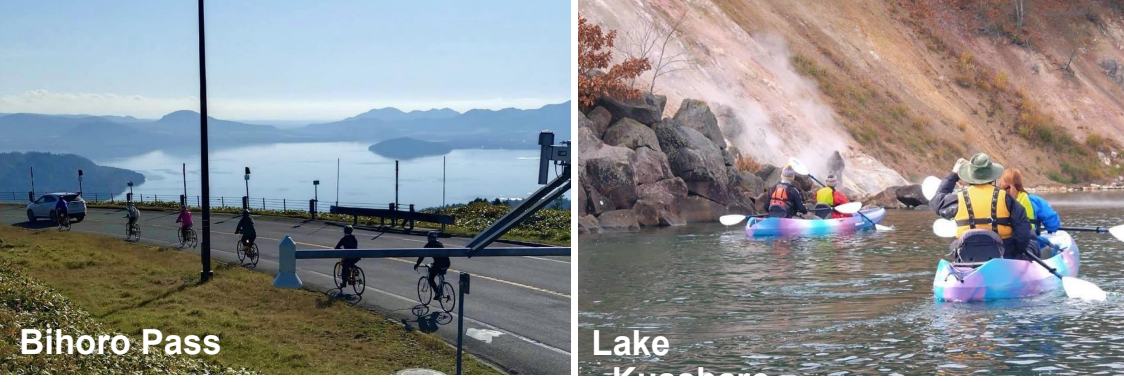
- Trekking and bathing experience at "Kamuiwakka Hot Falls," a river where hot springs flow into (Held from July to November 2023)

[Kushiro] Nature experience at magnificent Kushiro-shitsugen National Park



- Experience the blessings of nature in chartered accommodation at a campsite of the National Park

[Teshikaga Town] Adventure tour in the National Park



**Bihoro Pass**      **Lake Kussharo**  
- Kayaking on Lake Kussharo, one of the world's largest caldera and cycling tours (Scheduled to start sales from Summer of 2024)

# Initiatives to secure Secondary Traffic

## ○ Establishment of the Japanese version of Ridesharing

Under the administration of the taxi operator, a system was established in March this year to enable local private cars and general drivers to provide transportation services for a fee.

### (Metropolitan areas)

**First phase: Tokyo, Yokohama, Nagoya and Kyoto**  
(Implemented from April)

**Second phase: Sapporo, Sendai, Saitama, Chiba, Osaka, Kobe, Hiroshima, and Fukuoka**  
(To be implemented sequentially)

### (Areas other than metropolitan areas)

If the taxi company wishes to implement the service, it will **start sequentially from April**.



## ○ Improvement of the system for private paid passenger transport

Based on the **operational improvement of the private passenger transportation system** implemented at the end of the 2023, with the **extension of the Hokuriku Shinkansen**, municipalities of Ishikawa Prefecture including Kaga City and Komatsu City **began the service in March of this year**.



### [Outline of System Improvement (1) at the End of 2023]

- ✓ In addition to presenting a numerical guideline for "place without traffic access", it also incorporates the concept of "transport unavailability by time zone" such as at night
- ✓ Clarified that stock companies can participate in the project through entrustment from the implementing entity
- ✓ Promote the joint use of vehicles by accommodation facilities in tourism destinations
- ✓ The approximate amount of 'compensation' is set to **'about 80%' of the taxi fare**

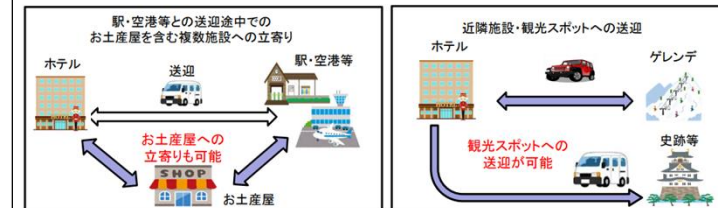
### [Outline of System Improvement (2) Scheduled for FY2024]

- ✓ Introduction of Dynamic Pricing
- ✓ Construction of a system for joint operation with taxis
- ✓ Review of the management method of regional public transportation meetings
- ✓ More flexible shipping zone settings

## ○ Organizing of transportation that does not require permission or registration

**Organized the idea of transportation that does not require permission or registration**; in March of this year, a guideline for transportation that does not require permission or registration under the Road Transportation Act was created.

