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***JATA Chairman: "It is necessary to seek win-win relations with LCC"**

Japan Association of Travel Agencies (JATA) Chairman Akira Kanai mentioned the recent low cost carrier (LCC) movement at JATA World Tourism Congress: "The airline industry is changing drastically right now, as the business relation with legacy carriers is changing, including the recent commission issue. I guess LCC will play more important roles in Japan as well. They do very tight businesses, so I think it is necessary to seek how the travel industry of Japan can establish win-win relation with LCC."

In the meantime, JATA Vice Chairman Takashi Sasaki, who is also Chairman of Visit World Campaign (VWC) 20 Million Travelers Promotion Special Committee said that the biggest key is China for recovery of outbound travel demand, when he mentioned year-on-year reductions of Japanese outbound

travelers for 15 consecutive months until July 2008. "Tourist demand for China may recover to the normal pace as early as spring next year."

However, he said, "I don't think overall outbound travel demand would recover rapidly for complex reasons, including the today's economic condition and fuel surcharges."

To achieve the VWC goal of 20 million outbound travelers by 2010, it is necessary to create additional demand of about 3 million travelers, and Sasaki recognizes that it is a very tough challenge. He has emphasized that the travel industry must work together toward the goal in cooperation with Tourism Agency that is launched on October 1 this year.

Sasaki also mentioned the fuel surcharge issue in the travel industry: "JTB will begin selling LOOK JTB products at prices including fuel surcharges. I think other whole sellers will follow the JTB's action. It will be easier for consumers to understand travel product prices."

***Vietnam is designated as a focal destination for VWC**

The 2nd Japan-Vietnam Tourism Cooperation Committee between tourism authorities of Japan and Vietnam was held in Tokyo on September 19 to finalize action plans for expansion of tourism exchanges between both of the countries. The action plans include designation of Vietnam as one of the focal countries for Visit World Campaign (VWC) for the second half of FY2008 and FAM tours for travel companies or media of Japan to Vietnam. Also, the Vietnam government is discussing establishment of Vietnam Culture Center for tourism promotions.

The Committee also confirmed that Japan Association of Travel Agencies (JATA) would continue supporting Vietnam National Administration of Tourism and Vietnam Travel Association for workshops or tourism seminars in Japan. Both of the tourism authorities have agreed to make efforts to increase school trips from Japan to Vietnam in cooperation with the related Japanese organizations in Vietnam, including Japanese Embassy in Vietnam.

Ministry of Land, Infrastructure and Transport has begun tourism supports to Vietnam and Uzbekistan as one of the new destination development efforts under the FY2008 ODA budget. For Vietnam, the Ministry conducted market research on Japanese visitors to Vietnam and supported production of Vietnam tourism pamphlets in Japanese.

At the same time, both of the tourism authorities will discuss tourism promotions for Vietnamese tourists to Japan, researching and analyzing potential demand of outbound travelers from Vietnam.

With regard to human resource development, the Japanese tourism authority will invite tourism industry people to Japan to give them a variety of education opportunities. Also, it will support training of Japanese-speaking tour guides in education institutions of Vietnam.

***Prices and passport discourage young travelers to go overseas**

Japan Association of Travel Agencies (JATA) Visit World Campaign (VWC) 20 Million Travelers Promotion Office recently conducted a survey on the attitudes of young travelers for overseas travel, together with Wakayama University Tourism Department. The number of samples, collected on internet, is 4,740 from 15 to 39 years old.

The survey first finds that respondents who have positive intentions to overseas travel account for 41.5% of the whole. Added 26.5% for slight positive intentions, the ratio of young travelers who intend to go overseas reaches nearly 70% of the whole. Among the age segments, 77% of all 20's female respondents have intentions to go overseas.

Out of all respondents without overseas travel experiences, 50.9% have positive intentions or slight positive intentions. Out of all respondents with overseas travel experiences, 65.8% of all once-experiences show positive intentions or slight positive intentions, and the ratio rises to 83.8% for more than twice-experiences.

In a questionnaire on negative factors against overseas travel, respondents with an answer that prices are too high account for 73%, and those with an answer that acquisition or renewal of passport is complicated reach 70% (multiple answers). Also, many respondents answer that it seems to be difficult to understand the price system of overseas travel products.

Other negative factors are "It is hard to take holidays" (29.5%), "No money enough to use for leisure" (52.7%) and "Too far from home to an international airport" (52.4%), for example.

The average of overseas travel experiences among all respondents is 3.9 times, and it reduces to 1.3 times for the last three years. The average of travel days is 9.4 days, and the average of travel expense is 150,000 yen. The survey also finds that passport holders account for 44.7% of all respondents.

***Two flights a day between Haneda and Singapore are agreed**

The bilateral aviation talks between Japan and Singapore, which were held in Singapore in September 17 and 18, agreed liberalization of flights to airport of Japan except Haneda Airport and Narita International Airport and also flights to Haneda Airport during the time zone from late night to early morning after the fourth runway of Haneda opens in 2010.

According to the agreement, an airline of Singapore will be able to serve two flights a day between Singapore and Haneda Airport (including one cargo flight) during the time zone from late night to early morning after the fourth runway of Haneda opens in 2010. The equal right is approved for airlines of Japan.

After the extension of the second runway at Narita completes, an airline of Singapore will be able to add one flight service a day, accordingly three flights a day.

Japan also agreed that an airline of Singapore would be able to serve seven

flights a week at maximum to a destination of U.S. via Kansai International Airport and Central Japan International Airport respectively.

***Emirates to show its strong ambition to fly into Tokyo**

Emirates Airlines Senior Vice President Commercial Operations East Asia & Australia Richard Vaughan said at a press conference in Tokyo on September 19, "We hope to fly into Tokyo as soon as possible. Tokyo is the most important destination for us in Far East region." Also, the airline is discussing A380 flight service to Japan, he added.

Although Vaughan showed his strong ambition to fly into Tokyo, the recent bilateral aviation talks between Japan and United Arab Emirates (UAE) did not reach an agreement on open of the Narita route. The negotiation will restart as early as next month, and Vaughan said, that the airline is waiting for good news.

"First, we hope to fly into Narita International Airport. However, if Narita slots are not available, and if requirements are met, it will be no problem for us to fly into Haneda Airport," he said.

Today Emirates Airlines serve seven flights a week between Dubai and Kansai International Airport and Central Japan International Airport (Centrair) respectively. If Narita flights are permitted, it plans to serve seven flights a week.

The airline has maintained load factor of more than 80% on its Dubai-Kansai flights since opened in October 2002 and load factor of more than 70% on its Dubai-Centrair flights since opened in June 2006. On the Kansai flights, passengers from Haneda Airport account for 55% of all, and business travelers account for 40% of all. On the Centrair flights, leisure travelers from Chubu area account for about 80% of all.

***Kansai continued decreasing passengers**



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(English news).

JAPAN TIMES: <http://www.japantimes.co.jp>

THE DAILY YOMIURI: <http://www.yomiuri.co.jp/dy>

MAINICHI DAILY NEWS: <http://mdn.mainichi-msn.co.jp>

NHK: <http://www.nhk.or.jp/english>
