

Observations on Inbound Tourism — Japan's Soft Power

By Naoyuki Haraoka



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Introduction

The number of inbound tourists visiting Japan from around the world reached 8.28 million in the second quarter of 2018, double that of the first quarter of 2015, according to the Japan National Tourism Organization (JNTO) (*Chart 1*). On an annually adjusted basis, the total for 2018 will be more than 30 million.

As seen in *Chart 2*, in 2017 the number of inbound tourists to Japan reached 28.69 million — the 12th largest number in the world and the fourth in Asia. Given that Japan will host the Rugby World Cup in 2019 and the Olympics and Paralympics in 2020, we can expect inbound tourism to Japan to be in the top 10 in the world by 2020. According to the JNTO, the majority of foreign visitors came from Asia — around 7.05 million in the second quarter of 2018, almost 90% of the total. Among those Asian tourists, around 2.70 million came from China and Hong Kong, around 1.90 million from South Korea and around 1.40 million from Taiwan, and thus more than 80% of them were from those three areas in East Asia.

Chart 1 also shows a steady increase in inbound tourists'

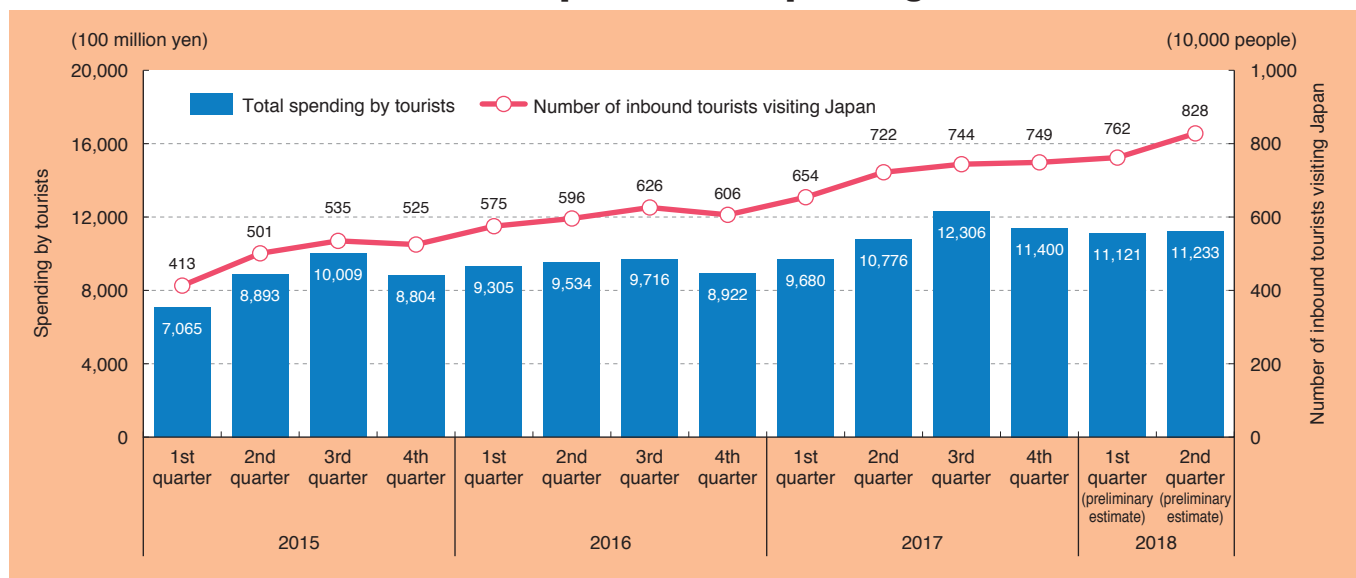
consumption in Japan. It reached more than \$10 billion in the second quarter of 2018, quite a significant sum. In this context as well, visitors from China, Taiwan, and South Korea accounted for almost 60% of total consumption, with shares of 32%, 13.4% and 11.6% respectively. Shopping topped the list of spending categories at 34.7%, followed by hotel expenses at 28.5% and meal expenses at 22.8%, according to JNTO research.

These statistics raise two points related to our main topic in this issue, namely future relations among East Asian nations. One is that such a significant number of tourists from East Asia could increase Japan's soft power in achieving better foreign relations in the region. The other is that the impact of those tourists' consumption is important for the Japanese economy.