- **Organizing of actions that can be performed in conjunction with free-of-charge transportation**
  - ✓ Payment of honorarium (to volunteers and mutual assistance)
  - ✓ Billing and payment of actual expenses (fuel costs such as gasoline, toll road fees, parking fees, insurance for transportation services, vehicle rental fees incurred for transportation)
- **Organizing of accompanying transportation by accommodation facilities (enabling the following transportation)**
  - ✓ Stop by facilities, including souvenir shops, on the way to and from the station or airport
  - ✓ Shared transportation by the hotel/ryokan association
  - ✓ Transportation to nearby facilities and sightseeing spots



### ○ Organizing of accompanying transportation by guides (enabling the following transportation)

- ✓ Transportation of tour users from nearby stations, bus stops, accommodation facilities, etc. to the place where the tour is conducted by the service provider
- ✓ A tour guide with official qualifications such as an tour-guide interpreter will pick up and drop off users for the guide

### ○ Organizing of handling of usage fees, etc. differentiated depending on whether or not there is a transportation service

- ✓ As long as the actual cost of the transportation service is within the range of the actual expenses, it is possible to make a difference in the usage fees and accommodation fees depending on whether the transportation service is used or not

# Package of Measures to Prevent and Control Over tourism: An Overview

## 1. Response to excessive congestion and violation of manners due to the concentration of tourists

- Improvement and enhancement of the acceptance environment
- Better management of demand



Operation of shared taxi service for tourists



Entry restrictions on private cars to scenic spots

- Dispersing and leveling of demand



Special night events at the museum

- Prevention and control of breach of manners

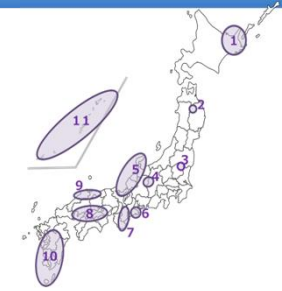


Manners enlightenment signboard

And more

## 2. Promotion of attracting tourists to rural areas

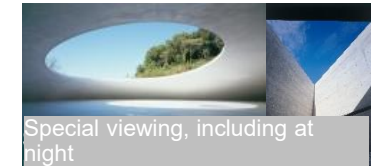
- Creating high-value-added inbound tourism destinations in 11 model areas



- Create special experiences and limited-time initiatives all over Japan in various fields such as nature, culture, food, and sports, and disseminate them to the world



A gassho-zukuri style house is reserved for special use



Special viewing, including at night

- Improve the attractiveness and branding of 4 national parks, including Chubu Sangaku National Park and Yanbaru National Park

And more

## 3. Promotion of tourism in cooperation with local residents

- **Planning based on consultation among local stakeholders including residents** or provide **comprehensive support** for the implementation of **these initiatives** these initiatives

- **Development** and implementation of action plans by relevant parties in the region to prevent and control over tourism
- **Comprehensive support for the full-scale implementation of demonstrations and initiatives based on the Plan will be provided in about 20 regions nationwide in the creation of a pioneering model**

And more

# List of "Pioneer Model Regions" adopted for over tourism measures

- As a result of **the first public call** for a project to promote sustainable tourism by preventing and curbing over tourism, **20 regions were selected as "Pioneering Model Regions"** (announced on March 26).
- After adoption, **launched a forum for consultation among local stakeholders** (some areas have already been established); **formulated plans for concrete measures based on analysis of issues; implemented the initiative.**

