



**MISSISSIPPI RIVER COUNTRY USA  
JAPAN QUARTERLY REPORT  
October-December 2005**

Prepared by: Advance International, Ltd.  
Japan Representative  
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This report provides a summary of activities the Japan representative undertook

during October-December 2005.

### **Travel News & Trends**

*2005 End of Year Travel Even:* According to JTB's annual forecast, the number of Japanese traveling abroad for the end-of-year holiday season was estimated to be 624,000 people, up 0.8%. Italy, Northern Europe, Eastern Europe, Oceania, and the U.S.—particularly California for Disneyland 50<sup>th</sup> anniversary celebrations—were expected to be the popular destinations. Travelers appear to be sensitive to prices with many choosing to travel on the low season airfares after New Year's Day instead of before the end of the year when fares are higher. Due to a national holiday falling on January 9, departures were to be spread out over two peaks: December 29-30, when nearly 150,000 travelers would depart, and January 2-4, when nearly 200,000 Japanese were expected to head overseas.

*2005 Travel Up Moderately:* The final estimates for outbound travel from Japan for 2005 project a total of 17.4 million travelers. This figure is up 3.5% over 2004 and on target with JTB projections at the start of the year. Growth in 2005 came from strong travel demand for Europe and the U.S. (including Hawaii and Guam). In contrast to 2004, travel to China, and to a lesser extent Korea, declined dramatically in April after anti-Japanese protests and has yet to recover. Less than a year ago the travel industry could only talk about China and how strong they expected that market to be. After April, those prospects disappeared. Continued political tensions between Japan and China are affecting the general public's perceptions. A recent Nikkei poll indicated that only 32% of Japanese feel friendly toward China. This figure is expected to continue declining as politicians step up nationalist rhetoric. The only bright spot in Japanese Asia travel in 2005 was Taiwan which benefited from people who would have gone to China shifting to Taiwan instead.

*2006 Projections:* JTB forecasts the total number of outbound travelers will rise 3.6% to 17.95 million in 2006. This figure is considerably lower than what is needed to achieve the industry's target of 20 million outbound travelers by the end of 2007. Travel demand is expected to be strong for all regions except Asia due to continued weak demand for China and Korea. As long as these two destinations are down, the market overall will not grow as hoped. The travel industry is optimistic about demand to the U.S. with all wholesalers reporting increased advance bookings for the first quarter. Expectations are high for the industry-led fly/drive campaign and the Department of Commerce promotion planned for summer. However, even without those efforts, retail agents feel confident about selling the U.S. once again.

## Inquiries

The following is a breakdown of inquiries to and sales calls made by the Japan office during October-December 2005. A complete database of contacts and the nature of the inquiry is attached.

	Total	Trade	Media	Consumer/Other
All	49	27	21	1
Arkansas	1	0	1	0
Illinois	5	4	1	0
Iowa	0	0	0	0
Kentucky	2	1	1	0
Louisiana	11	6	5	0
Minnesota	0	0	0	0
Mississippi	7	2	5	0
Missouri	2	1	0	1
Tennessee	5	2	3	0
Wisconsin	3	1	2	0

Total 64

(The above totals exceed the total number of inquiries as some callers requested information on multiple states.)

## Summary of Activities: Public Relations

### *Media Exposure*

Travel Trade: 5 articles; ¥259,000 value (\$2,256)  
Consumer: 4 articles; ¥36,284,000 value (\$315,513)  
Broadcast: 0 programs

Value for year-Print: ¥36,543,000 (\$317,765)

Value for year-Broadcast: ¥0 (\$0)

The attached spreadsheet provides a complete listing of all publications and articles received during October-December 2005. One consumer article was published in September 2005 from a visit earlier in the year assisted by Louisiana and Missouri.

*Office Opening Fax Broadcast/E-mail Press Release:* During the first week of October the office announced the opening of the new Mississippi River Country USA Japan office to the press and travel trade through a fax broadcast and e-mail broadcast press release. The new office is located within Advance International, Ltd.'s offices with its own dedicated telephone line.

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*Mississippi River Country USA Japanese Website:* The office updated contact information on the current MRC Japanese website and met with a writer and designer to begin planning how to build a more comprehensive, improved site in

2006.

*Ongoing Media Projects:* During October-December the office was approached about assistance with the following media projects involving the Mississippi River Country region.

- Mainichi Newspaper Back Stage: Monthly entertainment and music supplement to 3rd largest national newspaper; requested assistance with a visit to Tennessee and Mississippi for a feature on blues and country music; project was postponed until Spring 2006
- Mainichi Newspapers: Ran full-page article in October 20 issue to raise donations for Hurricane Katrina Relief; requested assistance in obtaining official letters, photos and logos from the governors of Louisiana and Mississippi; article raised approximately \$4000 for the two states
- 20<sup>th</sup> Century Fox Movie Tie-up: The office was approached to cooperate in the promotion of "Walk the Line" largely filmed in Tennessee. The company plans a consumer sweepstakes to promote the film when it airs in Japan in Spring 2006; requested assistance in negotiating air for a trip for two to Memphis. This project is still under negotiation with the airlines and 20th Century Fox
- FBI Communications Piano Life: Music magazine planning a feature on Memphis music and Elvis for January 2006 issue; requested information on music attractions and slides to use in article

### **Summary of Activities: Marketing**

*SeeAmerica Week:* The fourth SeeAmerica Week in Japan was held in Osaka and Tokyo from September 20-26. Although Advance International had not formally begun representing MRC, representatives attending the various events were asked to provide information and assistance (as detailed in the inquiry database). The series of events were organized by The Japan Visit USA Committee, TIA and the U.S. Embassy Commercial Service. Travel trade activities included the following events.

- SeeAmerica Workshop Osaka—September 20, Ritz-Carlton Osaka. A tabletop workshop exclusively for the travel trade. The show attracted 144 tour operators and travel agents
- TIA Media Marketplace—September 26, Roppongi Hills. A tabletop workshop for media only organized by TIA. The marketplace

attracted 110 members of the travel trade and general media. Minnesota participated in this event.

- JATA World Travel Fair—September 22-24, Tokyo Big Sight. This year's show attracted 104,204 visitors—67,297 consumers and 36,907 travel trade and press. The U.S. Pavilion featured a silent auction for Katrina Relief and a SeeAmerica treasure hunt game. Minnesota participated in this event.

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