〈Research Article〉

The changing profile of Japan inbound tourism between 1996 and 2016

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Abstract

Among the significant changes to human society in the last 20 years it is the movement of people for the purpose of pleasure, i.e. tourism, that is perhaps the most noteworthy. This has been particularly apparent in Asia where economic wellbeing and personal freedoms have improved markedly. As a wealthy Asian country the focus of Japanese tourism has until recently been on its outbound market, however the dynamic growth in visits to Japan since 2011 has forced this focus to shift to inbound tourism. The current paper investigates this shift in perspective by examining the changing profile of Japan inbound tourism between the most recent year for which data is available (2016) with that from 20 years earlier. It is suggested that the emerging profile will present new challenges but also set the agenda for the direction of Japan's inbound tourism in the next twenty years.

keywords: *inbound tourism, tourism source country, kankorikkoku (tourism-oriented country)*

1. Introduction

It can be argued that the period from the mid-1990s to the current day have seen greater changes to global lifestyle than in any other 20-year span in modern history. Between 1996 and 2016, as the world's population grew from 5.8 to 7.5 billion not only did life expectancy increase from 64 to 72 years of age, but citizens around the globe became wealthier and better connected to each another. Testifying to this wealth and connectivity are the additional 500 million citizens added to the global middle class in the 20 years to 2016 (Kharas, 2017), and the expansion of the Internet which reached just 1% of the world's population in 1996 but 46% in 2016 (World Data Bank, 2017).

As a direct consequence of improvements in wellbeing and technology there has also been a marked increase in international mobility. This is reflected in the growing number of individuals living outside their country of birth, which in 1995 stood at 160 million, but by 2015 had climbed to 245 million – more than 90% of whom migrated voluntarily rather than having been forced to do so due to war, persecution or catastrophe (United Nations, 2016). These facts notwithstanding, with more than

1.24 billion participants in 1996 (UNWTO, 2017), it is the ability of people to engage in voluntary travel for pleasure (i.e. tourism) that represents perhaps the biggest change in global lifestyle in the last 50 years (Krippendorf, 1984); it is a phenomenon that has gained considerable momentum in Asia since the mid-1990s (UNWTO, 2016).

It is widely agreed that tourism is driven by a growth in disposable income (Urry, 1990; Boorstin, 1987; Mathieson and Wall, 1984) and the availability of annual holiday entitlement (Bhatia, 2006; Holden 2005). This is also true in Asia where tourism's spread has been preceded by an unprecedented surge in disposable incomes (UNWTO, 2014) and government-led initiatives to improve labor conditions including holiday entitlement legislation. In China for example, the European Union SME Organization reports that as of 2008 Chinese firms have been under legal obligation to offer paid holidays, or face financial penalties (EUSME, 2011). Combining the expansion of the economy with such legislative progression has led China to become the world's top tourism source country for the past five consecutive years (UNWTO, 2017).

While tourism has become a more visible part of the lives of its people, Asia has embraced more democratic freedoms allowing for greater international mobility and has widely integrated digital information technology into lifestyle throughout the region. If we add Asia's penchant for large-scale infrastructure projects such as airport construction, and a macroeconomic orientation away from manufacturing towards service industries, it is unsurprising that tourism should have evolved rapidly in Asia in the last two decades. Thus while global inbound tourism numbers doubled between 1996 and 2016 (561 million to 1.24 billion respectively), intra-Asia international travel over the same period *quintupled* in size from 58 million participants in 1996 to 303 million in 2016 (UNWTO, 2017). Similarly, International Civil Aviation Organization figures indicate the growth rate for air transport passenger numbers in Asia over the same period was more than twice that for all international air passengers (ICAO, 2016). In the Asian context however two developments in tourism are of special note (UNWTO, 2017): the explosive growth in outbound tourism from Asia's most populous nation, China; and the contemporary, dramatic increase in inbound tourism to Japan, the Asian country with the highest GDP. It is this dramatic change in Japan inbound visitor numbers that the current paper intends to explore by comparing data from the most recent year for which a full statistical record is available (2016) with that from 20 years previously.

2. Data, technology and its limitations

During the period 1996-2016 there was exponential growth in the ubiquity of statistical data and the use of computer technology to process it. Tools such as spreadsheets are now commonplace and are able to present data in ways that were once time-consuming or expensive to produce. In the mid-1990s tourism data tended to be presented in a simple binary form with few metrics or variables (Japan PMO, 1996), but by 2016 the quantity and complexity of publically available data had developed considerably. As a consequence of this change when making a direct comparison of statistical data from a time before the IT expansion (in this paper, 1996) with that from the present day the common reference point will by necessity be the earlier date (1996). This argument notwithstanding it is hoped that the 20-year time series of the current investigation can provide greater longitudinal context and shed new light on historical circumstances. In doing so it can underline key issues facing contemporary Japanese inbound tourism as the country prepares to welcome a projected 40 million visitors in 2020, Tokyo's Olympic year.

