International Tourism Summary: Japan
Year ending December 2019

91,500 Japanese visitors spent 2.3 million nights and $231 million on trips to Victoria in the year ending December 2019.

**Spend**
$231m
+16.3% y/y
Share*: 18.6% +1.7% pts.
AAG: +21.7% p.a.
(2014-2019)

**Visitors**
91.5k
+8.1% y/y
Share*: 20.0% +0.5% pts.
AAG: +16.5% p.a.
(2014-2019)

**Nights**
2.3m
+35.2% y/y
Share*: 21.8% +6.3% pts.
AAG: +22.4% p.a.
(2014-2019)

Context:
In the year ending December 2019, international overnight visitors to Victoria (3.1 million) accounted for 3 per cent of total visitors to the state and 27 per cent ($8.8 billion) of total visitor expenditure in Victoria.

Japanese visitors spent $231 million on trips to Victoria in the year ending December 2019, a year-on-year increase of 16.3 per cent. This represents 2.6 per cent of all international overnight visitor spend in Victoria. Japan is ranked Victoria’s 10th largest international market in terms of expenditure.

* In the year ending December 2019, all Korean visitors to Australia were from South Korea.

In the year ending December 2019:
- 89,000 Japanese visitors spent 21.1 million nights and $219 million on trips to Melbourne
- 8,000 Japanese visitors stayed overnight in regional Victoria.

np = non-publishable (figures are below reliable and publishable thresholds)
Japanese Spend, Visitors and Nights by Key States Visited

**Victoria’s Market Share of Japanese spend, visitors and nights**

**Spend** 18.6% (+1.7% pts.)

**Visitors** 20.0% (+0.5% pts.)

**Nights** 21.8% (+6.3 pts.)

**Japanese Overnight Expenditure in Australia by Key States, 2014-2019**

<table>
<thead>
<tr>
<th>Expenditure by Visitors from Japan</th>
<th>Total Expenditure ($ million)</th>
<th>Av Ann % Change</th>
<th>Share of National %</th>
<th>Expenditure Per Night $</th>
<th>Expenditure Per Visitor $</th>
</tr>
</thead>
<tbody>
<tr>
<td>New South Wales</td>
<td>308</td>
<td>406</td>
<td>385</td>
<td>4.6% p.a.</td>
<td>-5.2%</td>
</tr>
<tr>
<td>Victoria</td>
<td>87</td>
<td>198</td>
<td>231</td>
<td>21.7% p.a.</td>
<td>16.3%</td>
</tr>
<tr>
<td>Queensland</td>
<td>303</td>
<td>411</td>
<td>460</td>
<td>8.7% p.a.</td>
<td>11.7%</td>
</tr>
<tr>
<td>Australia</td>
<td>828</td>
<td>1,172</td>
<td>1,239</td>
<td>8.4% p.a.</td>
<td>5.7%</td>
</tr>
</tbody>
</table>

**Total VIC International Expenditure**

- 4,903 ($ million)
- 8,467 ($ million)
- 8,426 ($ million)
- 12.5% p.a.
- 4.2%

**Japan’s Share of VIC International Expenditure**

- 1.8%
- 2.3%
- 2.6%

**Av Annual % Change**

- 14/19
- 18/19

**Av Annual Share of Visitors %**

- 2014
- 2015
- 2016
- 2017
- 2018
- 2019

**Av Annual % change**

- 14/19
- 18/19

**% change**

- 14/19
- 18/19

**Share of Visitors %**

- 2014
- 2015
- 2016
- 2017
- 2018
- 2019

**Japanese Overnight Visitor Numbers (000s) to Australia by Key States, 2014-2019**

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td><strong>Av Annual % change</strong></td>
<td>14/19</td>
<td>18/19</td>
<td>14/19</td>
<td>18/19</td>
<td>14/19</td>
<td>18/19</td>
</tr>
<tr>
<td><strong>% change</strong></td>
<td>14/19</td>
<td>18/19</td>
<td>14/19</td>
<td>18/19</td>
<td>14/19</td>
<td>18/19</td>
</tr>
<tr>
<td><strong>Share of Nights %</strong></td>
<td>2014</td>
<td>2015</td>
<td>2016</td>
<td>2017</td>
<td>2018</td>
<td>2019</td>
</tr>
</tbody>
</table>

