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Transforming Japan's Rural Areas Into Tourist Destinations Through Digital Innovation

With less than 5% of Thai tourists venturing into Japan's rural areas, cities like Tokyo and Osaka face the strain of overtourism—but how can we shift this dynamic?

A one-stop digital platform might just hold the answer to unlocking Japan's hidden gems.

Introduction

This report focuses on the increase of Thai tourists concentrated in Japan's major metropolitan areas and identifies the key challenges they face when considering travel to rural areas. It explores the future of digital tourism, refers to the use of digital platforms and technology to enhance the travel experience by providing essential services and information for tourists, to support the promotion of dispersing tourists to these regions. Through behavior studies of tourists based on existing research and analyses such as pain point assessments, key pain points were hypothesized, including limited information about rural areas, confusion regarding Japan's regional divisions, and language barriers, particularly outside of major cities. Following this, a Focus Group Discussion (FGD) workshop was conducted to validate these hypotheses, resulting in an agreement rate of over 70%. Below are the key findings of this report:

Desktop research revealed that major cities like Tokyo and Osaka remain favored destinations for Thai tourists, with a very low visit rate to rural areas—below 5%. Many Thai tourists prefer to gather information through personal blogs and video platforms; however, these information sources tend to be biased toward popular cities, creating barriers for travelers seeking information about rural destinations.

Additionally, the complexity of Japan's geography and transportation systems, as well as language barriers in rural areas, hinder travel to these regions. To address these challenges, there is a need for a one-stop digital service that provides information about rural areas before travel and emergency support during the trip.

Solution Design Result

Based on the research and analysis conducted so far, as well as the verification from the FGD, it is anticipated that the future of digital tourism will require the provision of a digital platform that supports travel planning and assistance during trips. This digital platform is essential for addressing critical pain points, such as the currently limited destination information, by providing pre-trip resources and emergency assistance. This approach is expected to enhance travelers' confidence and improve safety. Furthermore, by offering real-time transportation updates, seasonal activity information, and detailed insights into local attractions, the overall quality of the travel experience is anticipated to improve. The picture below shows a sample of a digital platform image.

Pain Points to solve

- Limited destination information complicates activity planning in specific areas.
- Japan's regional divisions can be confusing, requiring tourists to cross-reference multiple sources.
- Language barriers pose challenges, particularly outside major cities where English proficiency is limited.

Core Idea to Solve the Issue

A one-stop platform providing both pre-trip information and emergency assistance during the trip.

Potential impact

- Enhanced Traveler Confidence: The platform provides comprehensive support for both pre-trip information and emergencies, giving travelers the confidence for a worry-free journey.
- Increased Safety and Security: Access to emergency assistance during travel enhances safety and security, allowing travelers to confidently handle unforeseen situations.
- Improved Travel Experience: By integrating pre-trip information and emergency support, the platform streamlines the travel experience, reducing stress and uncertainty related to planning and unexpected events.

Main Features

- Content: Offer real-time transportation updates, seasonal activities by region, and detailed information on local attractions.
- Emergency Guide: Provide quick-response guidelines for accidents, losses, or emergencies that may occur during the trip.
- Itinerary Travel Plan: Deliver local information tailored to individual travel itineraries.
- Personalized Content: The platform displays content tailored to users' interests based on their profiles.

User gain

- Enhanced Trip Planning: Providing detailed information on season-specific activities enables users to plan their trips more effectively, ensuring they experience seasonal highlights. An example of this is the website JNTO(www.jnto.or.th)
- Improved User Experience: Personalized content tailored to users' preferences offers relevant recommendations, enhancing their overall platform experience. An example of this is the website TripBuilder(www.tripadvisor.com/TripBuilder)
- Increased Engagement: Customizable itineraries based on seasonal activities encourage users to explore more options and interact more deeply with the platform. An example of this is the website TripBuilder(www.tripadvisor.com/TripBuilder)
- Safety Awareness: The inclusion of an emergency feature ensures users are equipped to handle unexpected situations during their travels, enhancing safety and security.