3. Tourism trends to / from Japan prior to 1996

In the 30 years after Japan's travel liberalization *(kankoujiyuka)* legislation in 1964, tourism to and from Japan expanded rapidly. During this time both inbound and outbound tourism growth rates to/from Japan equaled or bettered the respective world averages (UNWTO, 2016). Over the period 1975-1995 for example, inbound tourism to Japan grew *four-fold* (0.8 million to 3.4 million) while global inbound visitor figures increased just 2.5 times (222 million to 541 million). Similarly, over the same period, as Japan's economy soared outbound tourism surged from 2.5 million to 15.3 million participants-an increase of over 600%. These impressive growth rates were possible despite negative external influences on the global tourism system, including the prolonged effect of successive oil crises in 1974 and 1980, and the first Gulf War (1991).

Given the numerical successes of Japanese tourism before 1995 it is understandable that expectations were high for the 20 years after that date. These expectations were not built on a simple extrapolation of historical tourism data however: they were built on Japan's strategic approach towards both inbound and outbound tourism. Thus in 1995 having successfully seen Japan outbound tourism recover from the negative effects of the 1991 Gulf War, the government implemented measures to promote further growth by simplifying the purchase of travel products from domestic travel agencies, while introducing a 10-year validity on Japanese passports (Japan, 1996). Moreover, in an effort to boost inbound figures the 21st Century Welcome Plan and a new "multimedia service" (i.e. web platform) were inaugurated by the Japan National Tourism Organization (JNTO), the latter a way to ensure a modern system was in place for the dissemination of information to international visitors. The inbound strategy was further strengthened in 1996 with the announcement of Japan as a co-host for the 2002 FIFA World Cup and the inscription of the iconic Hiroshima Peace Memorial as the 775th World Heritage Site.

4. Inbound tourism to Japan since 1996

To contextualize Japan inbound tourism in the years since 1996 it is instructive to briefly describe the trend in *outbound* travel from the country since that year. As shown in Figure 1 in the 20 years between 1996 and 2016 the number of travelers from Japan fluctuated in the range 15-18 million per annum with no clearly discernable pattern of growth or decline. Examining the figures in more detail reveals that Japan experienced 9 year-on-year declines in its outbound visitor numbers over this period, and although an overall growth figure of +2.4% was achieved for the 20-year period it is moot whether this growth is real or not. This is in contrast to statistics from other key outbound source countries – even those with mature outbound tourism profiles – where consistent year-on-year growth was the norm, the UK outbound market for example grew over 50% between 1996 and 2016. This suggests outbound tourism from Japan has, like its wider economy, been in an extended period of stagnation.

