



Japan Fact Sheet

Japan Overview

Japan is Hawai'i's largest international market and dynamic plans are being launched to grow interest in our islands. Hawai'i continues to thrive in an increasingly competitive travel environment. Instead of dropping prices and standards, HTJ is elevating its strategy. The organization is coming up with unique marketing campaigns to draw in new corporations to promote Hawai'i. It also nurtures established travel partners in Hawai'i and Japan to ensure that Hawai'i remains a preferred vacation destination for Japanese travelers.

Year-to-date July 2020 Quick Facts¹

Visitor Expenditures: NA (Not available)
 Primary Purpose of Stay: Pleasure (253,205) vs. MCI (19,316)
 Average Length of Stay: 5.89 days
 First Time Visitors: 31.9%
 Repeat Visitors: 68.1%

JAPAN MMA (by Air)	2018	2019	% Change 2019 vs 2018	2020* Forecast	% Change 2019 vs 2020 Forecast	YTD July 2020P	YTD July 2019	% change YTD
Visitor Expenditures* (\$ Millions)	2,144.7	2,248.3	4.8%	NA	NA	NA	1,218.9	NA
Visitor Days	8,892,748	9,306,767	4.7%	NA	NA	1,734,782	5,083,982	-65.9%
Arrivals	1,489,778	1,576,205	5.8%	NA	NA	294,348	868,821	-66.1%
Average Daily Census	24,364	25,498	4.7%	NA	NA	8,145	23,981	-66.0%
Per Person Per Day Spending* (\$)	241.2	241.6	0.2%	NA	NA	NA	239.8	NA
Per Person Per Trip Spending* (\$)	1,439.6	1,426.4	-0.9%	NA	NA	NA	1,403.0	NA
Length of Stay (days)	5.97	5.90	-1.1%	NA	NA	5.89	5.85	0.7%

**Dept. of Business, Economic Development & Tourism (DBEDT) 2020 forecasts were not available at the time of report publication.*

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¹ 2020 visitor data are preliminary. 2019 and 2018 visitor data are the final numbers and reflect updated airfare statistics from DIO Mi Airline database, and final passenger counts from Airline Traffic Summary reports.

Market Summary

Due to the COVID-19 pandemic, all passengers arriving from out-of-state during July were required to abide by a mandatory 14-day self-quarantine. Exemptions include travel for essential reasons like work or healthcare. The U.S. Centers for Disease Control and Prevention (CDC) also continued to enforce its “No Sail Order” on all cruise ships.

In July, 54 visitors arrived from Japan compared to 134,587 visitors a year ago. Visitor spending data were not available.

- Through the first seven months of 2020, arrivals decreased 66.1 percent to 294,348 visitors. Visitor days declined 65.9 percent. The average daily census showed 8,145 visitors per day, a 66.0 percent drop compared to the first seven months of 2019.
- Through the first seven months of 2020, 93.3 percent of Japanese visitors went to O‘ahu, 12.2 percent visited the island of Hawai‘i, 2.8 percent visited Maui, and 1.3 percent visited Kaua‘i. The portion of Japanese True Independent visitors was 38.5 percent. First time visitors comprised 31.9 percent.
- Through the first seven months of 2020, scheduled air seats decreased 59.4 percent to 466,072 seats.
- In 2019, spending by Japanese visitors rose 4.8 percent to \$2.25 billion. Both visitor arrivals (+5.8% to 1,576,205) and visitor days (+4.7%) increased while daily visitor spending (+0.2% to \$242 per person) was similar to 2018. The average daily census showed 25,498 visitors per day in 2019, an increase of 4.7 percent compared to 2018.
- In 2019, 94.7 percent of Japanese visitors went to O‘ahu, 10.8 percent visited the island of Hawai‘i, 3.0 percent visited Maui, and 1.6 percent visited Kaua‘i. In 2019, 37.7 percent of Japanese visitors were True Independent who made their own travel arrangements; and 31.9 percent of Japanese visitors were first timers to Hawai‘i.
- In 2019, air capacity from Japan declined (-2.1%) from 2018 to 1,999,204 scheduled seats.

Market Conditions

- The exchange rate was at 106.78 JPY to USD in July 2020, continuing to gain slight strength over the US dollar. This despite the nation being in a recession with a recent surge in COVID-19 cases, indicating that the currency market has continued to act rationally. A significant reason for this is the fact that foreign exchange markets often regard the Japanese yen as a safe haven status when international tensions rise, as can be seen with the recent heightening of tensions between China and the United States.
- Unemployment rates in Japan declined slightly from May to 2.8 percent in June. However, Japan’s job availability fell to its lowest levels in over 5 years with the job-to-applicant ratio deteriorating to 1.11 from 1.20 in May. The ratio indicates that there were 111 job openings for every 100 job seekers. While unemployment rates declined, the total number of jobless individuals increased by 330,000 year over year, recording 5 consecutive months of growth, indicating that the labor market remained in a severe condition.
- The COVID-19 outbreak continued to spread in Japan throughout July, with a resurgence in confirmed cases being seen as total cases grew by 15,779 in July, bringing the total to 34,372 as of July 31. On April 7, the Japanese government officially declared a state of emergency for

high-risk regions such as Tokyo and Osaka, which was then expanded to cover the entire nation on April 16. Japan then lifted its emergency declaration at the end of May, allowing for many facilities such as bars and restaurants to reopen. More recently, Japan has seen a sharp uptick in confirmed cases since the end of July, resulting in certain prefectures such as Tokyo issuing their own emergency alert.