**[Selected areas and major Initiatives]\*** An arbitrary order

## Measures against congestion in public transport

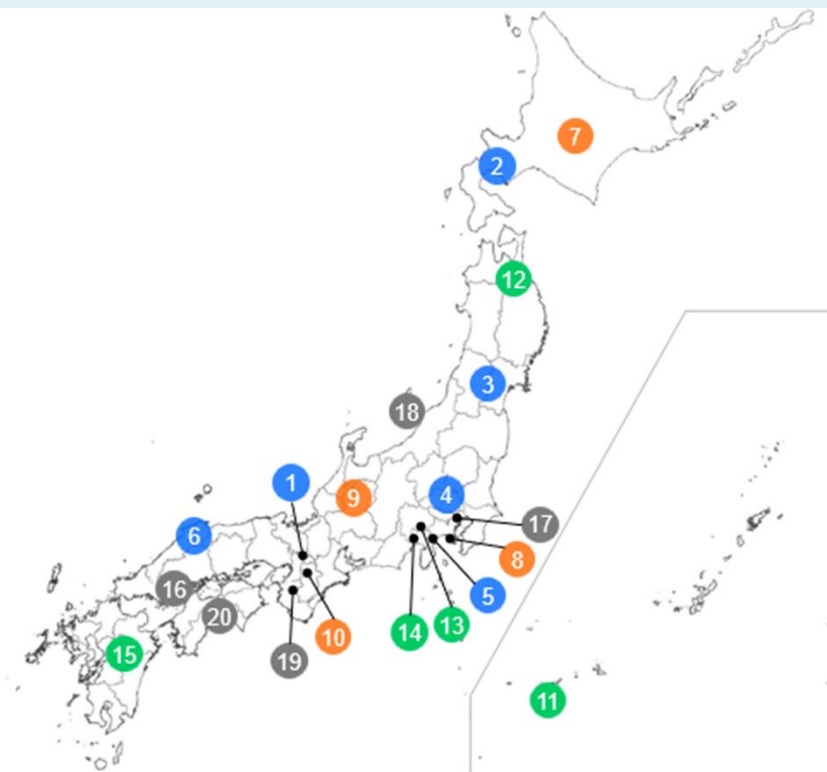
- (1) **Kyoto:** 'Kanko-limited express buses' were newly established, guidance to subways, etc., and expansion of hands-free sightseeing
- (2) **Niseko area:** Expansion of the "Niseko model" to deal with the shortage of taxis
- (3) **Zao:** Introduction of variable prices for ride and visualization of congestion of the ropeway
- (4) **Kawagoe:** Reinforcing park & ride, disseminating congestion information such as parking lots
- (5) **Hakone:** Dispersed and leveled using the Hakone Tourism Digital Map
- (6) **Izumo-taisha Shrine:** A variable parking fees system was introduced

## Measures against manner breaches

- (7) **Biei:** Using AI cameras to prevent unauthorized entry into private land including farmland
- (8) **Kamakura and Fujisawa:** Deterrence on violations of manner breaches when taking photographs by setting up surveillance cameras
- (9) **Shirakawa-go:** Strengthen awareness of manners, including travel rules, based on the results of analysis by country and region of origin
- (10) **Nara Park and Yamanobe-no-michi Road:** Participation of tourists in landscape conservation activities

## Protection of the natural environment

- (11) **Iriomote Island:** Introduction of entry restrictions based on the Ecotourism Promotion Act
- (12) **Oirase:** Implementation of vehicle entry regulations and a study of introduction of user fees
- (13) **Mt. Fuji Yoshida-guchi:** Setting conditions for the number of climbers and tolls
- (14) **Fujinomiya-guchi, Gotemba-guchi and Subashiri-guchi:** Introduction of an entry management system to pre-register mountain climbing plans, etc.
- (15) **Aso:** Reduction of environmental load through the use of EVs and bicycles



## Dispersing demand, promotion of travel, etc.

- (16) **Miyajima/Miyajima-guchi:** Improvement of the terminal on the Miyajima side and visualization of congestion status
- (17) **Asakusa:** Measures against congestion around Senso-ji Temple and the use of road spaces
- (18) **Sado:** Reinforcement of secondary transportation on the island and promotion of excursions
- (19) **Mt. Koyasan:** Using data to disperse and level visitors to the shrine
- (20) **Niyodo River Basin:** Improving the environment for accepting at new tourist spots and enhancement of tour contents

- The following five factors are important for the successful development of tourism areas.
- In order to realize this, a "Tourism and Regional Development Organization" (DMO) is needed, which acts as a "regional control tower".