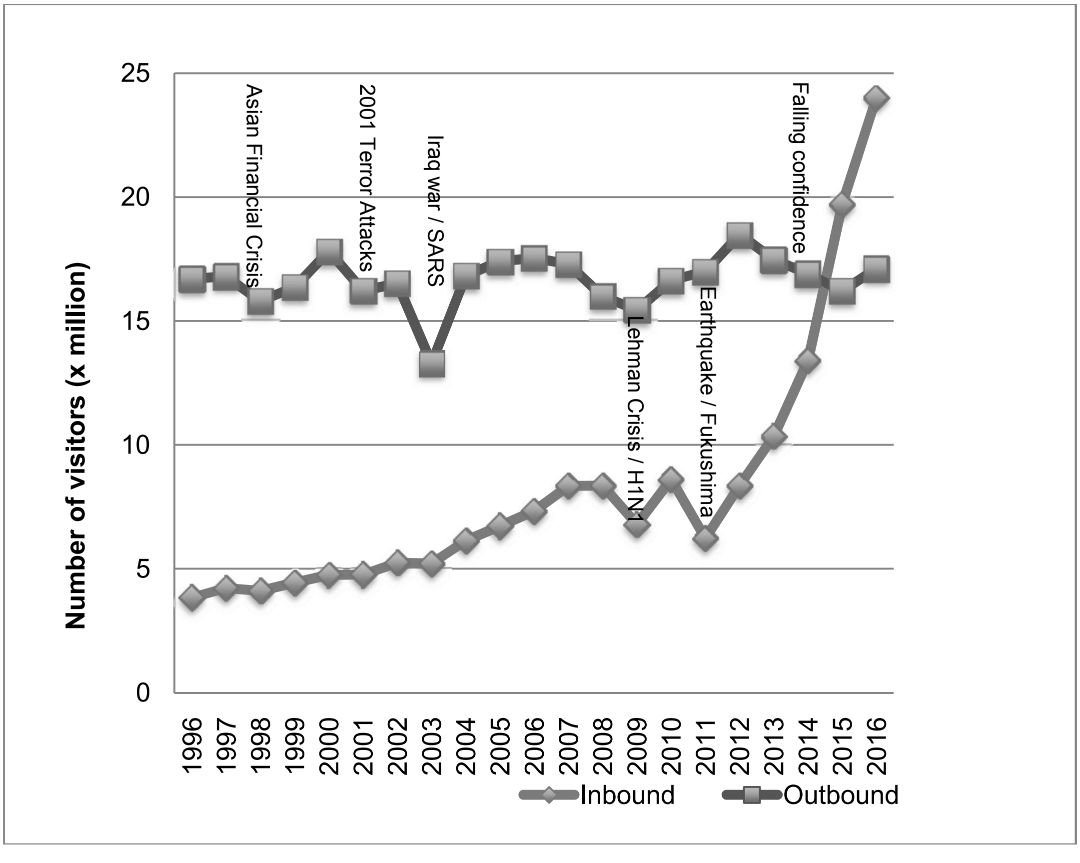

Figure 1: Inbound and outbound visitors to/from Japan 1996 - 2016

This period of stagnation in Japan outbound tourism can be contrasted sharply with the growth in Japan *inbound* tourism over the same period. As illustrated in Figure 1, since 1996 Japan inbound tourism has shown two distinct periods of growth separated by declines caused by the Lehman Crisis (2008), the H1N1 Pandemic (2009) and the Great East Japan Earthquake (2011). In the former growth period (1996 - 2008), inbound tourism was characterized by relatively steady growth averaging 5% per annum interrupted by two minor year-on-year declines due to the Asia Financial Crisis (1998) and the Iraq War/SARS episode (2003). In spite of these downward pressures, between 1996 and 2008 inbound tourism to Japan grew from 3.84 million to 8.4 million visits. In the latter growth period (2011 - 2016), Japan inbound grew much more dramatically with annual growth rates averaging 30%. This unprecedented growth in the inbound visitor market resulted in more than 24 million visits to Japan in 2016, a total representing an impressive 600% increase on 1996. A more detailed explanation for this increase is made in section 5 (Discussion).

4. 1 Seasonal distribution of Japan's inbound visitors

One strategically important element for a successful inbound tourism product is a temporally even distribution of visits throughout the year. Poor temporal distribution of visits - or a tendency towards 'seasonality' – can, as Butler (2001) points out, cause "problems" for tourism such as resource stress, and resource carrying capacity issues. As much as possible seasonality should be mitigated against (Mathieson and Wall, 1982), including those "natural" and "institutional" factors Bar-On (1975) indicates as being key drivers of the phenomenon. "Natural" factors refer to those changes in climate or the wider natural world that can cause visitors to prefer one particular time of the year for sojourning to another, while "institutional" factors refer to embedded societal elements or regulations established by official bodies such as governments. This might include a state's provision of holiday entitlement for employees (and thus demand for travel) or social conventions and orthodoxies that govern the normal usage of such entitlement. To consider this Table 1 presents the temporal distribution of visitors to Japan according to season (i.e. four 3-calendar month periods) for both 1996 and 2016.

Table 1: Seasonal distribution of inbound visitors to Japan 1996/2016

	1996		2016	
	Visitor Numbers	*% of total*	*Visitor Numbers*	*% of total*
Spring	836,000	25	5,980,000	25
Summer	970,000	27	6,340,000	26
Autumn	1,039,000	26	5,940,000	25
Winter	996,000	22	5,779,000	24
Total	3,837,000	100	24,039,000	100

Note: Spring is defined as March/April/May; summer (June/July/August); autumn (September/October/November), and winter (December/January/February).

This season-based side-by-side comparison (Table 1) clearly shows the large increase in tourist numbers between the two years with more visitors arriving in Japan in each of 2016's four seasons than in the whole of 1996. We can also see that the temporal distribution of visitors is spread evenly throughout the year in both 1996 and 2016 indicating that Japan inbound tourism *lacks* seasonal imbalance and is less likely to suffer from Butler's seasonality "problems". For example in 1996, as the season with the largest proportion of visits, summer welcomed just 5% more visitors than the season with the lowest proportion, winter. In 2016 this variance was even smaller, just 2% (i.e. summer = 26%; winter = 24%). This suggests Japan has been successful in continuing to encourage inbound visits in all seasons. Part of the reason for this comes from the natural range of climatic regimes in Japan that can guarantee season-specific activities (such as skiing or beach activities). Japan is also the only country in the world with public holidays in 11 of the 12 calendar months (June is the only month without). This uniform distribution of public holidays tends to reduce the perception that travel experiences can only be made in peak season as can be seen in countries such as Greece or Spain where one natural resource (hours of sunshine) tends to dictate tourism orthodoxy. Japan on the other hand takes a proactive approach to reduce the effects of seasonality all year round as shown in the promotion of winter tourism to Chinese and Vietnamese visitors, spring tourism to Europeans and North Americans (JNTO, 2017). and the general popularity of visits in summer and autumn.

4. 2 The source of tourists to Japan

4. 2. 1 Region of origin

Figure 2 compares the origin (by region) of inbound visitors to Japan for 1996 (fig. 2a) and 2016 (fig. 2b). As shown, in 1996, 61% of all visits to Japan were made by nationals of Asian countries with smaller, but not insignificant, numbers of visitors from the Americas (20%) and Europe (16%). Thus 3 distinct source regions for inbound visitors can be recognized.

