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JAPANESE VISITOR SURVEY

Highlights Report

Industry, Science and Technology Canada (ISTC)
Tourism

June 25, 1993

Canada

Industry, Science and Technology Canada

Industrie, Sciences et Technologie Canada

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INTRODUCTION

In 1991, Japan ranked as Canada's second most important international market in terms of visitor revenues and third in terms of visitor numbers. Japanese outbound travel is expected to grow from 11.7 million visits abroad in 1992 to more than 20 million by the year 2000. Doing business in a marketplace well-known for its fierce competition requires that Canada keep pace with its quickly changing needs.

Tourism Canada (Department of Industry Science and Technology), in partnership with the provincial tourism offices of British Columbia, Alberta, Quebec and Ontario, and Canadian Airlines International, conducted a survey of Japanese visitors to Canada in the fall of 1992.

The objectives of the study were to refine study partners' knowledge of the Japanese market and to complement earlier studies conducted by Tourism Canada on the Japanese market. The results identify areas for product improvement and new development opportunities to better serve the needs of high potential segments of the Japanese travel market.

METHODOLOGY

The survey was conducted aboard Canadian Airlines International (CAIL) departures from Toronto and Vancouver for Tokyo and Nagoya Airports, Japan. Thirty-six flights were surveyed between September 21 and October 9 1992.

A total of 9,000 questionnaires translated into Japanese were printed for distribution to all Japanese residents 18 years of age and older. On each flight, an announcement was made in English and Japanese to briefly explain the survey instructions. CA-IL inflight staff distributed the self-completed questionnaire and a complimentary pen, and collected the completed surveys later during the flight.

A total of 3,079 completed survey questionnaires were returned. Assuming that all 9,000 questionnaires were distributed, this results in a conservative response rate of 34 per cent.

R.L. POLK & Co. Ltd. finalized the questionnaire and processed the data.

Limitations

The survey findings cannot be extrapolated to represent all Japanese visitors to Canada. Since the data collection was conducted in the fall, results are subject to biases of travel patterns for that time of the year. In addition, it is estimated that two out of three Japanese visitors arrive in Canada via the U.S. Almost all respondents of this survey landed directly in Canada. For trip characteristics typical of the entire Japanese travel market to Canada in a given year, the main source of information should continue to be the International Travel Survey conducted by Statistics Canada.

SURVEY HIGHLIGHTS

Demographic Characteristics

Travelers aged 50 and over, referred to as the “Silver Age”, accounted for the largest volume of visitors surveyed. Of this group, the majority were between 50 and 69 years of age; only 4 per cent said that they had passed their 70th birthday.

Japanese travelers aged 18 to 29, accounted for the second largest age group (29 per cent). Women accounted for 60 per cent of respondents in this age group. As chart 2 reveals, this was the only age category in which Japanese women outnumbered men. This predominance of what has been referred to as the “Office Ladies” market segment, is consistent with other sources. In fact, of all the female visitors surveyed, four out of ten were between the ages of 18 and 29. Those aged 30-50 made up 30 per cent of respondents.

Over 75 per cent of travelers surveyed were married.

Professionals accounted for 21 per cent of the sample and they tended to be aged 30 to 39. Close to 20 per cent of respondents said they were homemakers and the majority (30 per cent) were 50 years of age and older. Clerical and service workers were generally younger and primarily women. Eleven per cent of respondents were in management and executive positions. One out of ten visitors surveyed owned a full-time business.

As illustrated in chart 3, almost 40 per cent of travelers surveyed were university graduates, the highest representation among all the education levels. About 23 per cent had graduated from college or technical school. Completion of high school was noted by an additional 31 per cent of respondents.

Incomes followed a fairly even distribution among all levels, however there were a number of variations by age group. For instance, those earning less than $40,000 tended to be from the youngest age groups, while the Silver Age were most likely to claim incomes greater than $150,000.