**Japanese Visitor Nights (000s) in Australia by Key States, 2014-2019**

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Av Annual % change</strong></td>
<td>14/19</td>
<td>18/19</td>
<td>14/19</td>
<td>18/19</td>
<td>14/19</td>
<td>18/19</td>
</tr>
<tr>
<td><strong>% change</strong></td>
<td>14/19</td>
<td>18/19</td>
<td>14/19</td>
<td>18/19</td>
<td>14/19</td>
<td>18/19</td>
</tr>
<tr>
<td><strong>Share of Nights %</strong></td>
<td>2014</td>
<td>2015</td>
<td>2016</td>
<td>2017</td>
<td>2018</td>
<td>2019</td>
</tr>
</tbody>
</table>

**Japanese Visitor Numbers (000s) to Australia by Key States, 2014-2019**

- Victoria received 18.6 per cent of Japanese overnight visitors’ expenditure in Australia in the year ending December 2019, behind key competitor states Queensland (37.1%) and New South Wales (31.0%). Japanese visitors’ expenditure per night in Victoria ($101) was lower than the national average ($118), Queensland ($133) and New South Wales ($115). Victoria received a higher total spend per visitor ($2,521) than Queensland ($2,098) and New South Wales ($1,904).

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The year-on-year increase in Japanese overnight visitor numbers to Victoria (+8.1%) was ahead of the national average (+5.6%), Queensland (+5.3%) and New South Wales (+2.7%) in the year ending December 2019. Over the longer term (2014 to 2019), Japanese overnight visitors to Victoria increased at an average annual rate of 16.5 per cent, well ahead of the national average (+8.4 p.a.), New South Wales (+7.1 p.a.) and Queensland (+6.6 p.a.).
Market Share by Key States

Japanese Overnight Visitors to Australia
Year ending December 2019 – Market Share by Key States

In the year ending December 2019, 20 per cent of Japanese visitors to Australia stayed overnight in Victoria; behind Queensland (48%) and New South Wales (44%).

Main Purpose of Trip (000s) to Australia by Key States Visited and Market Share
Year Ending December 2019

<table>
<thead>
<tr>
<th>Year Ending December 2019</th>
<th>Holiday</th>
<th>Visiting friends and relatives</th>
<th>Total Leisure*</th>
<th>Business</th>
<th>Education</th>
<th>Other reason</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>New South Wales</td>
<td>136</td>
<td>21</td>
<td>157</td>
<td>26</td>
<td>11</td>
<td>6</td>
<td>202</td>
</tr>
<tr>
<td>Market Share %</td>
<td>43%</td>
<td>44%</td>
<td>44%</td>
<td>48%</td>
<td>41%</td>
<td>48%</td>
<td>44%</td>
</tr>
<tr>
<td>Victoria</td>
<td>51</td>
<td>12</td>
<td>63</td>
<td>16</td>
<td>8</td>
<td>-</td>
<td>92</td>
</tr>
<tr>
<td>Market Share %</td>
<td>16%</td>
<td>25%</td>
<td>17%</td>
<td>29%</td>
<td>30%</td>
<td>-</td>
<td>20%</td>
</tr>
<tr>
<td>Queensland</td>
<td>169</td>
<td>17</td>
<td>186</td>
<td>14</td>
<td>13</td>
<td>-</td>
<td>219</td>
</tr>
<tr>
<td>Market Share %</td>
<td>54%</td>
<td>35%</td>
<td>52%</td>
<td>26%</td>
<td>46%</td>
<td>-</td>
<td>48%</td>
</tr>
<tr>
<td>Australia</td>
<td>313</td>
<td>48</td>
<td>361</td>
<td>54</td>
<td>27</td>
<td>13</td>
<td>458</td>
</tr>
</tbody>
</table>

* Total Leisure = Holiday + VFR
NB: Figures for ‘Employment’ visitors are unreliable and are unable to be published.

In the year ending December 2019, 17 per cent of Japanese leisure visitors to Australia stayed overnight in Victoria, including 16 per cent of holiday and 25 per cent of visiting friends and relatives (VFR) visitors. Queensland’s share of Japanese leisure visitors was higher at 52 per cent, with New South Wales’ share also higher at 44 per cent. During the same period, Victoria’s share of the Japanese education visitor market was 90 per cent and business visitor market share was 29 per cent.