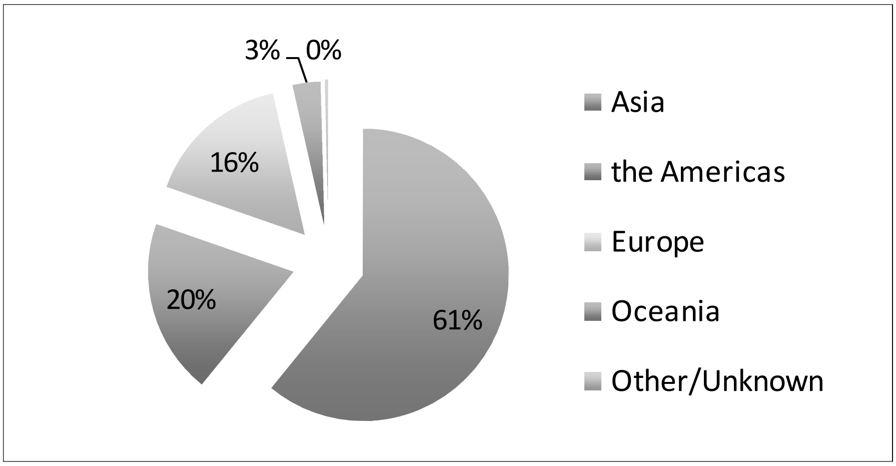

Figure 2a: ***Japanese inbound visitors 1996 (by region)***

In 2016 (fig. 2b) however, we can see that the share of Asian visitors to Japan was considerably larger (85%), with the formerly significant proportion of visitors from the Americas and Europe having fallen to 7% and 6% respectively. This suggests a contemporary visitor profile that is imbalanced and dominated by one source region, Asia.

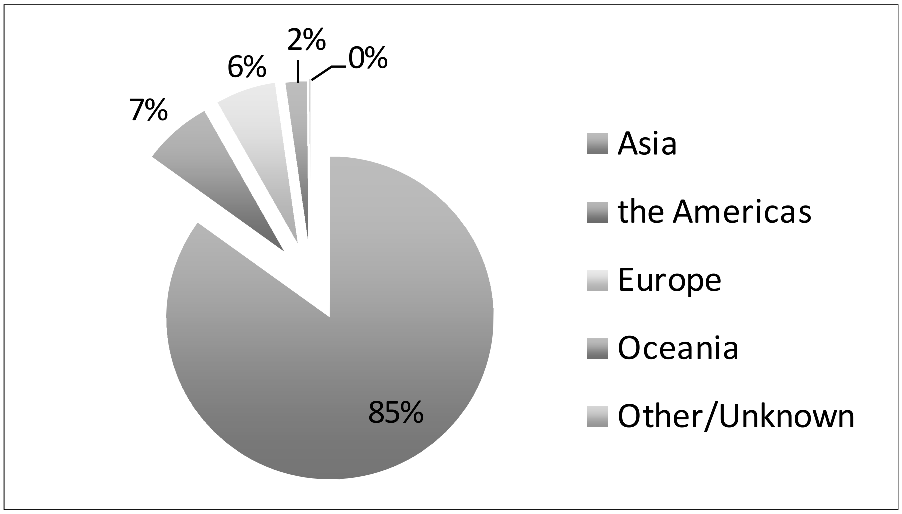

Figure 2b: ***Japanese Inbound visitors 2016 (by region)***

This trend towards greater visitor numbers from Asia has been partly facilitated by the UNWTO-backed bilateral governmental agreements that have liberalized visa restrictions for intra-Asian travel (UNWTO, 2016), but can also be seen as the result of the international success of popular Japanese cultural brands such as g*hibli* film or *anime*. In the particular case of China, the Chinese government's designation of Japan as a country with Approved Destination Status (ADS) in 2000 can be seen as key since it made Japan accessible to the expanding Chinese middle class (Huang, 2017). Since the share of visitors from the Americas and Europe has fallen to just 13% of all visits to Japan it may now be appropriate to argue that Japan adopt Asia-centric tourist infrastructure and services to reflect the needs and wishes of the majority of its inbound visitors.

4. 2. 2 Country of origin

The trend towards increased numbers of Asian visitors, and falling numbers from other regions is reinforced in Figures 3(a) and 3(b) which detail the nationality of visitors to Japan in 1996 and 2016 respectively.

(a) (1996) **(b) (2016)**

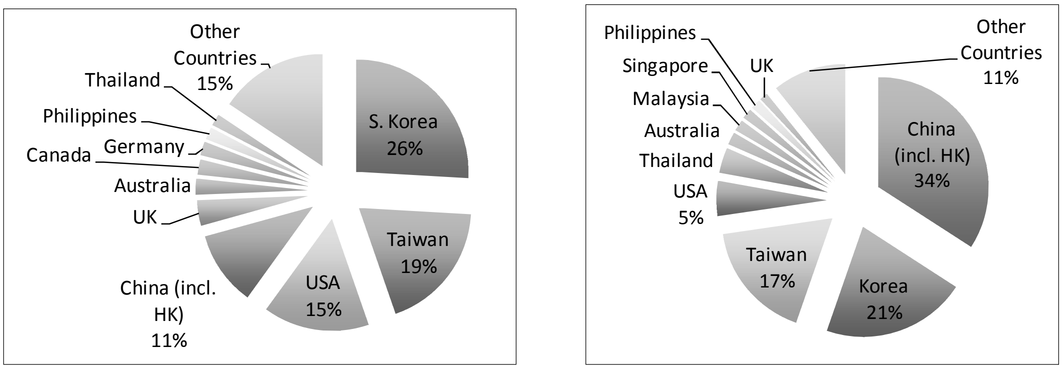

Figure 3: Japan's Top 10 Source Countries (a) 1996 and (b) 2016

Note 1: In 1996 UK (= 4%); Australia, Canada, Germany, Philippines, Thailand (all 2%)
Note 2: In 2016 Thailand (= 4%); Australia, Malaysia, Singapore (all 2%); Philippines, UK (1% each)