[DMO: Destination Management / Marketing Organization]

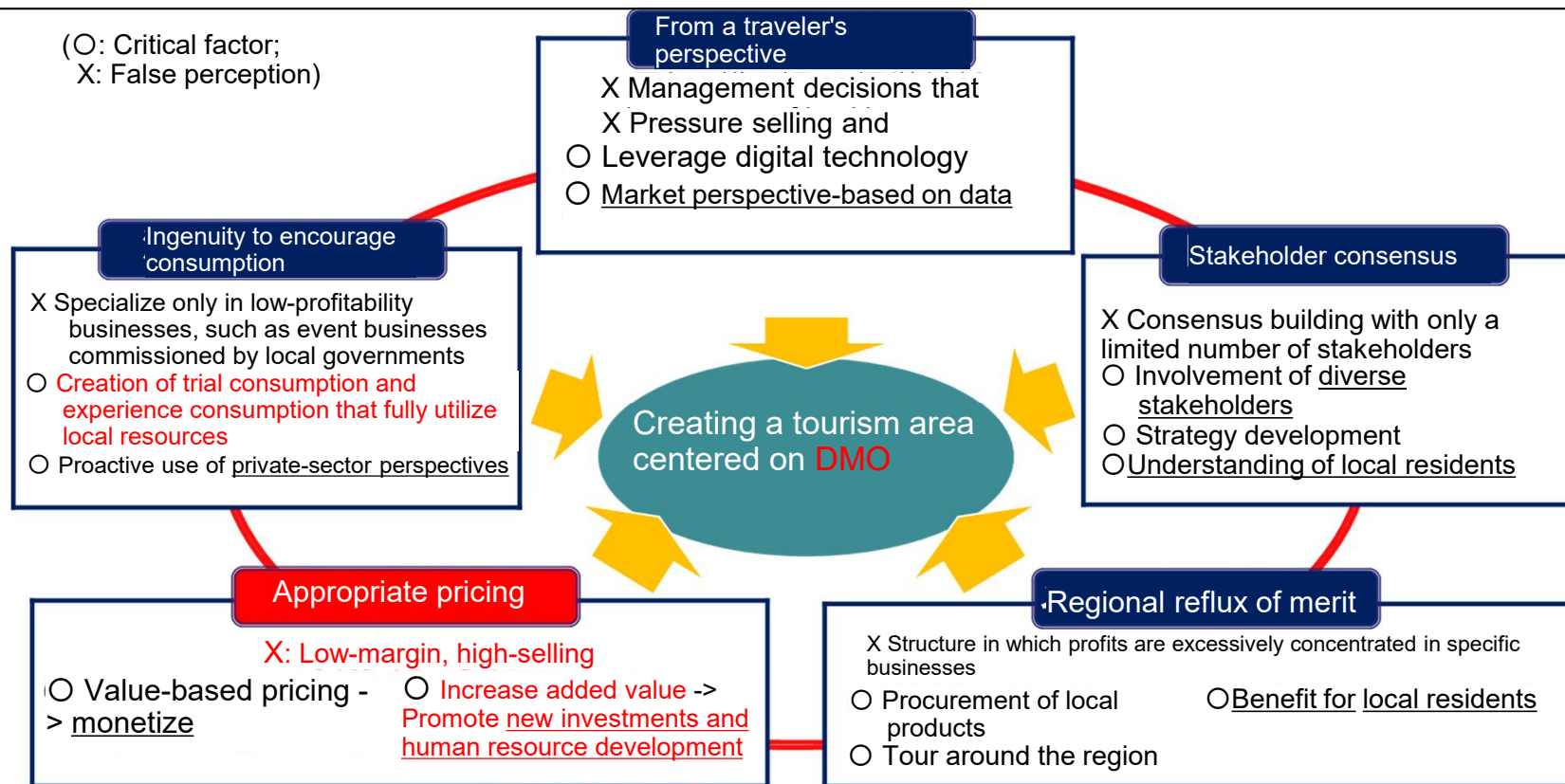
## Missions of DMO

**(1) Expansion of the tourism economy in the region\***

**(2) Creating sustainable tourism areas**

\* Including improvement of the working environment of tourism industry workers such as wage increase

**Coordination and consensus building for that mission among various stakeholders (including clarification of the significance of regional tourism)**



# Example of DMO initiatives (1): Product creation from the perspective of foreigners

- In particular, some excellent DMOs of regional collaborating DMOs and regional DMOs, are actively working on improving the environment for attracting inbound tourists and enhancing content.
- Tanabe City Kumano Tourism Bureau, one of the excellent cases, has implemented the following excellent initiatives and **the total number of foreign tourists stays has increased by 15 times in recent years** (3,389 stays in 2012 – 50,926 stays in 2019).