On the first point, it is self-evident that tourism alone, whether it increases significantly or not in East Asia, will not be crucial to resolving the challenges in foreign policy we are facing at this moment. However, the continued sustainability of tourism growth among the nations of East Asia would contribute to a certain degree to long-term stability in foreign relations in the region. This may be

CHART 1

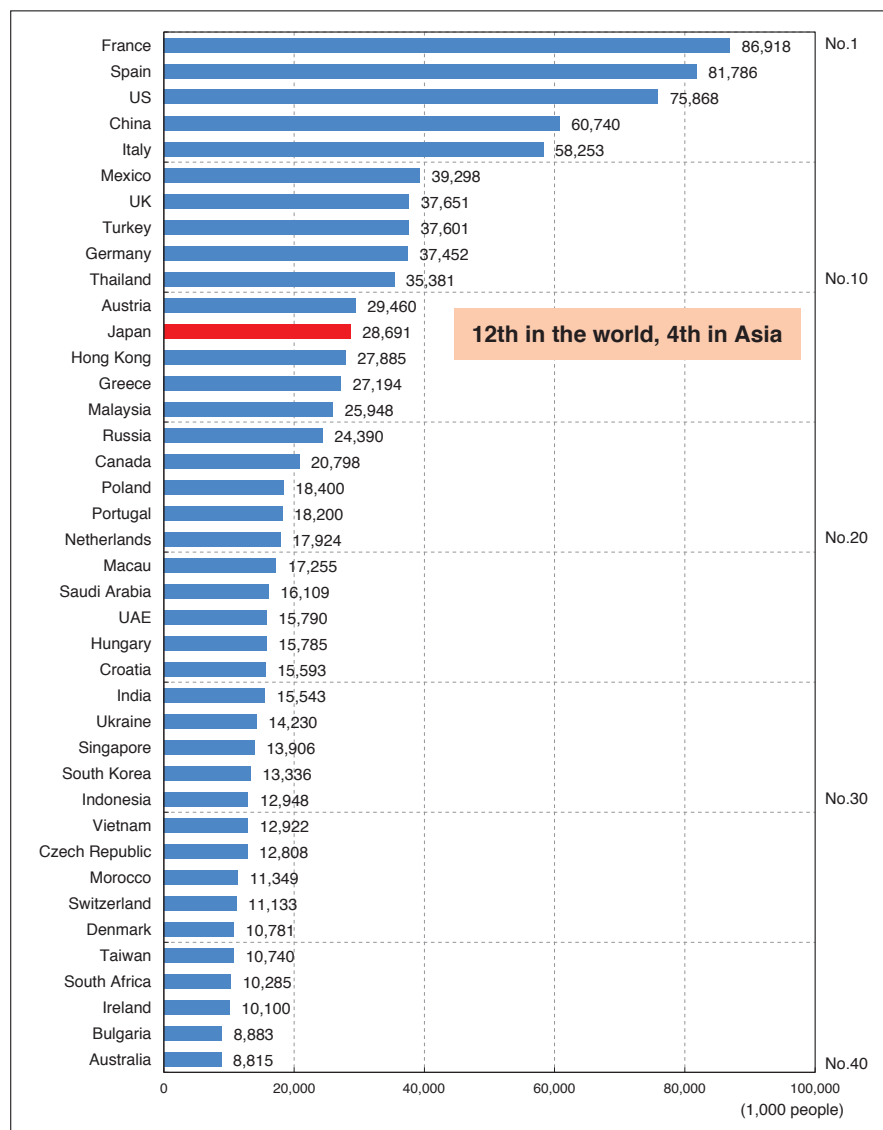
Trends in inbound tourists in Japan & their spending



Source: Japan National Tourism Organization (JNTO)
<http://www.mlit.go.jp/kankochou/siryou/toukei/syohuhyousa.html>

CHART 2

Comparison of inbound tourism by country/area for 2107



Source: UNWTO Compilation: Japan National Tourism Organization (JNTO)
https://www.jnto.go.jp/jpn/statistics/visitors_ranking.pdf

similar to the effect of student exchanges among nations, not working to resolve foreign policy issues but contributing to better relations in general.

On the second point, since the sum of tourist consumption remains a small percentage of total GDP — only around 1% of Japan's GDP in the second quarter of 2018 — it has not had a significant impact on the macroeconomy yet. However, such a significant increase in inbound tourism will encourage the Japanese

tourism industry to be better prepared, and this will require much more investment in facilities such as hotels, museums, and transportation. Thus, total GDP should increase rather significantly in the long run. So this economic question would eventually have a positive answer.