Chart 1. Age of Respondents

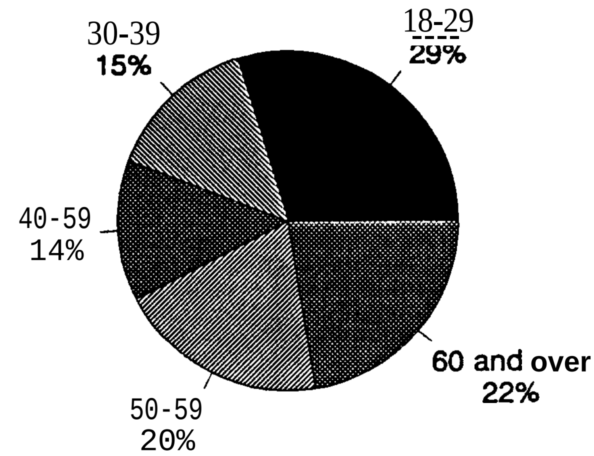
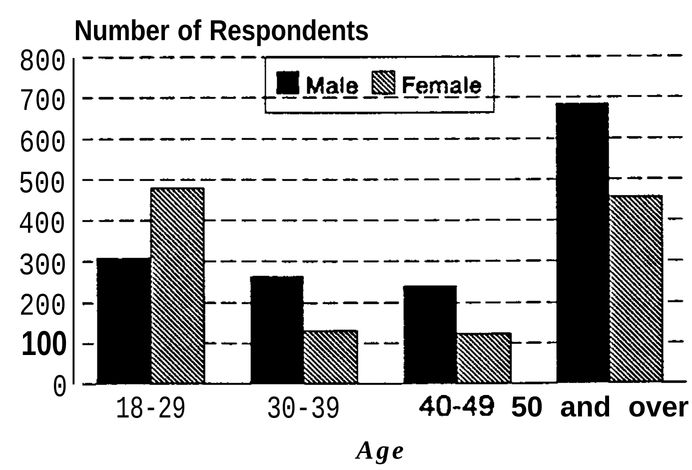
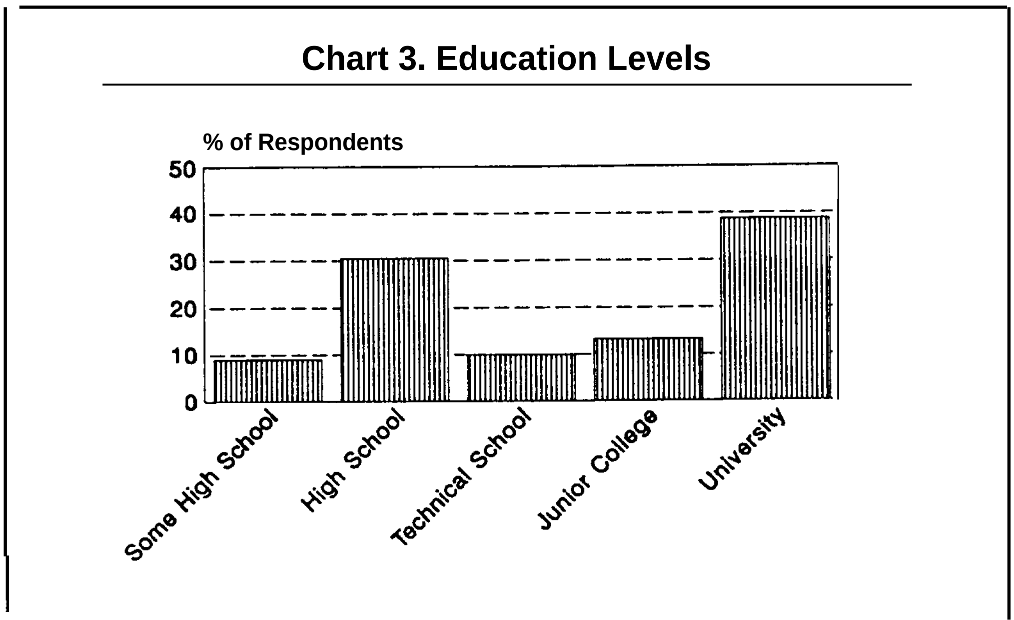


Chart 2. Age of Respondents By Gender





Japanese respondents are predominantly, married, well educated and earn fairly high incomes. The SilverAge represents the largest group followed by the younger set (18-29), which includes the Office Ladies.

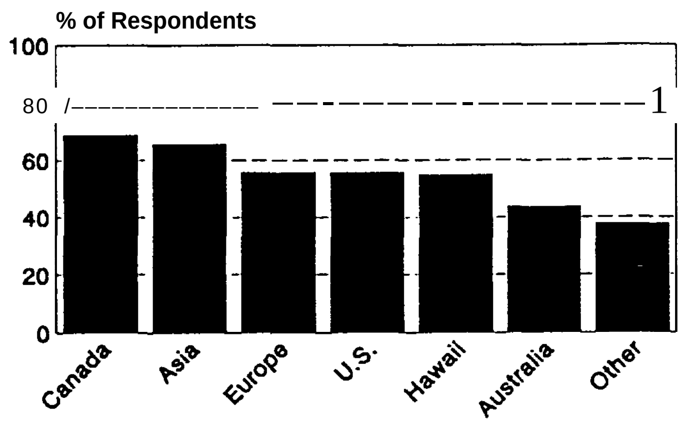
Travel History

Almost 70 per cent of Japanese visitors surveyed responded that they had taken at least one trip to Canada in the last five years, the highest-incidence amongst all other destinations, namely: the United States, Asia, Australia/New Zealand, Hawaii/Samoa/Guam and Europe. This number appears very high. It is possible that a proportion of respondents misunderstood the question and included their current trip in their count of past trips to Canada.