Firstly, we can see that inbound tourism to Japan in both 1996 and 2016 was largely made up of just four countries: China, South Korea, Taiwan and, to a lesser extent, the United States. In 1996 these four countries made up 71% of all inbound visits (2.71 million visitors) to Japan a figure that increased to 76% (18.71 million) in 2016. Within these apparently two similar percentages however two important changes have occurred: firstly, that Japan inbound is now made up of *three* countries (China, South Korea, and Taiwan) - the USA only contributing 5% of visitors in 2016; and secondly, that one country - China - dominates.

The shift from Japan inbound tourism being made up of four roughly equal sized source countries to being based on just three is clearly illustrated in Figures 3(a) and 3(b). In 1996 South Korea, Taiwan, USA and China respectively made up 26%, 19%, 15% and 11% of Japan's inbound total, but by 2016, in the same order, they contributed 21%, 17%, 5% and 34%. The tripling in the share of Chinese visitors (from 11% to 34%) means, as a source country, China now dwarfs Japan's long-term most significant inbound market, South Korea. This single source market bias towards China makes other important source markets to Japan such as Thailand, Australia, or the Philippines appear almost irrelevant (Figure 4). According to the latest inbound figures for 2017 it is likely China's leading source country status will be strengthened further since double-digit growth is predicted (MLIT, 2017b). It is thus possible that China might even attain "dominant market" status (i.e. 40% of the market – see Pass, Lowes and Davies, 2005) in the near future.

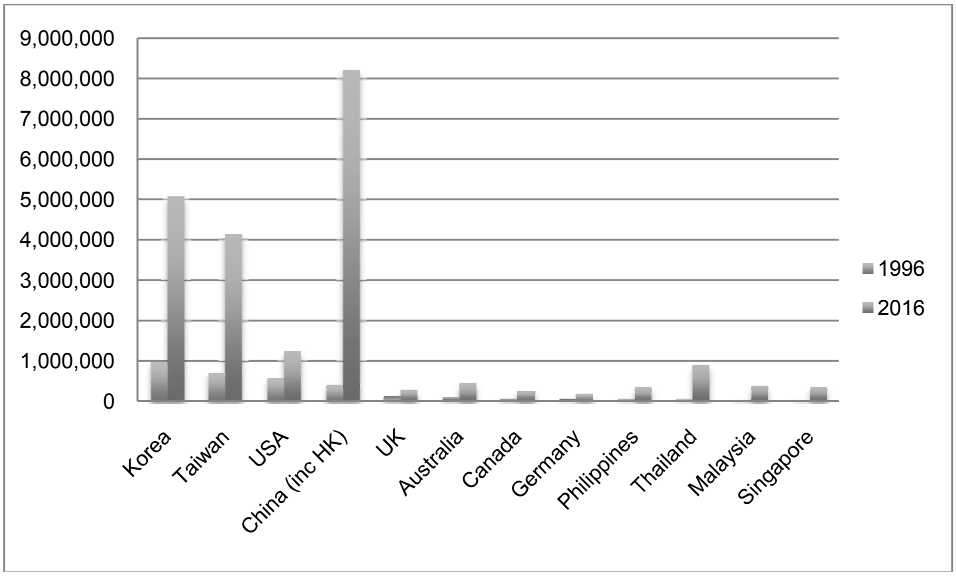

Figure 4: Japan's Top ranked source countries (by number of visitors)

Source: MLIT, Tourism White Paper 1996, 2016

The changing profile of Japan's source countries is further emphasized when these countries are ranked (Table 2). Here we can see that in 1996 Japan's top 10 tourism source countries included 5 from Asia (South Korea, Taiwan, China, Philippines, and Thailand) and 5 from Europe (UK, Germany), North America (Canada and United States) and Australia. This broad balance of nations has since shifted towards Asia such that only 3 non-Asian countries (USA, Australia, the UK) feature in the 2016 list. Notably, Thailand and Malaysia ranked 10th and 12th in terms of numbers in 1996 were positioned 5th and 7th respectively in 2016. This situation continues to evolve and preliminary data for 2017 indicates that UK visitor numbers to Japan have been surpassed by visits made by travellers from both Indonesia *and* Vietnam (JNTO, 2017), two countries outside the top 10 in 2016. Consequently in 2017 we can expect no European country to feature in Japan's top 10 source countries list for the first time since records were kept. This is a powerful benchmark to support the notion that there is a need for new priorities concerning the provision of tourism services, tourism facilities, and tourists' needs at key tourism resources in Japan.

Table 2: Japan inbound tourism source markets by rank (1996 and 2016)

Country name	Rank in 1996	Rank in 2016
South Korea	1	2
Taiwan	2	3
United States of America	3	4
Peoples Republic of China	4	1
United Kingdom	5	10
Australia	6	6
Canada	7	11
Germany	8	14
Philippines	9	9
Thailand	10	5
Malaysia	12	7
Singapore	13	8

Note: France was ranked 11th in 1996

4.3 Length of stay

Official statistics on the length of stay in Japan (Table 3) show that on average in 1996 international visitors stayed 8.4 days, a figure which increased to 10.1 days in 2016 (MLIT, 2017b). Country-specific data is unavailable for 1996, but in 2016 figures show the longest sojourns were made by non-Asians (United States = 14.1 days) while the shortest were made by visitors from the Asia region (South Korea = 4.5 days).