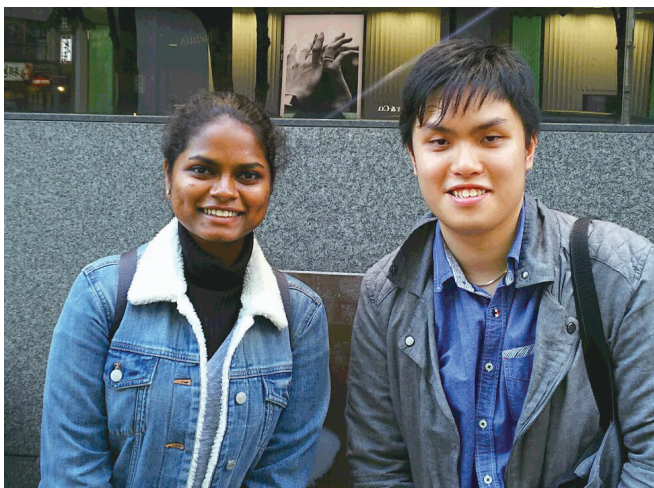
The first question about East Asian relations is the main cover story of the *Japan SPOTLIGHT* January/February 2019 issue and I will address it in the following sections.

Interviews with Tourists Visiting Ginza

Whether tourists enjoy their visit to Japan and whether they like Japan and Japanese people would be key points in assessing any long-term positive impact on our foreign relations. It would be worth trying to hear their views directly.

The Japan Economic Foundation (JEF) office is in Ginza, close to Matsuya Department Store, one of the most frequently visited tourist shopping venues. We often hear that many tourists visiting Ginza spend a large amount of money on a variety of Japanese products, ranging from stationery to luxury goods. Taking advantage of our location, we organized a short survey among tourists visiting Ginza from around 2:00 p.m. to 4:00 p.m. on Wednesday, Oct. 24, 2018. The weather was a little cloudy but generally fine. We listed 10 questions for the tourists, focusing on their motivation for visiting Japan, whether they were enjoying their stay, what they find good about Japan and what they find annoying or embarrassing, and how they think Japanese services for inbound tourists could be improved.

We had two college students who volunteered to help us in these street interviews — Adon Chu, a third-year student at Keio University from Hong Kong who has studied in Japan for three years, and Arpita Victor, a first year student at Soka University from India who is an exchange student between Soka and St. Stephen's College in Delhi. Chu kindly translated our list of English questions into Chinese and put them to Chinese tourists, while Victor talked in English with non-Chinese tourists in a humorous and candid manner. Thanks to their hard work and pleasant demeanor, we had several successful interviews, though some tourists were unable to answer all the questions due to their tight schedules, as in cases of large numbers of Chinese tourists travelling on a group tour. The views of some of these tourists interviewed by our two students (*Photo*) are given here.



Arpita Victor (left) & Adon Chu

Four cases of Chinese tourists

1. The first person interviewed came from southern China with her family. She joined a group tour organized by a travel agent in China. She found in the organized tour that they could spend only a very limited time in each spot and not as much as she wished. This was her first visit to Japan. She believed Japan to be a clean country with beautiful natural scenery. She wanted to discover more about the people and culture of Japan. She said she was enjoying the landscapes and was particularly amazed by the stunning view of Mt. Fuji. She found Japanese people very patriotic. She wants to visit Japan again to go to Hokkaido, as she did not have time to do so on this visit. She would like to enjoy more great views there and also sample the cuisine. She said one problem is the language barrier. Although she found interesting objects in her trip, she could not find out exactly what they were, because there were no descriptions available in Chinese.
2. The second person came from Guangdong Province with her friends and colleagues on a company trip. Although it was her company that decided to visit Japan, she was interested in Japan and wanted to know more about Japanese people on her first visit. In her stay, she went shopping and visited historical sites and attractions, as well as hot springs. She was also interested in Japanese food. She found Japanese services everywhere to be very high quality and very pleasant. That was the most amazing part of her trip to Japan.
3. The third person came from Hunan Province with her friends on a group tour. Since this was her first visit to Japan, she also wanted to know more about the country and to compare it with her own. She was interested in the differences between the two nations and wanted to know how advanced Japan is and how China could improve to catch up with Japan. She also wanted to enjoy shopping and eating Japanese food. She found that Japan is a very clean country and overall Japanese people had good manners and were rule-abiding. She also believes that Japanese are doing well in ensuring food safety. Before she came to Japan, she thought that Japanese people might be hostile to Chinese due to historical reasons. But after visiting Japan, she thought that Japanese people are generally very kind and their tourism service is excellent. Some shops even hire Chinese students to serve Chinese customers, which made her feel at home. She wants to visit Japan again. On a different note, she was a bit annoyed by the language barrier and the complexity of the Japanese subway system. She also found Japanese sex shops a bit embarrassing and thought that the Japanese are more open about them than the Chinese, who are more reserved about sex in general. She was a bit disappointed that everything was more expensive than she had expected, and was a bit annoyed in particular to see that some items at the shops which her tour guide took her to were very