Conclusion

In summary, this report has provided a detailed examination of the challenges Thai tourists face when traveling to Japan, including pain points such as limited information on rural areas, the complexity of understanding Japan's regional divisions, and language barriers. Through comprehensive research, analysis, and validation via the Focus Group Discussion (FGD), it is evident that addressing these issues is crucial to improving the overall travel experience for Thai tourists.

The research and analysis of Thai tourists' behavior when visiting Japan highlight several key insights. In terms of demographics, the majority of Thai tourists in 2019 were female, with the largest age group being 30-39 years old. Solo travelers tended to spend more per person than those traveling with companions, and most trips were planned using online resources. Seasonal trends revealed that Thai tourists primarily visit Japan during spring and winter, particularly in April and December, aligning with major Thai holidays and popular Japanese seasons like cherry blossom viewing and winter festivals.

The pain point analysis uncovered several challenges faced by Thai tourists. One significant issue is the lack of detailed information on rural areas, including attractions, activities, and transportation options. Additionally, Japan's regional divisions can be confusing for foreign travelers, particularly when using railway maps with varying formats. Finally, language barriers were a common problem, especially outside major cities where English proficiency is limited, making it difficult for Thai tourists to navigate and handle emergencies.

The proposed digital platform offers a holistic solution by integrating essential pre-trip information, real-time updates, and emergency support to enhance traveler confidence, safety, and convenience.

By simplifying access to localized information, providing transportation guidance, and offering language support, the platform has the potential to bridge key gaps in the current tourism experience. Ultimately, this digital solution will not only enrich the travel experience but also encourage more Thai tourists to explore lesser-known regions of Japan, contributing to a more equitable distribution of tourism throughout the country.

This report concludes that embracing digital tourism solutions is key to meeting the evolving needs of Thai travelers, ensuring a more seamless, safe, and enjoyable journey to Japan.

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Appendix

Methodology

This report is guided through two phases, from research to comprehensive platform idea suggestion, in alignment with the derived report goals. The steps are as follows:

Research and analysis

- **Tourist Behavior Research**: Conduct comprehensive desktop research on current trends in inbound tourism to Japan, including tourist demographics, behaviors, and preferences.
- **Pain Point Analysis**: Conduct desktop research to establish pain point hypotheses, then validate them through the following an FGD workshop, participants with similar backgrounds or experiences who have visited Japan before will be gathered to discuss a specific topic related to pain points hypothesized from the perspective of Thai tourists. Facilitate the workshop to explore identified pain points in detail through the following steps:
  - This investigation involves a detailed examination of selected pain points to uncover their underlying causes.
  - This investigation will result in multiple scenarios, with one specific case selected for focused analysis.
  - Once the primary cause is established, formulate "How might we" questions for various scenarios to explore potential solutions and effectively address the identified pain point.

Hearing & survey

- **FGD (Focus Group Discussion) Workshop**: Conduct field surveys in the area to understand current conditions. Analyze data from interviews and surveys to gain insights and determine if the initial ideas align with the identified pain points of interviewees. This will also help validate hypotheses formed during the ideation workshop.

Solution design

- **Solutions Overview**: Lastly, identify and suggest the to-be digital solutions that align with strategic goals, including developing new apps, websites, and interactive platforms.

Research and Analysis Result

First, this section describes the research and analysis results, including the research's premises and findings on tourist behavior. Second, it presents the results of the pain points analysis.

The premises of the research and analysis results:

- The number of Thai tourists who visited Japan in 2019 was 1,246,144.
- Desktop research source from:
  - Japan Tourism Statistics (JNTO), 2019.
  - Japan Tourism Agency (MILT), 2019.
- Period of data: This report uses data from 2019, as the years 2020 to 2022 were during the COVID-19 period, and some data from 2023 are incomplete.
  - Jan – Dec 2019

- To make it relatable to the customer journey from the NRITH side, the analysis is divided into different travel stages.
 - Before travel stage
  - Travel stage
  - After travel stage

The results from desktop research on tourist visitor behavior can be summarized as follows:

Overview of demographic

An overview of Thai tourist demographics, based on data from the Japan Tourism Agency (MILT) in 2019, provides insights into the characteristics of these travelers. The total number of respondents to the survey was 1,423 Thai individuals, with each providing a single answer.