## Examples of initiatives

### ■ Tanabe City Kumano Tourism Bureau, General Incorporated Association (Regional)

- Created tourism areas, **with target of FIT in Europe, the United States, and Australia**, wishing to create a sustainable, high-quality tourist destination.
- Mr. Brad Towle, with experience as a guide overseas, was appointed at the center. The bureau **improved the environment from the perspective of foreigners**, such as the development of multilingual guide signs and the creation of English guidebooks.
- **Created a number of experience-based content programs to meet FIT**, such as guided tours of the World Heritage and Kumano Kodo. DMO has built its own reservation and payment systems, and serves as a one-stop window for booking experience programs and accommodation facilities, providing **customizable and localized travel products to individuals**.

#### [Unified multilingual signage]

(Before renovation)



(After renovation)



#### Key person of the region

##### Mr. Brad Towle ▶

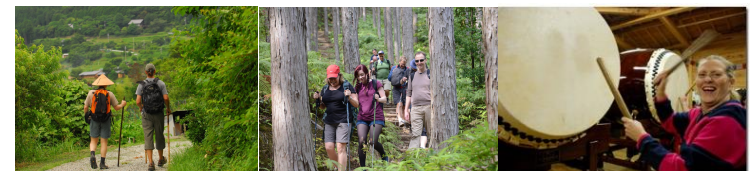
General Manager, DMO Division Taking advantage of his experience as a guide in his home country of Canada, he has developed an environment from the perspective of a foreigner, such as unifying multilingual guide signs, creating English guidebooks, and creating experience-based content.



#### [Develop experiential content for FIT]

(Example) Kumano Hongu Storyteller Tour

- Storytellers introduce the history, culture and nature of Kumano as part of a tour of Kumano Kodo.
  - The course runs for about 7 kilometers from Hosshinmon Oji to Kumano Hongu Taisha Shrine
- English guided tour for 5.5 hours, from **JPY27,900/ group**



# Example of DMO initiatives (2): Town development with community as one

- In the castle town area where vacant houses and empty land are progressing, it achieved the preservation and utilization of 31 old houses by **promoting redevelopment through a public-private partnership between Ozu City, DMO, financial institutions and operators.**
- For utilization of **Ozu castle, the symbol of the town, and all historical resources of the castle town**, by working in collaboration with a wide range of local stakeholders including **local residents, agriculture, forestry and fisheries, commerce, and industry**, it **created a deeper historical and cultural stay centered on "Castle Stay"**.

## Examples of initiatives

■ **Kita Management, General Incorporated Association (Regional)**  
 [Management Area: Ozu City, Ehime Prefecture]

○ **Systematic revitalization of castle towns through public-private collaboration**  
**Ozu City, financial institutions, private businesses, etc. concluded a partnership agreement, and established the DMO Kita Management as a command center for the management of local tourist destinations.**

**DMO promotes the use of old townhouses in cooperation with the city, it aims to target foreign visitors to Japan and other tourists visiting Japan. The DMO leads the region and management such as formulating a strategy vision for tourism town development and a plan for utilizing the traditional townhouses.**

So far thirty-one old private houses, including the former Kato family residence (registered cultural property), which was the residence of the former lord of the Ozu, have been utilized systematically. A charming castle town was born with hotels, restaurants, cafes, workshops, and more.