Purpose of Visit to Victoria (and the Destinations Within)

Some international visitors to Victoria visit more than one destination in the state, and for different purposes. For example, a visitor might stay in Melbourne for education reasons, and visit the Great Ocean Road region for a holiday. As such, the percentages of international visitors who visited Victoria for each purpose total more than 100 per cent.

Japanese Overnight Expenditure and Visitation to Victoria by Destination Purpose of Visit – Year Ending December 2019

<table>
<thead>
<tr>
<th>Year Ending December 2019</th>
<th>Holiday</th>
<th>Visiting friends and relatives</th>
<th>Total Leisure*</th>
<th>Business</th>
<th>Education</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overnight Expenditure ($M)</td>
<td>84</td>
<td>-</td>
<td>97</td>
<td>26</td>
<td>104</td>
<td>231</td>
</tr>
<tr>
<td>Overnight Visitors (000s)</td>
<td>55</td>
<td>16</td>
<td>68</td>
<td>15</td>
<td>7</td>
<td>92</td>
</tr>
<tr>
<td>Visitor Nights (000s)</td>
<td>1,054</td>
<td>-</td>
<td>1,226</td>
<td>-</td>
<td>885</td>
<td>2,292</td>
</tr>
<tr>
<td>Average Length of Stay</td>
<td>19.2</td>
<td>-</td>
<td>18.0</td>
<td>-</td>
<td>134.1</td>
<td>25.0</td>
</tr>
<tr>
<td>Spend per Visitor</td>
<td>1,532</td>
<td>-</td>
<td>1,420</td>
<td>1,816</td>
<td>15,701</td>
<td>2,521</td>
</tr>
<tr>
<td>Spend per Night</td>
<td>80</td>
<td>-</td>
<td>79</td>
<td>-</td>
<td>117</td>
<td>101</td>
</tr>
</tbody>
</table>

* Total Leisure = Holiday + VFR (NB total leisure may equal more than the sum of holiday + VFR, since visitors can visit more than one destination in Victoria with more than one purpose.)
NB: Where there is a ‘-‘, figures are unreliable and are unable to be published.
NB: Figures for ‘Employment’ and ‘Other’ visitors are unreliable and are unable to be published.

NOTE: The proportion of Visitors to the States and Territories will not add up to 100% as visitors can travel to multiple destinations in one trip, while the proportion of Visitor Nights to the States and Territories will add to 100% as this measure is mutually exclusive.
Of all the main purpose segments, the Japanese holiday market has provided the strongest growth to overnight visitor numbers to Victoria over the past five years (+23.0% p.a.), while VFR visitors have also increased (+7.0% p.a.).

During the same period, 60 per cent of Japanese visitors travelled to Victoria for holiday purposes, 17 per cent travelled on business and seven per cent came to the state for education purposes.

Forty-six per cent (46%) of all nights spent in Victoria by Japanese visitors in the year ending December 2019 were accounted for by holiday visitors, while education visitors accounted for 39 per cent of visitor nights.

In the year ending December 2019, education visitors accounted for 45 per cent of Japanese visitor expenditure in Victoria. Japanese leisure visitors accounted for 42 per cent of expenditure, including 36 per cent of spend contributed by holiday visitors.

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Melbourne and Regional Victoria Overnight Visitation

Japanese Overnight Visitation (000s) to Victoria, 2014-2019

<table>
<thead>
<tr>
<th>Year Ending December</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>Av Annual % change 14/19</th>
<th>% change 18/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Melbourne</td>
<td>41</td>
<td>47</td>
<td>57</td>
<td>76</td>
<td>82</td>
<td>89</td>
<td>16.7% p.a.</td>
<td>8.4%</td>
</tr>
<tr>
<td>Regional Victoria</td>
<td>-</td>
<td>-</td>
<td>7</td>
<td>10</td>
<td>8</td>
<td>8</td>
<td>-</td>
<td>4.2%</td>
</tr>
<tr>
<td>Victoria</td>
<td>43</td>
<td>48</td>
<td>60</td>
<td>79</td>
<td>85</td>
<td>92</td>
<td>16.5% p.a.</td>
<td>8.1%</td>
</tr>
</tbody>
</table>

NB: Where there is a ‘-’, figures are unreliable and are unable to be published.

There were 89,000 Japanese overnight visitors to Melbourne in the year ending December 2019, an 8.4 per cent increase over the previous year. Japanese visitors to Melbourne have grown at an average annual rate of 16.7 per cent over the period 2014 to 2019.