In 2019, around 60% of Thai tourists were female, and the largest group by age was 30–39 for both females and males. The second largest group was females aged 20–29. In terms of behavior, they typically arrange their trips via websites. The largest group of visitors 68%, and 24.5% traveled with family members, but the "solo travelers" group generated the highest per-person expenditure total trip average 154,242 Yen per person.
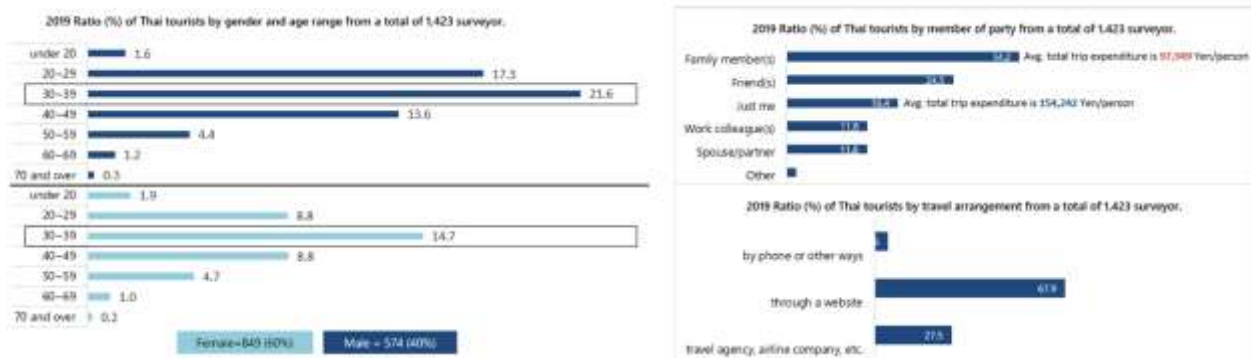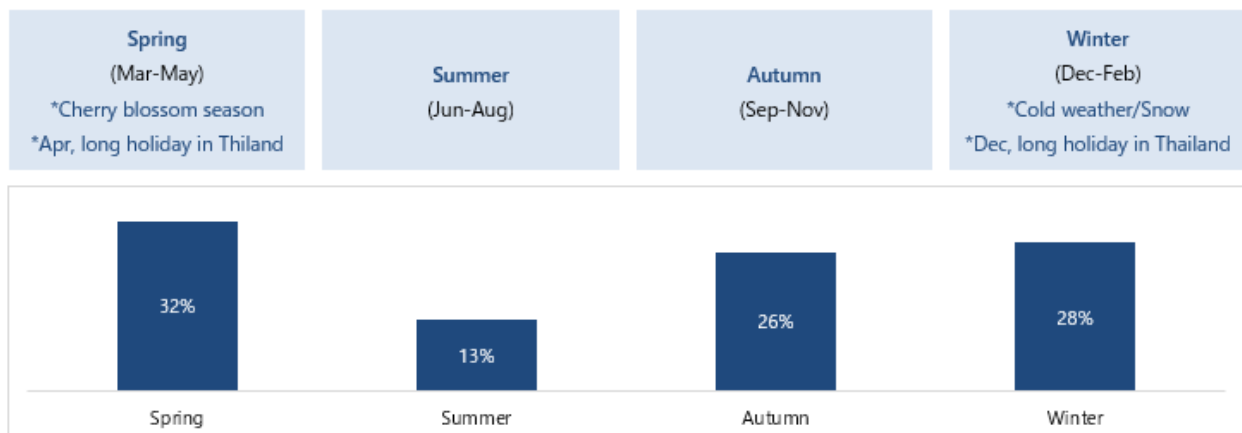