Information on purpose of previous trips to Canada does indicate a high share of business travelers. In fact, 80 per cent of current business travelers surveyed indicated that they had taken a previous trip to Canada. No other purpose revealed this pattern for repeat visitation. Repeat visitation also depended on age. Older Japanese travelers had the greatest likelihood of having been to Canada before, especially among the 50 plus group; 80 per cent had taken at least one trip to Canada compared to 55 per cent for the youngest age group.

Two-thirds of respondents had travelled to an Asian destination in the last five years. However, the majority of travelers to Asia had taken multiple trips, while those visiting Canada had taken only one trip. The United States and Europe were the next destination choices among 56 per cent of travelers. Over half of travelers had also been to Hawaii.

Chart 4. Travel In The Last Five Years
Respondents Taking One or More Trips to Various Destinations



> ***There is a high repeat visitation rate especially among those who have travelled to Canada on business. Older travellers also have a higher repeat visitation compared to their younger counterparts.***

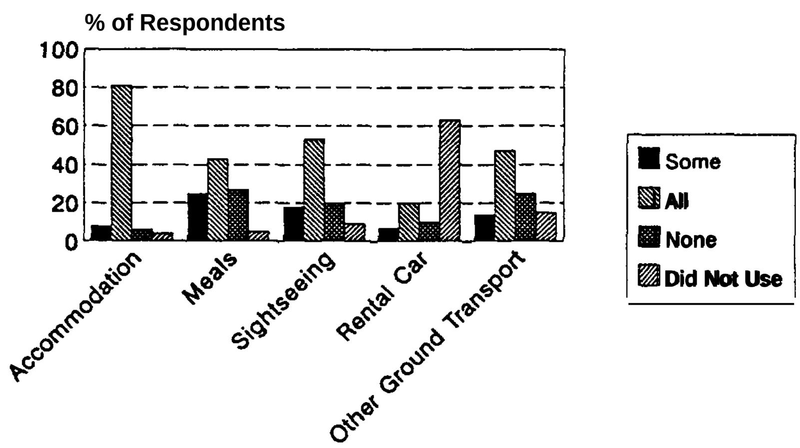
Pre-booking Travel Services

Japanese travelers preference for packaged holidays is evident from the survey findings, as a large proportion had most arrangements made prior to leaving Japan. Older travelers in particular had the greatest tendency to make all their arrangements before leaving for Canada. Business travelers were least likely to pre-book, with the exception of their lodging.

With 93 per cent of respondents indicating that they pre-booked all or some of their accommodation, lodging was the service most often pre-arranged. This is illustrated by chart 5. All age groups opted to book their nights in Canada ahead of time. Sightseeing tours were the second most frequently booked travel service, with over half pre-booking all their sightseeing and 20 per cent booking some before leaving. Three-quarters of older travelers preferred to have all of their sightseeing tours arranged compared to just one-third of the 18-29 year olds.

Restaurant outings were arranged prior to leaving Japan for approximately 68 per cent of respondents. Less than 44 per cent of respondents had all meals included in their trip, however, this rose to 65 per cent among the 50 plus group and dropped to 22 per cent for those aged 18-29. Younger travelers were more inclined to leave some flexibility in choosing their meals, as 37 per cent chose to pre-book some. Other ground transportation was pre-arranged for almost two-thirds of visitors surveyed. Rental cars were not commonly used by the visitors (over 62 per cent did not use), probably due to the high proportion of group packages. Among those that did use a rental car, the majority had made rental arrangements prior to arriving in Canada.

Chart 5. Pre-booking of Travel Services



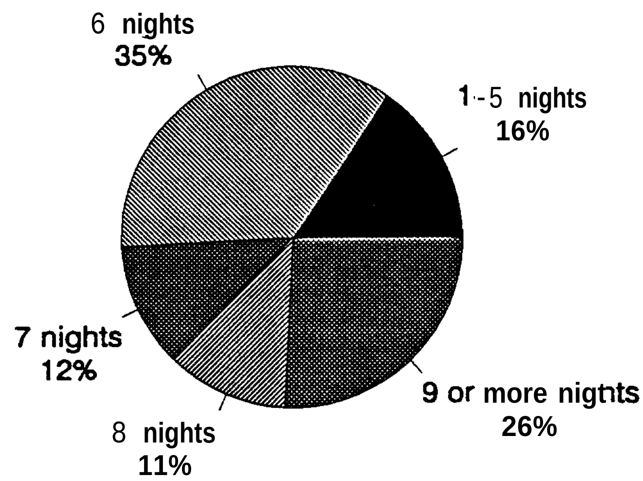
> *The tendency for pre-booking travel services prevails, supporting the trend of package use among the Japanese market. The Silver Age segment showed the highest frequency; younger travellers opted for more flexibility in their travel plans.*

Length of Stay

As illustrated in chart 6, a week long trip to Canada was typical of most Japanese visitors surveyed. About 63 per cent said they stayed 7 nights or less, with the majority indicating 6 nights (35 per cent). Just over a quarter of visitors surveyed spent 9 or more nights.