These observations may lead us to reach the general conclusion that over the 20-year span the average length of stay in Japan is increasing, and that Asian visitors tend to undertake the shortest visits. However, this is an over-simplification of the situation. Taking visits from China as an example we see that the average duration of stay *decreased* from 18.6 days in 2014 (i.e. considerably longer than U.S. visitors) to 11.8 days in 2016, while visits by Germans *increased* in length by 1.9 days between 2015 and 2016 (i.e. greater than the 20 year average increase). Meanwhile trip length by South Korean nationals peaked in both 2007 and 2010, but dropped off considerably in 2008 and 2011 (JTB, 2016). These cases tell us that trip duration is an unpredictable metric with long-term trends masking short-term fluctuations.

Annual or biennial fluctuations in the duration of stay can be caused by man-made or natural external influences such as prevailing economic conditions, disasters, or the maturity of the tourism market. The fluctuations may also be explained by the day (or days) of the week on which national days or other institutionalized holidays fall in either source or recipient nations facilitating easier travel in some years but not in others. Thus the conclusions drawn above may not be indicative of a *pattern* of either longer, or shorter sojourns by visitors in general, nor may they be informative about any individual nation as a tourism source country. This makes it difficult to make meaningful conclusions regarding length of stay; it is an area of Japan inbound travel research that merits closer examination.

Table 3: Length of Visitor stay in Japan in top 5 source countries (1996 / 2016)

Country	2016	1996
P. R. China	11.8*	8.4
South Korea	4.5	
Taiwan	7.4	
USA	14.1	
Thailand	9.9	
All countries average	10.1	

*2016 data does include Hong Kong

Length of stay is also an important metric when we consider the income a country can earn from tourism, or the effects tourism has on a country's balance of payments (BOP). As a country with a historically greater outflow than inflow of visitors Japan's annual tourism BOP has, since tourism liberalization in 1964, been negative - in 1996 this deficit was 3.6 trillion yen. Since that year this deficit has fallen gradually and in 2015 was - for the first time in 53 years - a net *surplus* totaling ¥1.1 trillion (MLIT, 2017a). In 2016 this surplus grew further to stand at ¥1.3 trillion.

This remarkable turnaround in the BOP figures is not simply about the volume of inbound visitors to Japan but also concerns source country visitor spending habits. With no available country-specific data on spending in 1996 it is beyond the scope of the current research to make a valid comparison, however when we combine the fact that the number of Chinese visitors has grown rapidly in recent years with the knowledge that in 2016 spending by this demographic was ¥231,000 per visit (and thus 40% of *all* visitor spending in Japan - see MLIT, 2017b), we can understand that Chinese visitors are a significant reason for Japan's new positive tourism BOP profile.

4. 4 Entry and exit ports to/from Japan

One criticism leveled against inbound tourism to Japan is the lack of regional tourist infrastructure, which in turn skews the distribution of inbound visits in favour of Tokyo and its immediate environs (Andonian, Kuwabara, Yamakawa and Ishida, 2016). With the majority (98%) of visitors arriving by air, in an attempt to address this problem, successive waves of regional airport construction have been carried out. This began in the late 1980s when new airports were opened in Shonai, Okayama and Hiroshima and continued in the first decade of the 2000s with facilities established in Kobe (2006) and the Shizuoka Mt. Fuji-branded Airport (2009). These regional facilities were complemented by large-scale 'hub' type airport developments in Osaka (Kansai) and Nagoya (Chubu), opened in 1994 and 2005 respectively.

Table 4: Share (%) of all entry/departures to/from Japan (by port) 1996 & 2016

Facility	Visitor entry / departure in 1996	Visitor entry / departure in 2016	Change (%)
Tokyo Narita	53.3	33.5	-19.8
Tokyo Haneda	2	18.6	+16.6
Kansai (Osaka)	24	23	-1
Chubu (Nagoya)	8.5*	6.4	-2.1
Fukuoka	5.9	6.2	+0.3
Naha (Okinawa)	0.8	3.6	+2.8
All other airports	4.5	6.8	+2.3
All sea ports	1.0	1.9	+0.9
Total (%)	100	100	n/a

*1996 figures relate to Nagoya Komaki airport

Source: Japan Ministry of Justice (http://www.moj.go.jp)

However as Table 4 shows this new airport infrastructure has derived poor dividends as visitors still tend to be funneled through Tokyo. Although the absolute number of visitors arriving at each facility has increased, the imbalance in the national share of arrival/departure points remains much as it was in 1996. Thus in 2016, 52.1% of visitors arrived at one of Tokyo's two airports, a figure little changed from 1996 (55.3%). Although Narita Airport's share of the national total has fallen considerably over this time (-19.8%) most of this has been taken up by Haneda Airport as airlines take advantage of the latter's 2012 internationalization re-make. The result is that the majority of visitors to Japan *still* begin and end their journeys in Tokyo rather than in one of the country's regions. Neither Kansai (-1%), nor