Overview of visit trend

The chart below illustrates the seasonal differences in the number of Thai tourists visiting Japan, based on 2019 data from the Japan Tourism Statistics (JNTO). According to this, Thai tourists primarily visited Japan during the spring and winter seasons, particularly in April and December. The number of visitors in spring reached 401,083, while summer saw 168,115 visitors, autumn had 327,711, and winter recorded 349,235 visitors.
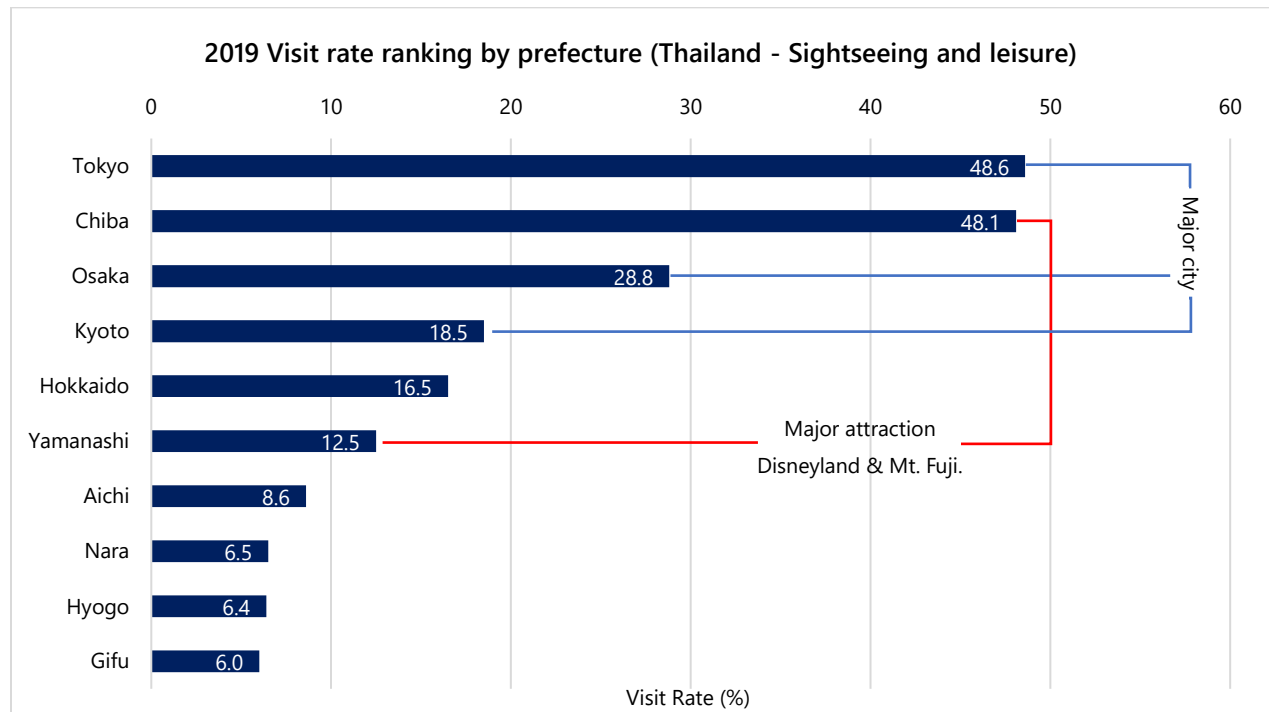
This infers that April and December are the peak months for Thai visitors, coinciding with long holidays in Thailand and aligning with Japan's cherry blossom season and winter snow.