When asked how satisfied they were with the length of their trip, six out of ten respondents replied that it was just right. However, almost 35 per cent felt that the trip was too short. Response to this varied by age, with the majority of older travelers comfortable with their trip length and the younger age groups, especially the 18-29 year olds, wanting to spend more time in Canada.

Chart 6. Duration of Trip

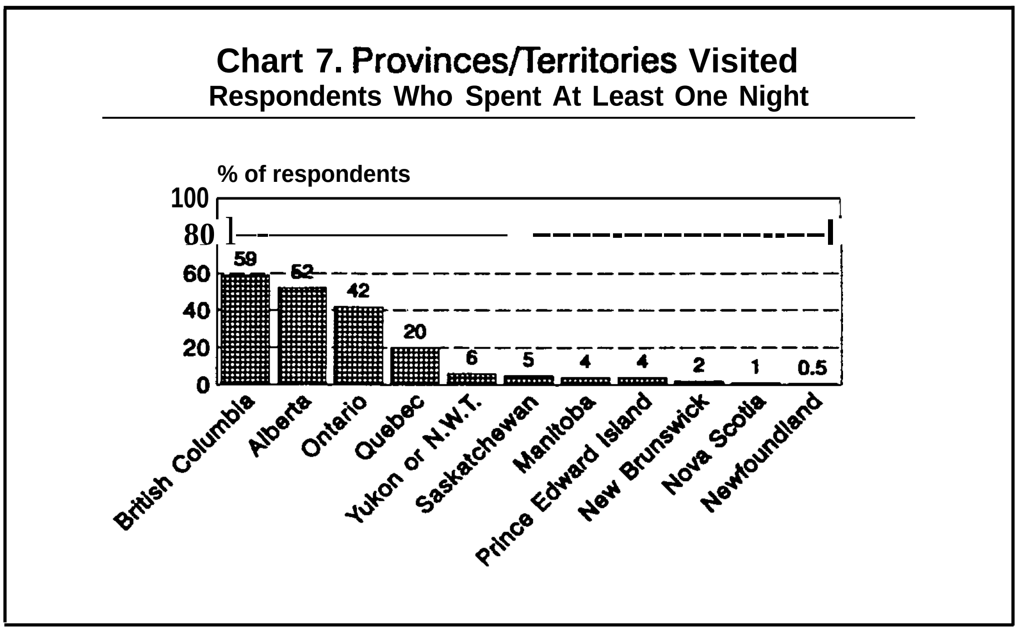


The majority of respondents stayed in Canada for about one week. The majority of visitors surveyed were content with the length of their vacation to Canada. The 18-29 year olds were more likely to have found their trip to be too short.

Provinces Visited

As can be seen from chart 7. Western Canada was the most heavily visited by respondents. This is not surprising given the volume of flights from Vancouver to Tokyo. British Columbia was visited by the largest number of respondents, followed fairly closely by Alberta.

When they ventured further east, they were most likely to visit Ontario (42 per cent). Quebec was visited by 20 per cent of respondents. Just 4 per cent of the sample ventured to the Atlantic provinces. Prince Edward Island was the drawing card for those traveling to the Maritimes, no doubt due to the appeal of Anne of Green Gables. Saskatchewan and Manitoba were visited by 5 and 4 per cent of respondents respectively.



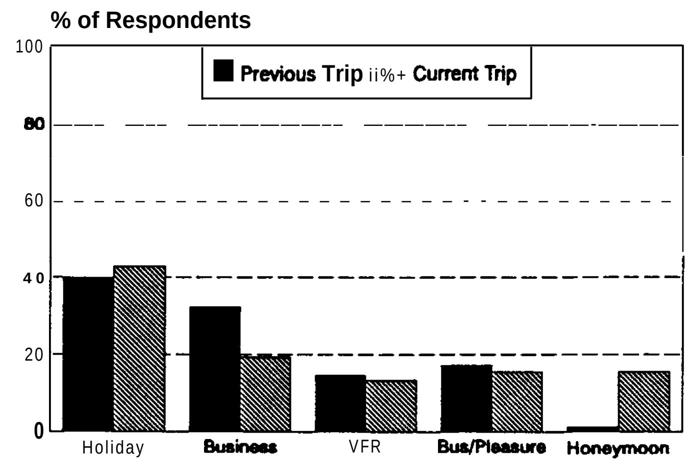
The vast majority of respondents travelled to Western Canada. Ontario and Quebec were the next most popular destinations. Just a few ventured off the beaten path to the Atlantic or Prairie provinces.