- The government is working to introduce testing centers for COVID-19 at Narita, Haneda and Kansai International Airports, along with inside the metropolitan city centers of Osaka and Tokyo. The screening centers are being established to mitigate spread of COVID-19 as the government begins to urge domestic travels and seeks reopening of international borders.
- The travel industry is taking significant hits as an increasing amount of travel restrictions are being imposed. All direct flights between Japan and Hawai'i are currently suspended, with most airlines announcing that the suspension will extend through September. Major travel agencies are also canceling all of their international tour products from the lack of airlift.
- A list of currently announced flight changes for Hawai'i is as follows:
 - All Nippon Airways: suspension of all services through September 30.
 - Delta Air Lines: suspension of all services through October 24.
 - Hawaiian Airlines: suspension of all services through September 16.
 - Japan Airlines: Suspension of most services through September 30.
6 special flights to be operated on: 8/1, 8/10, 8/20, 8/30, 9/15 and 9/29.
 - United Airlines: suspension of all services through September 30.
 - Korean Air: suspension of all services through September 30.
 - Air Asia X: suspension of all services until further notice.

Distribution by Island

JAPAN MMA (by Air)	2018	2019	% Change 2019 vs 2018	YTD July 2020P	YTD July 2019	% change YTD
O'ahu	1,399,307	1,492,753	6.7%	274,610	823,505	-66.7%
Maui County	50,000	48,524	-3.0%	8,475	28,083	-69.8%
Maui	48,450	46,684	-3.6%	8,136	27,066	-69.9%
Moloka'i	1,200	1,941	61.8%	421	894	-52.8%
Lāna'i	1,763	2,300	30.5%	133	1,378	-90.3%
Kaua'i	24,806	25,333	2.1%	3,710	13,328	-72.2%
Island of Hawai'i	176,499	170,686	-3.3%	35,908	90,555	-60.3%

Airlift

Departure City	2020					2019					%CHANGE				
	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual
JAPAN	465,328	744	158,672	542,618	1,167,362	505,898	475,392	517,124	500,790	1,999,204	-8.0	-99.8	-69.3	8.4	-41.6
Fukuoka	13,622		4,726	14,456	32,804	14,916	6,780		5,560	27,256	-8.7			160.0	20.4
Nagoya	32,280		7,170	33,288	72,738	36,411	38,473	42,328	36,904	154,116	-11.3		-83.1	-9.8	-52.8
Osaka	92,526		26,542	97,616	216,684	134,549	105,119	98,893	102,814	441,375	-31.2		-73.2	-5.1	-50.9
Sapporo	10,008		3,614	10,842	24,464	12,232	10,842	11,676	10,842	45,592	-18.2		-69.0	0.0	-46.3
Tokyo HND	60,685	744	46,650	163,260	271,339	72,180	72,982	73,784	73,784	292,730	-15.9	-99.0	-36.8	121.3	-7.3
Tokyo NRT	256,207		69,970	223,156	549,333	235,610	241,196	290,443	270,886	1,038,135	8.7		-75.9	-17.6	-47.1

Source: Diio Mii airline schedules. Updated July 29, 2020.

Group vs. True Independent; Leisure vs. Business

JAPAN MMA (by Air)	2018	2019	% Change 2019 vs 2018	YTD July 2020P	YTD July 2019	% change YTD
Group vs True Independent (Net)						
Group tour	256,350	246,490	-3.8%	50,659	142,133	-64.4%
True Independent (Net)	591,168	594,917	0.6%	113,403	320,892	-64.7%
Leisure vs business						
Pleasure (Net)	1,243,669	1,360,644	9.4%	253,205	750,063	-66.2%
MCI (Net)	96,102	85,595	-10.9%	19,316	50,905	-62.1%
Convention/Conf.	17,355	12,527	-27.8%	3,948	9,016	-56.2%
Corp. Meetings	3,372	4,068	20.6%	883	1,983	-55.5%
Incentive	77,439	70,254	-9.3%	14,852	40,691	-63.5%

First Timers vs. Repeat Visitors

JAPAN MMA (by Air)	2018	2019	% Change 2019 vs 2018	YTD July 2020P	YTD July 2019	% change YTD
1st timers (%)	33.1	31.7	-1.3	31.9	32.6	-0.7
Repeaters (%)	66.9	68.3	1.3	68.1	67.4	0.7

Tax Revenue

JAPAN MMA (by Air)	2018	2019	% Change 2019 vs 2018	YTD July 2020P 1/	YTD July 2019	% change YTD
State tax revenue generated* (\$ Millions)	250.35	262.43	4.8%	NA	142.28	NA

*State government tax revenue generated (direct, indirect, and induced)