Chubu (-2%) have succeeded in attracting or sustaining new international air-routes (with the odd exception of those to China) and thus the nationwide redistribution of inbound visitors has not been facilitated. The only evidence of some regional redistribution of visitors has been provided by Naha Airport where, thanks to the popularity of Okinawa with Taiwanese and Hong Kongers, the share of international air traffic passengers grew to 3.6% of the national total in 2016 from just 0.8% in 1996. The increase in the share of arrivals at Chitose Airport (not shown), and passenger arrivals by ship (+2.3% and +0.9% respectively) also suggest that nascent examples of how regional redistribution of visitors might be enabled can be found in different parts of the Japanese archipelago.

5. Discussion

According to the number of visits undertaken, the ranking of the world's leading inbound countries (Table 5) appears to show that there has been little change in global inbound tourism in the years between 1996 and 2016. Indeed in both 1996 and 2016 the same three countries France, the United States, and Spain occupied the first, second and third places respectively. In 1996 these three countries accounted for almost 150 million visits, or more than 25% of all international travel while twenty years later the same three countries welcomed more than 230 million inbound visitors (around 20% of the global total). Thus a 5% fall in the total global share can be observed suggesting the hegemony in global inbound tourism by France, Spain and U.S.A. is being eroded. The biggest challenge to this hegemony is coming from Asian countries. As this paper has shown this is particularly true for Japan where average inbound tourism growth rates have averaged 33% per year since 2011 - the fastest amongst all industrialized countries (France, by comparison grew 34% in *20* years). The result has seen Japan rise from being ranked the 44th most visited country in the world in 1996 to being its 15th in 2016 (UNWTO, 2017; UNWTO, 1996).

Table 5: World's Top 3 Inbound Markets 1996 and 2016

Rank		COUNTRY	INTERNATIONAL TOURIST ARRIVALS (million)		% CHANGE (1996/2016)
1996	**2016**		**1996**	**2016**	
1	1	France	61.5	82.6	34%
2	2	United States	44.8	75.6	69%
3	3	Spain	41.3	75.6	83%
44	15	Japan	3.8	24.0	625%
		WORLD TOTAL	591.9	1,235	109%

Source: UNWTO 1996; UNWTO, 2017.

Becoming a country increasingly recognized as a destination for global tourism has brought Japan tangible benefits such as a positive tourism balance of payments (BOP) but it has also presented the country with new challenges. Not only do the vast majority (85%) of Japan's inbound tourists come from one region but 90% of this number are from just three source countries (China, Taiwan, South Korea). Moreover, most visitors still tend to enter Japan through just two international gateways spatially limiting their spread across Japan.

This imbalance in both visitor source countries and regions visited leaves Japanese inbound tourism vulnerable to negative changes in the economy, political circumstances, or social change in source countries which in turn could have a direct negative impact on inbound numbers. The imbalance also offers Japan little in terms of sustainable economic trickle down of tourism's benefits to its regions. Although offset somewhat by the even seasonal distribution of visits, these possible harbingers of change still lead us to ask how a country like Japan, with a stated aim of establishing a *kankorikkoku*, might better promote, manage, and understand its tourism resources and infrastructure (Andonian et al, 2016). Should it focus on its established source markets? Or should it make greater efforts to diversify them, and thus reduce its vulnerability to external negative forces?

The reasons for Japan's new status as the world's 15th most visited country are multi-faceted, but we can point to a number of key "pull" stimuli (Crompton, 1979). These include macroeconomic factors external to the tourism system itself such as the relatively weak yen, and in the case of visits by Chinese nationals, the strength of the Chinese economy. However economic arguments alone are insufficient to explain the extended rise in inbound tourism to Japan since 2011. In addition to economic factors, policy directives in Japan, its source countries, and internationally have been vital to encourage growth. Thus the Chinese government's awarding of ADS status to Japan for visits from China was essential in allowing Chinese nationals to leave as tourists. Meanwhile under the general directive of the United Nations tourism body the UNWTO, relaxed visa regulations introduced in 2012 have allowed a greater cross-section of the Asian public to visit Japan, and to do so more frequently and simply (UNWTO, 2014).

Domestic macro-scale tourism policy has also pulled inbound tourism in a positive direction. Thus the 1996 *Welcome Plan 21* and *Visit Japan Campaign* (2003), although not directly responsible for the large contemporary gains in tourism numbers, firmly set an agenda for Japan tourism to follow. Similarly by ratifying the so-called "Open Skies" airline deregulation agreement in 2013, Japan further improved access in a way that complemented the new visa regulations environment. This has been assisted by the widespread adoption of government policies aimed at establishing a society and an economy geared towards tourism (i.e. *kankorikkoku*). These policies range from the opening up and promotion of lesser known tourism attractions in Japan's hinterlands, to the widespread adoption of tax-free shopping to international visitors, the latter an important policy given the large numbers of

Chinese visitors and their reputation for high spending while abroad (UNWTO, 2017b). The awarding of the 2020 Olympic Games to Tokyo in 2013 provided much of the impetus for this new focus on inbound tourism. It is now a question of ensuring such an opportunity can derive benefits.