Purpose of Trip

Over fourty-two per cent of visitors survey **travelled** to Canada for a holiday. Business or Business/pleasure reasons ranked second and drew 35 per cent of the respondents. Thirteen per cent of respondents were traveling to visit friends and relatives.

For previous trips, almost half were for business or business/pleasure, compared to 35 per cent of current trips. This finding reveals that a number of Japanese business travelers return to Canada for a pleasure trip. 'Holiday' was the most cited trip purpose for current trips (40 per cent), followed by visiting friends and relatives (14.7 per cent).

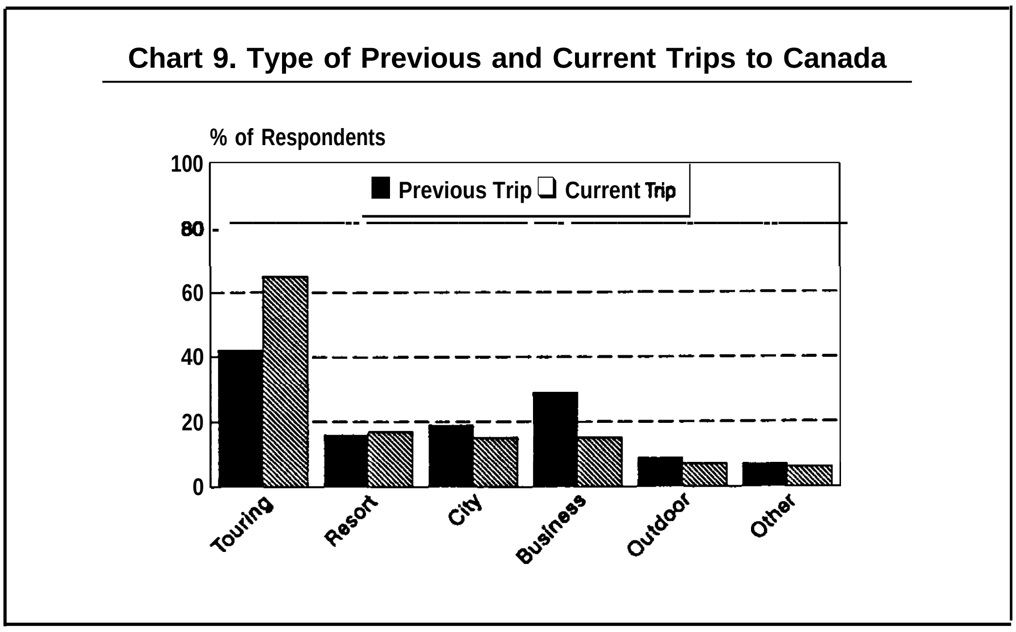
Chart 8. Purpose of Previous and Current Trips to Canada



For both current and previous trips, the majority of respondents came to Canada for a holiday.

Type of Trip

Touring trips represented the largest segment ofthemarket andwas popular among all age segments. Resort trips were next on the list although many respondents in this group also indicated that they were on a touring trip. Fifteen per cent of respondents took a business trip. Just 6 per cent reported having taken an outdoor trip.



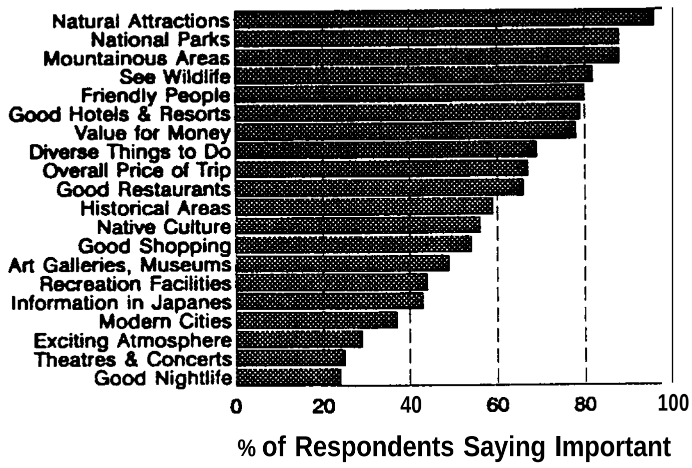
Touring was the most popular trip type for both both current and previous trips.