In the year ending December 2019, there were 8,000 Japanese overnight visitors to regional Victoria, a 4.2 per cent increase over the previous year.

Japanese Visitor Nights (000s) to Victoria, 2 years2 (rolling), 2014-2019

<table>
<thead>
<tr>
<th>2 Years Ending December</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>Av Annual % change 14/19</th>
<th>% change 18/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Melbourne</td>
<td>1,994</td>
<td>2,273</td>
<td>2,904</td>
<td>3,538</td>
<td>3,730</td>
<td>3,612</td>
<td>12.6% p.a.</td>
<td>-3.2%</td>
</tr>
<tr>
<td>Regional Victoria</td>
<td>-</td>
<td>-</td>
<td>259</td>
<td>324</td>
<td>332</td>
<td>374</td>
<td>-</td>
<td>12.8%</td>
</tr>
<tr>
<td>Victoria</td>
<td>2,212</td>
<td>2,502</td>
<td>3,163</td>
<td>3,862</td>
<td>4,062</td>
<td>3,986</td>
<td>12.5% p.a.</td>
<td>-1.9%</td>
</tr>
</tbody>
</table>

NB: Where there is a ‘-’, figures are unreliable and are unable to be published.

Japanese visitors spent 3.6 million nights in Melbourne in the two years ending December 2019, a decline of 3.2 per cent compared with the two years ending December 2018. During the period 2014 to 2019 (using two years of data per annum*), visitor nights spent in Melbourne increased at an average annual rate of 12.6 per cent.

In the two years ending December 2019, Japanese visitors spent 374,000 nights in regional Victoria, an increase of 12.8 per cent compared with the two years ending December 2018.

* where 2014 includes years ending December 2013 and 2014 and 2019 includes years ending December 2018 and 2019.

Regional Dispersal

Regional Dispersal of Top 20 International Overnight Markets to Victoria – 2 Years Ending December 2019

Of the 4.0 million nights spent in Victoria by Japanese visitors in the two years ending December 2019, only nine per cent (374,000) of them were spent in regional Victoria.

Japanese visitors to Victoria have the 7th lowest rate of overnight dispersal of all the state’s top 20 international markets.

Note: Percentages in red are based on small survey samples and are subject to high levels of sampling variability. Results should be interpreted with caution.

2 Two years of data are used to increase reliability of the figures.
In the year ending December 2019, Qantas contributed 62 per cent of the 168,700 available seats on direct flights from Japan to Melbourne, while Japan Airlines contributed the remaining 38 per cent.

In the year ending December 2019, Melbourne received 18 per cent of the 929,300 available seats on direct flights from Japan to Australia. Sydney received the largest share at 37 per cent of available seats, while Cairns received 21 per cent of available seats.

Note: Aviation capacity is measured by “available seats”, which includes international visitors and Australian residents returning home.
Sources:

- International Visitor Survey (IVS), years ending December 2014-2019, Tourism Research Australia (data released 8 April 2020)
- Regional Expenditure Model (REX) 2014-2019, Tourism Research Australia (data released 8 April 2020)
- Tourism Australia Consumer Demand Project, Tourism Economics, April 2020
- International Airlines Operated Flights and Seats, year ending December 2019, Department of Infrastructure and Regional Development (BITRE)
- Visitor Arrivals and Departures, year ending December 2019, Tourism Research Australia

Base for IVS and Expenditure data: Only those trips where International visitors aged 15 years or over who have stayed in Australia for less than 12 months are in scope. Expenditure includes package expenditure.

Figures that are unreliable and unable to be published are represented by ‘-’. Figures might not add up due to rounding.

To view the full suite of 15 International Tourism Summaries (Victoria’s top 15 international markets in terms of expenditure, visitors and nights), see https://www.business.vic.gov.au/tourism-industry-resources/research/international-research

For further information on IVS and Expenditure data sources used please refer to our Guide to Tourism Data Sources and Definitions document found here: https://www.business.vic.gov.au/tourism-industry-resources/research/teve-research

For further information on Tourism Australia’s Consumer Demand Project, see http://www.tourism.australia.com/en/markets-and-research/reports/consumer-research.html


Factsheet produced by the TEVE Research Unit, May 2020.
Due care is taken in the production of this factsheet, however DJPR accepts no responsibility for the use of this information.