○ **Creation of deep historical and cultural stays centered on "Castle Stay" and others**

**Targeting Europe, the United States, Australia, etc. in addition to staying at Ozu Castle (a restored wooden castle tower and a turret designated as an important cultural property) and staying at a dispersed hotels utilizing a group of old private houses; breakfast at Garyu Sanso (important Cultural property); performing of kagura, an intangible folk cultural asset, by local residents etc. guided walk around the town, these contents created a deeper historical and cultural stay.**

In addition, **for local students**, it conveyed the charm of local history and culture, to **promote understanding of the development of tourism areas.**

○ **Strengthen inbound response such as allocation of human resources including Guide personnel**

In addition, they have **placed specialists in the organization who can speak seven languages** including those from Taiwan and Spain to **strengthen the organizational structure** for implementation of initiatives aimed at attracting inbound tourists, such as accepting FAM trips, responding to guides, providing strategic information sending, and developing content.



Accommodation and cafes in former vacant houses



Experience entering of Ozu Castle with the cooperation of local residents



Breakfast made with local ingredients at Garyu Sanso



Support for FAM



Support by guide



- Not only in terms of the environment, but also in terms of **economic and social sustainability** is necessary.
- We aim to become a tourism destination and tourism industry that can be passed on to the next generation by **improving our own values, increasing profitability, and promoting the investment and human resource development necessary for further growth.**
- It is important to **pass on and develop the local nature and culture** through such initiatives.
- To **create a sustainable tourism area**, including the acceptance of tourists and the quality of life of its inhabitants; what should they aim for as a tourist destination? It is important to **draw a picture of what the region should be like by the area itself.**

# Reference

# The Fourth Basic Plan for Promotion of a Japan as a Tourism Nation (A Basic Policy)

- Tourism is a **pillar of growth strategy** and **regional revitalization** even after the COVID-19 pandemic. It also plays an important role in **international mutual understanding and peace**.
- In light of the changes caused by COVID-19 and the challenges we have faced so far, **towards the year 2025 (when Expo will be held)**, we aim at **reviving tourism in our country in a sustainable way**.
- **With keywords of "sustainable tourism," "increase in consumption," and "promotion of local tourism,"** we intend to spread the blessings of tourism to every corner of the country.

## Three Strategies to Tackle

### Strategies for Creating Sustainable Tourism Areas

- Revitalizing and adding value to tourist destinations and the tourism industry
- Tourism DX, training and securing tourism human resources
- Creating sustainable tourism areas, such as preserving nature and culture and balancing tourism

### Inbound Recovery Strategy

- Improvement of contents and acceptance environment
- Attracting inbound tourists with **high added value**
- Promotion of **outbound** tourists and international exchange

### Strategy for Expanding Domestic Exchanges

- Stimulate domestic demand
- **Workation, making of the second hometown**
- Leveling domestic travel demand

\* The main contents are described as individual measures

## Our vision for 2025

- Toward creation of a **vibrant community**, creating a **sustainable tourism region to generate a virtuous circle in local communities and economies** all over the country. **Improvement of the quality of tourism, profitability, productivity of and the tourism industry, and growth of tourists and related personnel** are reviving in a way more advanced than before COVID-19 days.
- Japan, the host of the Expo, is capturing interest as a **tourist destination following the global trend**; it is also attracting attention as a **leading destination for sustainable tourism**.

# Achievement of Key Government Targets

	Vision for Tourism that Supports Tomorrow's Japan	Basic Plan for Promotion of a Japan as Tourism Nation		
	Target for 2030	Target for 2025	Early achieved goals	2023 actual
The number of regions working to create sustainable tourism areas		100 Regions		31 Regions (As of Nov. 29, 2023)
The number of foreign visitors to Japan	60 million	Exceeded 2019 level (31.88 million)		25.066 million
Travel consumption by foreign visitors to Japan	JPY15 trillion		JPY5 trillion	JPY5.3 trillion
Consumption by foreign visitor per head	(JPY250 thousand)	JPY200 thousand		JPY213 thousand
Foreign visitors to Japan The number of stays in regional areas per person		2 stays		1.27 stays
The total number of foreign visitors to Japan who staying in local regions	130 million stays			31.909 million stays
The number of Japanese overseas travelers		Exceeded 2019 level (20.08 million persons)		9.624 million
Consumption by Japanese domestic tourists	JPY22 trillion	JPY22 trillion	JPY20 trillion	JPY21.9 trillion