2019 Trend of visit arrival by seasonal

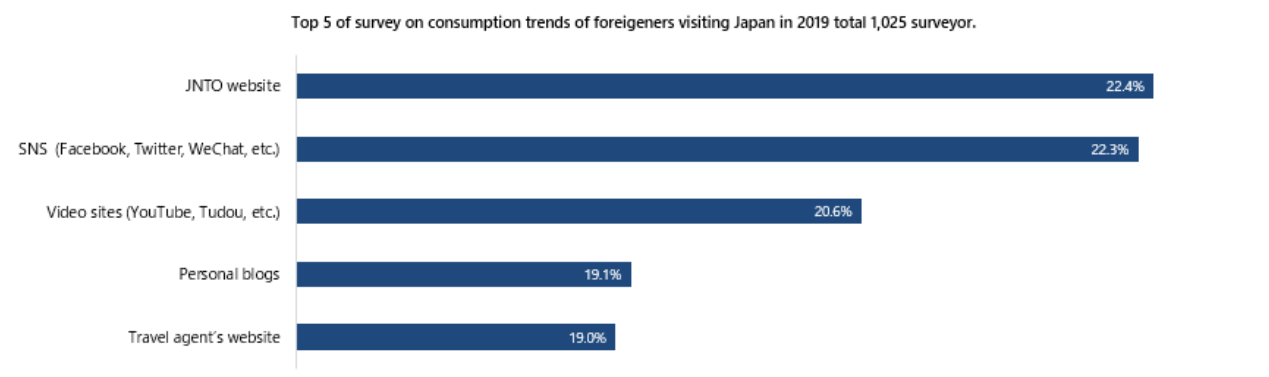| Spring (Mar-May) *Cherry blossom season *Apr, long holiday in Thiland	Summer (Jun-Aug)	Autumn (Sep-Nov)	Winter (Dec-Feb) *Cold weather/Snow *Dec, long holiday in Thailand
32%	13%	26%	28%
Spring	Summer	Autumn	Winter

The chart below illustrates the visit rate ranking by the top 10 prefectures for Thai tourists, based on data from the Japan Tourism Statistics (JNTO) in 2019. According to this, most Thai tourists prefer visiting major cities, with 46.9% traveling to Tokyo, 30.0% to Osaka, and 18.9% to Kyoto. Furthermore, popular destinations like Chiba, home to Disneyland, and Yamanashi, known for Mt. Fuji, also attract a significant number of visitors. On the other hand, for the prefectures ranked below the top 10, the percentage of visitors falls below 5%. This indicates that most Thai tourists primarily visit major cities rather than exploring regional areas.

2019 Visit rate ranking by prefecture (Thailand - Sightseeing and leisure)

Prefecture	Visit Rate (%)
Tokyo	48.6
Chiba	48.1
Osaka	28.8
Kyoto	18.5
Hokkaido	16.5
Yamanashi	12.5
Aichi	8.6
Nara	6.5
Hyogo	6.4
Gifu	6.0

Major city

Major attraction
Disneyland & Mt. Fuji.

Visit Rate (%)

Overview of research source

The chart below illustrates information sources before departure for Thai tourists, based on data from the Japan Tourist Agency (MLIT) Survey on Consumption Trends of Foreign Visitors to Japan in 2019. According to that, Thai tourists primarily gather travel information from the JNTO website 22.4%, SNS 22.3%, VDO sites 20.6%, Personal blogs 19.1%, and the Travel agency website 19%. JNTO website plays a significant role throughout various stages of the travel journey, underscoring their growing influence in the digital landscape of the tourism industry. On the other hand, these platforms tend to emphasize Tokyo, Chiba, and cities around Osaka, offering limited insights information into other regions. This lack of diverse local information may contribute to the uneven distribution of tourists across Japan.

Top 5 of survey on consumption trends of foreigeners visiting Japan in 2019 total 1,025 surveyor.

Source	Percentage
JNTO website	22.4%
SNS (Facebook, Twitter, WeChat, etc.)	22.3%
Video sites (YouTube, Tudou, etc.)	20.6%
Personal blogs	19.1%
Travel agent's website	19.0%