Awareness and perception are also vital elements in encouraging visitors to a destination (Plog, 1974; Pearce, 1993). To increase awareness of Japan's tourism potential, over the last 20 years successive promotional campaigns such as *Welcome Plan 21* (1997), *JNTO Inbound Campaign* (2001), *China-Japan Mutual Visit Year* (2002) and *Yokoso Japan* (2003) have been launched but it has not been until much more recently that promotional efforts have translated into clearly recognizable inbound tourism increases. Rather than a sudden change in the perception of Japan's tourism assets, we can thus point to an erosion of stereotypical perceptions about Japan such as the expense of visiting and knowledge of its attractions. Concerning such perceptions however Andonian et al (2016) suggest more work is required. According to their research even the best-informed foreign tourists to Japan have very limited knowledge of even the most well-known tourism resources prior to arrival, and are unaware of sites Japanese nationals would regard as must-see places. Many of these places are outside the Tokyo area and thus changing the level of awareness of these internationally less well-known, must-see places is vital if Japan is to reduce the skewed spatial distribution of foreign visits. Success in changing such perceptions will be an effective way to reduce the acute stress placed on the carrying capacity at many of Japan's busiest tourist sites particularly those in and around Tokyo.

The perception of Japan as a country with more to offer than Mt. Fuji and the *Shinkansen* has also been helped by international recognition of cultural elements such as *Anime* and the designation of *Washoku* as a UNESCO Intangible World Heritage Asset (2013). More however needs to done to ensure the cultural value of such assets is better communicated to the rest of the world. Better and more innovative use of social media, and improved foreign language web-based materials are also vital to ensure visitors from Asia and beyond feel Japan is a place they can visit repeatedly (Andonian et al, 2016). In this respect Japan should follow the lead set by Thailand where more than 30% of annual visits are by non-Asian citizens, many of them repeat visitors.

Despite a slowing Chinese economy Japan's inbound market is buoyant and does not seem to be as vulnerable to the same external influences that have dogged Japanese outbound tourism for 20 years. Although the Fukushima Daiichi nuclear disaster *did* severely depress inbound tourism in 2011, positive global media coverage of the disaster and Japan's rapid recovery have had the effect of projecting positive images of the country and acted as a *de facto* means to raise awareness of the potential Japan offers as a travel destination. Emerging source markets such as Indonesia, Malaysia and Vietnam are developing rapidly (all three countries are expected to listed as a Japan top 10 source country in 2017) and are responding very favorably to this positivity.

If Japan is to achieve the status of being a tourism-oriented country it will need to harness such positivism with innovative ideas that can better integrate the country's regional hinterlands to the Tokyo core and satisfy the stated goals of *kankorikkoku*. At the same time, mechanisms to deal with deficiencies in Japan's accommodation sector, service provision and related tourism infrastructure (Williams, 2017) are vital (a) to ensure the geographical decentralization of international tourism visits, and (b) to answer the needs of the new visitor profile including those with needs - such as Muslim visitors - Japan has not yet had much need to cater for. In this way repeat visitation, a central requirement for an economically sustainable tourism, can be realized.

One possible strategy to encourage such repeat visits is to harness both business tourism and the burgeoning number of VFR tourists. The former generated 1.6 million visits in 2016 and the latter some 536,000 (Japan MoJ, 2017). In the case of Chinese visitors, the VFR segment represents 8% of all Chinese trips to Japan and can thus be considered an inbound segment worthy of its own marketing campaign. By its nature VFR tends to lend itself to relatively high repeat visitor rates, and is destination rather than experience driven. As the number of foreign residents living outside Tokyo is in excess of 1.7 million people (i.e. four times greater than those in Tokyo) this approach has excellent potential in opening up regions outside the capital to overseas visitors. It is a phenomenon that warrants further investigation.

6. Final words

In recent years Japan has been riding a wave of rising inbound tourism optimism. From annual record breaking visitor numbers to a positive balance of payments, and the increased awareness of Japan as a global destination, we can say that Japan inbound tourism has started to come of age. To sustain this momentum, as this limited study has shown, Japan will need to take a new development path and adopt new strategies that diversify the origin of its inbound tourists and that better balances the spatial distribution of those visits. Tourism is a business vulnerable to tangible and intangible factors and as seen in European tourist centers in 2017 if sustainable practices are not adopted, discontent among local populations can create considerable friction (Coldwell, 2017). Moreover, places can lose their allure, or become unfashionable, and tourism goods and services can become price sensitive if economic conditions so dictate. These are the challenges Japan will need to understand and overcome if it is to realize its goal of becoming a tourism-oriented country and attain a status similar to today's inbound tourism leaders, France, Spain and the United States.

7. Limitations / Future research

Tourism is a continually changing field of study and in using publically available primary source data the current study could only scratch the surface in revealing the new inbound tourism profile produced in the last 20 years. Any similar, future investigations would thus be advised to employ a more comprehensive data set and, as a means to explore the potential of VFR emphasize the metric of ‘purpose of visit’. Greater clarity in the economic changes can also be understood by adding more weight to the ‘length of stay’ parameter. In this way a clearer picture of how Japanese inbound tourism continues to evolve might result.

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