expensive. She said she thinks a large number of tourists will surely come to Japan for the Rugby World Cup or the Tokyo Olympics and Paralympics, but she would not choose those occasions to visit Japan again as it will be overwhelmingly crowded, given that the trains in big cities are even now already so packed. She thinks it will be very difficult to reserve hotel accommodation during those periods. Japan would need to make sure that visitors can find transportation routes easily, and she thinks that promoting the use of travel navigation applications for a smartphone in a visitor's first language would be one way of doing this.

4. The fourth person came from Hefei in Anhui Province. She loves Japanese culture and that is the reason why she has already been in Japan three times. This was her fourth visit, traveling with her family on a self-guided tour. She was planning to shop and visit historical attractions, as well as sample Japanese cuisine and stay at hot springs. She was very much impressed by Japan's high-quality service and culture each time she visited the country, and finds Japanese people to be very nice. She does not find anything annoying or embarrassing in Japan and would like to come back to Japan again. She is happy overall with tourism services, but thinks it would be great if public transport could provide Chinese tourists with more information in Chinese. She thinks the Rugby World Cup and Tokyo Olympics and Paralympics will be good occasions for Japan to welcome more tourists, but believes there are not so many things that need to be improved in Japan's tourism services.

Three cases of non-Chinese tourists

1. First, a Singaporean couple travelling with their family. They have been to Japan three times. They are enjoying sightseeing and want to visit Japan again. The language barrier is the biggest issue for them in travelling in Japan. They find it very intimidating to go out and socialize. They think the railway system can be made more accessible by simplifying train schedules. On the occasions of sports events like the Tokyo Olympics and Paralympics, they hope that sports facilities in Japan will be expanded to hold more people. Although they wanted to get tickets for a tennis match in Japan, they found the tickets had already sold out.
2. Second, Italian sisters travelling with their friends and family. They had been in Japan for 10 days on their second visit. They liked Japanese hot springs and would recommend other people to visit them. They found Japanese people gentle, polite and ready to help them if they were in difficulty. They would like to come back to Japan again next spring. What they find weird about Japan is that on the trains you cannot speak so loudly or talk on the phone. They also think there should be one single railway pass with

which they can go anywhere. With this, they would not have to use a Japan Railway pass and a subway ticket at different points. That would be time saving. They believe the Tokyo Olympics and other sports events would be a great opportunity to increase tourism in Japan, and they will maybe come back to Japan after those events to see how much Tokyo may have been changed by them.

3. Lastly, an Argentine couple travelling in Japan for a couple of weeks. Their best experience has been observing the contrast between the traditional and the modern sides of Japanese people. Although they have not had any annoying experience in Japan and found Japanese overall ready to help tourists, they wish they could communicate with people better, especially in the Japanese countryside rather than in Tokyo. They find Japan very charming and would like to come back again. They found traffic signs and directions clear enough, but it was difficult to buy tickets for transportation and they were lost in looking for a boarding place for a long-distance bus service. They think that for those upcoming sports events Japan would not need to improve its tourism facilities, which they find already good enough, with most signs and directions being available in English.

Although we had only a small sample, the reactions to our survey were mostly positive and encouraging in acknowledging the soft power of tourism in Japan. Most respondents share the view, however, that the language barrier must be mitigated and transportation systems could be improved for the interest of tourists. With such improvements, I think Japan could have even more soft power in tourism.