Motivational Factors

As reported in other studies on the Japanese travel market, Canada's natural attractions were viewed as the most important factors in influencing Japanese travelers' decision to visit Canada. In support of this, Japanese visitors surveyed cited natural attractions, namely mountainous areas and national parks, as the two most significant items for selecting Canada as a destination. 'Opportunities to see wildlife' was third on the list. 'Interesting and friendly local people' was important to eight out of ten respondents. Chart 10 displays the relative importance of several factors in respondents' decision to visit Canada.

Shopping was considered an important factor by over half of visitors surveyed. Having access to information in Japanese was important to 43 per cent of respondents. This is a significant indicator for Canadian tourism businesses interested in catering to this clientele. Urban and cultural pursuits were generally rated as not important. At the bottom of the list were 'good nightlife', 'theatres and concerts', and 'exciting atmosphere'.

Chart 10. Importance of Factors in Decision to Visit Canada



The great outdoors holds the widest appeal for this market. Urban or cultural activities do not seem to influence visitors surveyed to the same extent.

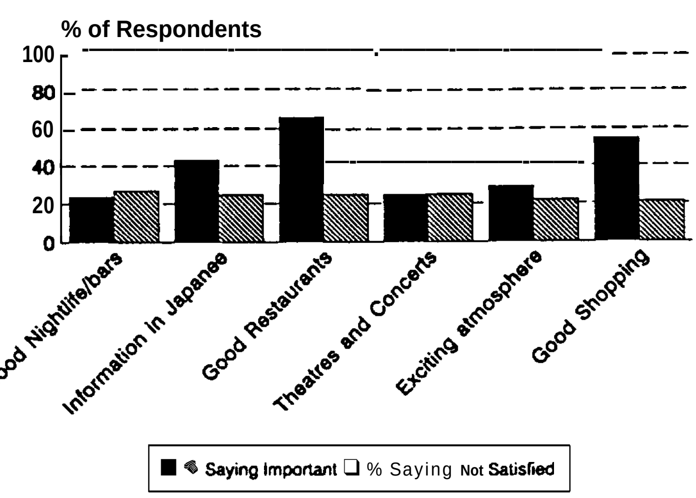
Satisfaction Ratings

Overall satisfaction ranked high, with 98 per cent indicating that they were satisfied with their trip to Canada. However, there is still room for improvement, as just 44 per cent said they were very satisfied and 54 per cent said they were somewhat satisfied with their visit. Respondents were asked to rank their satisfaction with a list of factors concerning their trip. For the majority of the factors there was little criticism.

Visitors surveyed were most impressed with Canada's natural attractions, reaffirming their motivations for traveling to Canada. An overwhelming 99 per cent of respondents said that they were satisfied with this aspect of their visit. Mountain scenery and opportunities to see wildlife also met with their approval. Ninety-five per cents of visitors surveyed felt favorable about the Canadians they met during their visit. They were impressed with Canada's cities, although for most visitors surveyed, this was not considered an important reason for choosing to visit Canada.

As can be seen from chart 11, there were only a few items where dissatisfaction was noted and these tended to be factors that were not considered important. Good nightlife and bars drew some criticism from 27 per cent of responses. Surprisingly, this negative opinion was divided almost equally among all age groups. One-quarter of visitors surveyed were not satisfied with the accessibility to information in Japanese. Older travelers tended to be more critical of this factor, probably due in part to their inability to understand English. Theatres and concerts received the next largest dissatisfaction rating followed by good restaurants. Twenty-one per cent of respondents were not satisfied with their shopping opportunities.

Chart 11. Factors Least Satisfied With Versus Their Importance



> ***Respondents are extremely satisfied with the abundance of Canada's natural attractions. When they d-d note some dissatisfaction, it primarily centred on nightlife, lack of information in Japanese, restaurants and shopping.***

Sites Visited in Canada

Of all the sites assessed in the survey, Niagara Falls was visited by the largest number of surveyed visitors. Banff National Park was the next biggest drawing card. Lake Louise, one of the gems of Banff National Park, was experienced by 73 per cent of visitors to Alberta. In British Columbia, Stanley park was a popular attraction, followed by shopping on Robson Street and visiting Queen Elizabeth Park in Vancouver.

Almost all visitors to Ontario heard the thunderous roar of Niagara Falls. About half viewed the Toronto area from the top of the CN Tower. Two-thirds of respondents who travelled to Quebec visited Quebec City. Notre Dame Basilica in Montreal and Old Montreal were also frequented by visitors to Quebec. Satisfaction ratings were exceptionally high for all sites visited.

