



EMBASSY | UPDATE

Travel & Tourism: Best in Show

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Japan's prime travel exhibition, the JATA Tourism EXPO, wound up over the last weekend of September, with over 100,000 consumers sidling along packed aisles. Over four days, the Commercial Service Japan booth welcomed hundreds of trade professionals and recruited another big delegation to the US equivalent of the Tokyo show, IPW, which opens next May in Orlando.

Across the aisle, the U.S. Department of Agriculture's Agricultural Trade Office pioneered a "Taste of America" booth, featuring soup to nuts (literally), and top craft beers. Food is a part of travel, as a glance at any Japanese guidebook confirms.

This summer, the Discover America Project launched a showcase of the United States as a culinary destination. Developed with the Department of State, the initiative served up regional stories and recipes created by chefs.

This year's expo nearly doubled its already appreciable size by combining inbound, outbound, and domestic events. Melding three travel markets fills not only trade show halls, but also the coffers of US hotels, airlines, cruise ships, Internet aggregators, and theme parks operating here. Japan's tourist influx is a mega-opportunity for US business, too.

Finally, a super structure

In the overseas expo halls, one nation stood out: the United States boasted the largest non-Japanese contingent, with about 100 booths comprising three contiguous pavilions, with Guam/the Mariana Islands and Hawaii flanking a pavilion for Alaska and the lower 48 states.

Moreover, the US area was the most popular on the public access days, and—as a welcome change—the best looking structure, to boot!

The appeal was owing to BrandUSA, the private-public partnership that in just a few years has emerged as a world-class marketing organization for US travel.

Under the leadership of Yoichi Hayase, BrandUSA's director of Japan and Asia strategy, and the Washington, D.C. home office, the organization has produced a compelling campaign of images and music to draw new visitors and help regular tourists find new themes and destinations.

The robust BrandUSA tourism superstructure is not without high-flying buttresses; the venerable Visit USA Committee Japan, the U.S. Travel Association, and the American Chamber of Commerce in Japan's Travel & Tourism Committee dovetail at the perfect moment to give wing to the promotion of US tourism interests here.

Given the multi-directional nature of the business, we now boast allies including the Japan Association of Travel Agents (EXPO organizer) and the All Nippon Travel Agents Association.

Travel tailwinds

The positive story on Japanese inbound tourism is reflected in record arrival figures over recent months, which were supported by the relaxation of Japanese visa requirements for certain Southeast Asian travelers and the yen's change in value.

Outbound travel from Japan to the United States is growing again as well, having risen to 3.73 million travelers in 2013 and representing some \$18 billion in spending, the largest in absolute and per capita figures of any nation outside of North America! About one in five foreign tourists to the United States hails from Japan.

We also enjoy an updraft from increased direct air links to non-traditional gateways, and the promise of more routes to come. While Japan's overall demographics cloud the horizon for economic growth, the swelling ranks of well-heeled retirees with a favorable take on America represent a silver-haired lining.

Enhancements via trusted traveler programs and other travel facilitation measures by our two governments are also under way.

Let's get packing!

Given the unprecedented marketing support of BrandUSA and our partners, in addition to neutral to positive macro factors, now is the time for the US public and private sectors to push US-bound travel from Japan.

In sum: Travel and tourism are priorities: the sector is lucrative, mutually beneficial, and brings people-to-people exchange benefits extending beyond economics. • US interests in Japan benefit from domestic and Japan-bound growth, as well as related infrastructure and relationships. • We have a brand, BrandUSA!