



## **Japan: The Changing Scene**

**- with Nick Mudge, Regional Manager Japan & Korea**

**Key discussion points: Webinar, 13 March 2012**

- Japan arrivals have been steadily declining since early 2000s.
- In 2011, compounding this decline trend the Japan market has been further challenged in the wake of the Christchurch earthquake and 3/11 events in Japan (with the senior market leading the recent softening of demand).
- Air New Zealand plans to operate 66 per cent more capacity in the April- October 2012 season compared to the same period in 2011.
- Not all long haul destinations have recovered to pre-earthquake levels but forecast growth from Japan for 2012 (both outbound travellers +2.7 per cent and economic GDP +2.3 per cent) are positive and encouraging.
- Tourism New Zealand will move to a more diversified approach in the year ahead with multiple air partners, expanded trade partners and dual target customer segments (“senior nature lovers” and “fun seeking friends”).
- Air New Zealand remains our key airline partner in Japan assisted by an in-market joint venture where trade, campaign and PR activities are closely aligned.
- Jetstar and Korean Airlines are now actively promoting New Zealand from Japan providing new levels of accessibility and encouraging more free independent travelers (FIT).
- The increased capacity, new All Nippon Airways (ANA) / Air New Zealand relationship, Hobbit promotion, refreshed destination positioning, competitive airline pricing options and high season charter programme are all positive pointers towards a recovering market in the year ahead.
- The Japanese visitor is a high quality visitor so ongoing investment and involvement in this well established market is justified.