> *Japanese. travellers saw a variety of sites, especially well known landmarks such as Niagara Falls. and Banff National Park. '.".*

Activities

Most travel itineraries included a visit to a national park, which was predominately to Banff National park. This is not too surprising considering that 88 per cent of visitors surveyed cited this as an important factor in choosing to visit Canada. About 66 per cent visited some of Canada's natural attractions. About half of visitors surveyed travelled to Provincial or other types of parks.

Close to half of the respondents did some city/walking sightseeing tours. Shopping was next on the agenda for 43 per cent of respondents. Approximately 40 per cent visited historic sites. Manmade attractions entertained 31 per cent of visitors surveyed.

Wildlife viewing ranked surprisingly low on the list of activities respondents engaged in during their current trip (12 per cent) considering it was identified by 82 per cent of respondents as an important factor for visiting Canada.

> ***Respondents did a lot of general sightseeing of Canada's natural attractions, but. were not actively involved in activities such as hiking, golf, wildlife viewing etc.***

Future Activities

When asked what activities they would be interested in on a future trip to Canada, visiting national parks and other parks, as well as other natural attractions continued to lead the way. Next on the list were visits of historic sites, especially among the older travelers. Wildlife viewing appears to have relatively strong interest among 39 per cent of visitors surveyed. Other activities, many of which are more culturally oriented, showed growing appeal. This is illustrated in chart 12.

Sightseeing, boat cruises, visiting art galleries and museums and archaeological sites are areas of future interest. Visitors surveyed thinking about a future trip to Canada are also interested in trying a variety of sporting activities. Whitewater rafting, golf, hiking, bicycling, camping and downhill skiing were identified by about 30 per cent of respondents. Japanese visitors surveyed aged 18-40 seemed most interested in sporting activities. Golf and hiking appealed to the older set. Travelers seem to be looking for more diversified activities on possible future trips to Canada and seem to be willing to become more actively involved in their trip experience.

Chart 12. Current and Future Activities on Trim to Canada

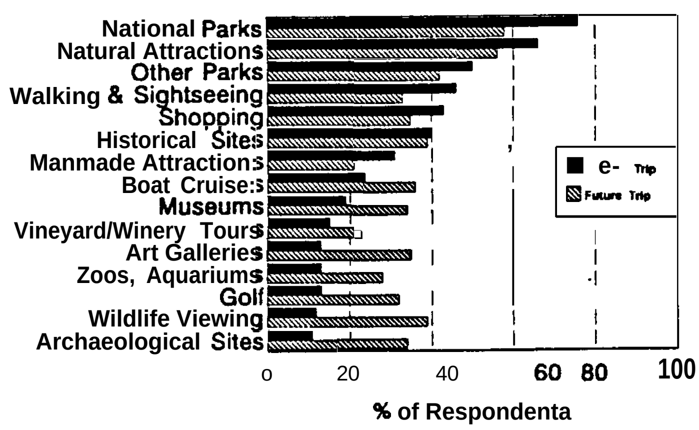
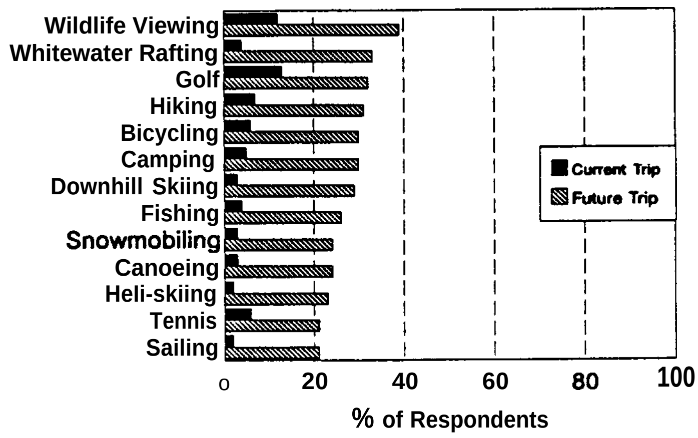


Chart 13. Sporting Activities Took Part in During Current Trip and Activities Interested in on a Future Trip to Canada



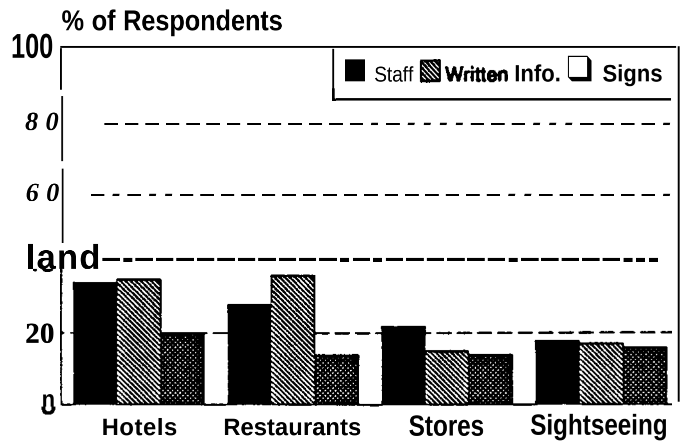
When asked what activities they would be interested in on a future trip to Canada, seeing well known natural attractions and landmarks are still first and foremost on respondents' list of things to do.. However, they express interest in engaging in more diversified activities and to become more actively involved in their trip experience.