Learn from Foreign Tourists on a Japanese TV Program

Japanese mass media have often focused their attention on inbound tourists in Japan. One example of this is a documentary program titled *Why Did You Come to Japan?* by TV TOKYO Corporation which began in June 2012 and continues to be broadcast every Monday evening. We interviewed Yu Ota and Tetsuo Murakami about the program on Oct. 10, 2018 (*Photo*). Ota, the current producer of the program, said, "I heard from my predecessors that they wanted to produce an authentic documentary program highlighting the true stories of foreign visitors to Japan." Murakami, Ota's predecessor who started this program and now chief producer of TV TOKYO, said, "We did not aim to highlight the gradually increasing inbound tourism in Japan in 2012 after the Great East Japan Earthquake in 2011. There was then certainly an explosive boom in shopping by Chinese tourists and we were trying to ask some of those tourists to appear on our program, but we



Yu Ota (left) & Tetsuo Murakami

could not find any. So we decided just to pick any foreign tourists arriving at Narita Airport and interview them.”

They watch foreign tourists who have just arrived at the airport and try to interview at random any they find interesting, judging from their appearance. They follow those interviewees from the airport, if they are allowed, on their trips to many places in Japan and highlight their personal stories. Murakami said that the program focuses on what an individual foreign tourist finds attractive about Japan and through that story they try to show the viewers his or her personal charms. So they are not trying in particular to highlight or promote Japanese culture and its attractions for tourists. There have been many interesting stories so far. Ota related some of them:

“There was a French boy who loved Japanese seals (*hanko*) and came to Japan to have one made. A story of a Spanish guy travelling by bicycle in Japan was also fascinating. He loved the Japanese language and in particular the difference in Japanese culture between ‘principles’ and ‘real intentions’ (*honne* and *tatemae*). He was travelling from Tokyo to Okinawa in the southwest in order to understand this concept better by talking with Japanese people in Japanese, as well as to learn about dialects. An elderly American couple, an 82-year-old husband and his 73-year-old wife, living in Florida where the Walt Disney World Resort is located, love Tokyo Disneyland so much and have been visiting Japan twice a year for these past 15 years to stay there for two months to enjoy Tokyo Disneyland’s hospitality. And there was another American from an island in Alaska, surprised to see in Japan that you can buy beer in a vending machine and drink it on the street, as in the United States you would need ID to buy alcohol. He came to Japan to buy beer in a vending machine and have a drink with his girlfriend.”

Ota also said in trying to find things in common among these

tourists he interviewed, “It is difficult to find commonality among the motivations of tourists who come to Japan. There are a wide range of personal reasons, as I mentioned. We can probably say that animation is one very common reason for them to be interested in Japan. *Pokemon* is the most popular Japanese animation among Americans, while Hayao Miyazaki’s animations are the most popular ones among Europeans. Girls in general love *Sailor Moon*.”

Ota warned that any preoccupation with stereotypes about foreign tourists’ interest in Japan would mislead us in our promotion of tourism. “They are already informed about good Japanese restaurants by the Internet. My impression is foreign tourists are increasingly knowledgeable about Japan. We may not necessarily have to create a new uniform public infrastructure for tourist information, as each tourist may be able to acquire the information they need on their own, depending on their own interests. What we can do to help and what would be most appreciated by them is to talk to them in broken English in times of difficulty and accommodate a better Wi-Fi infrastructure, as the language barrier and availability of Wi-Fi are their common complaints about Japan.”

Ota is planning to create a new part of the program called “Olympics YOU” and introduce athletes from various nations training and studying in Japan in the hope of qualifying for the Tokyo Olympics and Paralympics. *Why Did You Come to Japan?* has become popular abroad in places such as Taiwan and Thailand, and so is proving to be a strong soft power in this regard. Ota also changed his views about French people thanks to this work. The French tourists he met on this program were all friendly and eager to speak Japanese seriously, like the French boy who loved *hanko*, whereas he had previously thought the French in general a bit difficult to please before starting to work on this program.

The soft power of any nation can be made not only by the nation’s people but also by tourists coming from overseas or students or working people staying in the nation. Those foreigners’ diversified views on the nation’s culture could remind the nation of its own attractions which it might have forgotten or never been aware of. Thus the power of a nation’s culture could be enriched and this process of enrichment could itself lead to mitigating the long-term political challenges. In this light, all the tourists and foreign laborers rapidly increasing today in Japan are welcome to help enrich Japanese culture and consolidate its soft power.

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