

“Golden Week holidays” ;

Number of overseas travelers almost at its past record high

JTB Corp, the largest travel agency in Japan releases the “Travel Survey for Golden Week” prior to the early May holiday season every year. The 49th survey this year contains popular destinations and travel budget for the travelers who stay more than one night departing during the period from April 25 to May 5. This is a useful research to assess consumer confidence. We expect people will take a long break during this year’s “Golden Week holidays” as the holiday sequence is favorable.

Point 1

Number of overseas travelers almost reaching past record high Travel expenses exhibit a trend for polarization of savers and spenders

- JTB released the “Travel Survey for Golden Week 2017” on 6th April, which shows the total number of travelers is expected to decrease 1.7% y-o-y to 23.6 million. As the holiday sequence is favorable for the latter part of “Golden Week holidays” compared to the previous year, number of overseas travelers is expected to increase +1.2% y-o-y to 595,000 almost reaching past record high. Meanwhile, that of domestic travelers is estimated to decrease -1.8% y-o-y to 23 million.
- As to travel expenses per person, “less than JPY20,000” accounts for more than 40% increasing from the previous year. Meanwhile, ratio of “JPY60,000 and above” has also increased. Travel expenses of this year’s “Golden Week holidays” exhibit a trend for polarization of “those who make budget traveling” and “those who enjoy travel by spending more for special occasion of Golden Week holidays”.

Travel data for Golden Week Holidays 2016 vs. 2017

	Units	2017 GW Holidays			2016 GW Holidays	
		Estimates (Numbers)	Change, y-o-y		Final Estimates (Numbers)	Change, y-o-y (%)
			(Numbers)	(%)		
Total Number of Travelers	thousand people	23,595	-403	-1.7%	23,998	+0.5%
Domestic Travelers		23,000	-410	-1.8%	23,410	+0.2%
Overseas Travelers		595	+7	+1.2%	588	+10.7%
Ave. Expense of Domestic T.	JPY	35,200	0	0.0%	35,200	-1.7%
Ave. Expense of Overseas T.		257,000	-2,000	-0.8%	259,000	-1.5%
Total Travel Expenses	JPY billion	962.5	-13.8	-1.4%	976.3	+0.8%
Domestic T. Expenses		809.6	-14.4	-1.7%	824.0	-1.5%
Overseas T. Expenses		152.9	0.6	+0.4%	152.3	+15.4%

- (Note)
1. Number of travelers is a cumulative total number of people. Average expense is an amount spent by each person at one travel plan.
 2. Average expense of domestic travel includes expenses spent during travel such as travel expense, hotel charge, souvenir expense and food expense.
 3. Average expense of overseas travel includes fuel surcharge. Excludes expenses spent overseas such as souvenir expense.
 4. Y-o-y changes are rounded off to two decimal places.

(Source) SMAM, based on JTB data.

Point 2

“Returning home” increased as an objective of domestic travel Extended travel making use of long break is popular for overseas travel

- As “objective” of domestic travel, “returning home to spend time with separated families” increased 13.7 points from the previous year. It seems that many people plan to “return home” making use of long break. Also, for those traveling together, “family” was ranked top accounting for 71.2%. Amongst “family”, ratio of “accompanied by children” saw increase.
- For overseas travel, nearby regions (mainly Asia) still remain as popular destinations, as people are becoming more budget-minded. This year, however, traveling far to places such as Hawaii, Canada, Europe (Scandinavia, Spain) has also become popular.

Future Outlook

Trend of “Selective consumption” is seen even in travel

- The latest survey shows an improvement of environment to travel overseas as i) JPY is stronger compared to the previous year and ii) fuel surcharge (started to be charged again from February 2017) is not as high as it was before.
- We could see trend of travel during “Golden Week holidays” continued to remain budget-minded, meanwhile, people enjoy spending more for the special occasion such as “Golden Week holidays”. We expect trend of “Selective consumption” will continue going forward.

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