Language Ability

Over half of respondents do not read, write or speak English indicating a need for having various language aids such as Japanese-speaking tour guides, translation of hotel literature and bilingual menus. Knowledge of English was lowest among visitors aged 50 and over, where just one-third said they knew any English.

Overall, over 50 per cent of respondents encountered some language difficulties conversing with Canadian staff. About one-third of respondents found some difficulty in dealing with hotel staff. Restaurants, stores and sightseeing trips posed some verbal communications difficulties as well. Written information was a source of difficulties to 57 per cent of Japanese visitors surveyed; hotels and restaurants causing the most problems. Less than 36 per cent of respondents encountered difficulties with signage.

Chart 14. Language Difficulties



Over fifty per cent of Japanese visitors surveyed did not: know how to speak, read or write English, indicating a real need for translation services.

CONCLUSION

While this study confirms a lot of what we already know about the Japanese market, it highlights the importance of several key market characteristics and identifies, for the Canadian tourism industry, areas for improvement to better cater to the Japanese visitor.

Various market segments were represented in this survey, confirming that the Japanese market is not homogeneous and that the tourism industry should offer products and services which are customized to the needs of a varied clientèle.

The survey confirmed the importance of the Silver Age segment during the Fall season. It also revealed that Office Ladies is a key segment even at that time of the year. Operators are encouraged to target these priority customer groups.

Although many aspects of their trips to Canada are pre-arranged, some Japanese travelers are willing to explore on their own or arrange tours once they are here, especially among the younger set and the business travelers. Canadian suppliers are encouraged to provide information on their products/services in the Japanese language and preferably in advance of their trip to Canada. Market reports have indicated a trend toward this type of travel ("Foreign Independent Travel" or FIT) and the industry in Japan is currently looking at ways to reach this segment.

Business travelers hold the greatest potential for becoming repeat visitors or for extending their trip into a pleasure trip. Tourism industry players may want to consider ways to encourage business travelers to stay longer. Information on such opportunities, in Japanese, should be made available to travelers in advance of making their trip arrangements.

Results showed that, on a return visit to Canada, respondents would be ready to venture further afield. Canadian tourism operators should consider promoting and developing, for this market segment, packages that go beyond the traditional sightseeing tours. Although interest in Canada's natural splendors is still extremely high, when asked what activities they would like to engage in on a future trip, a significant number expressed strong interest in an expanded future itinerary that would include outdoor sports and activities. Wildlife viewing in particular stands out as a promising avenue for Canadian suppliers wishing to tap into this market.

While urban or cultural activities do not motivate a trip to Canada, improvement of Canada's poor city/cultural image would contribute to increasing the satisfaction of Japanese visitors. More information pertaining to these products available at the trip planning stage in Japanese will be key in increasing awareness of Canada's excellent city/cultural opportunities among tour producers, travel agents and even consumers. Handy information kits in Japanese such as city walking tour maps showing restaurants and shopping areas may help ease possible difficulties in getting themselves oriented and increase the degree of satisfaction with the "urban" element of their trip to Canada.

Shopping is an important activity for Japanese traveling abroad. The tradition of "omiyage" - bringing home gifts for family and friends - encourages Japanese travelers to shop for quality gifts which are typical of the destination visited. Results from this survey indicate that Japanese travelers were not as satisfied with their shopping experience as they were with other components of their visit. Clearly, there is room for improvement in this area, especially in view of the fact that Canada has so many high quality typical and authentic products available.

This Highlights Report is a first step in analyzing the results of the Japan Exit Survey. ISTC-Tourism will be conducting further analysis of the survey data, focusing particularly on potential areas for improvement and on the preparation of market profiles (e.g., Office Ladies, Silver Age, etc.) to help industry partners better target their efforts in this important and growing market.

ISTC tourism and key partners fully support a research-based approach to the marketing of Canada as a travel destination and are exploring the possibility of conducting this survey on a regular basis to assist in the identification of trends in the marketplace.

ISTC-Tourism encourages Canadian tourism operators to use the results of the Japanese Visitor Survey in conjunction with other studies conducted on the Japanese travel market and with information obtained through personal contact with the Japanese travel trade.

FOR FURTHER INFORMATION ON THIS SURVEY, PLEASE CONTACT:

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