Overview of spending by category

The chart below illustrates the differences in spending during the trip for each country, based on data from Japan Tourist agency (MLIT), International visitor in Jan - Dec 2019. Compared to tourists from the U.S. and Europe, Thai tourists do not spend much on situation-oriented consumption, instead they spend entity-oriented consumption. This suggests that Thai tourists do not travel to visit multiple locations in a single stay.
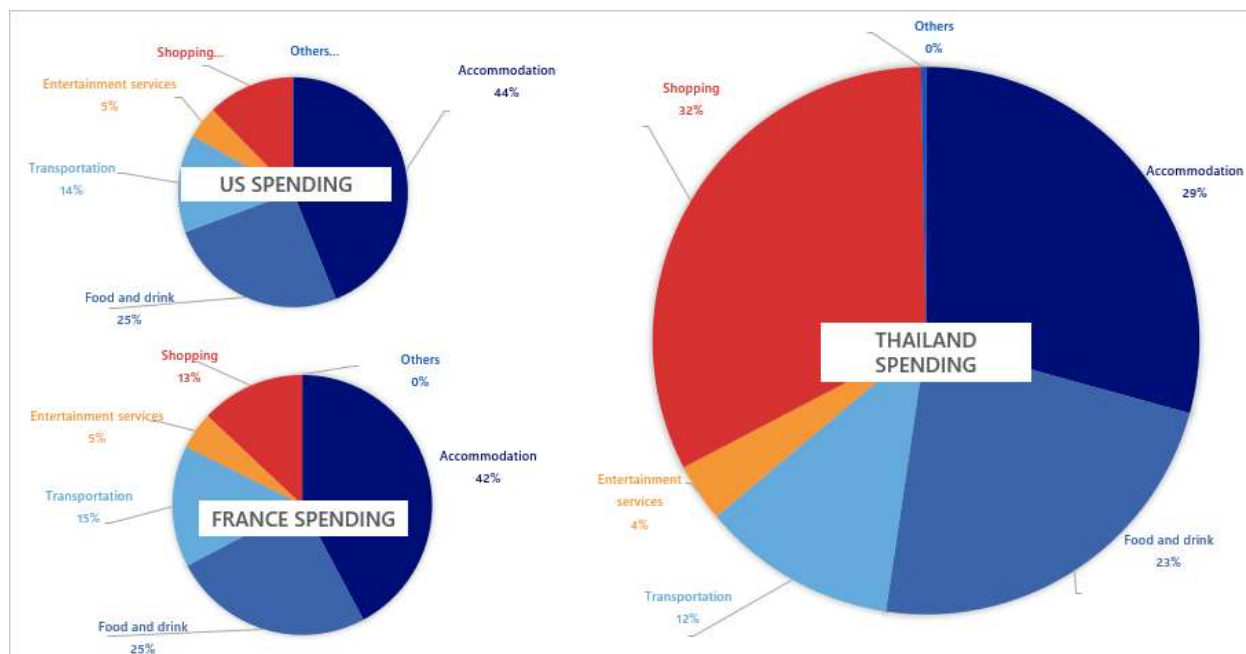

Additionally, shopping is a primary activity during their visits to Japan, with a preference for convenience stores, department stores, and airport duty-free shops. According to Japan Tourist agency (MLIT), International visitor in Jan - Dec 2019, 56% of Thai tourists stayed in Japan for 4-6 days and typically chose Western-style hotels. To be specific about the type of accommodation, most Thai tourists opt for mid-range accommodation, with an average daily rate of approximately 4,299 Thai Baht per person per night.

2019 Breakdown of the Length of Stay in Japan (Thailand)

Length_of_stay	Rate(%)
Within 3 days	3.82
4 to 6 days	56.19
7 to 13 days	34.83
14 to 20 days	4.84
21 to 27 days	0.18
28 to 90 days	0.15

2019 The ratio of Thai visitors to Japan by type of accommodation

Topic	Number	Rate (%)
Hotel (western style)	1,085	77.1
Japanese-style inn	240	16.9
Home of family/friends	143	9.4
Youth hostel or guest house	80	5.8
Paid residential accommodation (Airbnb, etc.)	72	4.7
School dormitory	45	2.7
Other	30	2.3
My own pension or condominium	15	1.0
Capsule hotel	11	0.7

## Overview of spending by preferred activity in Japan

According to the Japan Tourism Agency (MILT) in 2019. Thai tourists greatly favored Japanese cuisine and urban shopping experiences as their preferred activities in Japan. More than half of the respondents favor these activities. On the other hand, fewer showed interest in Japanese culture, seasonal attractions, and museums compared to these. There might be room for improvement in providing this information to Thai tourists.

Thailand Preferred Activity in Japan
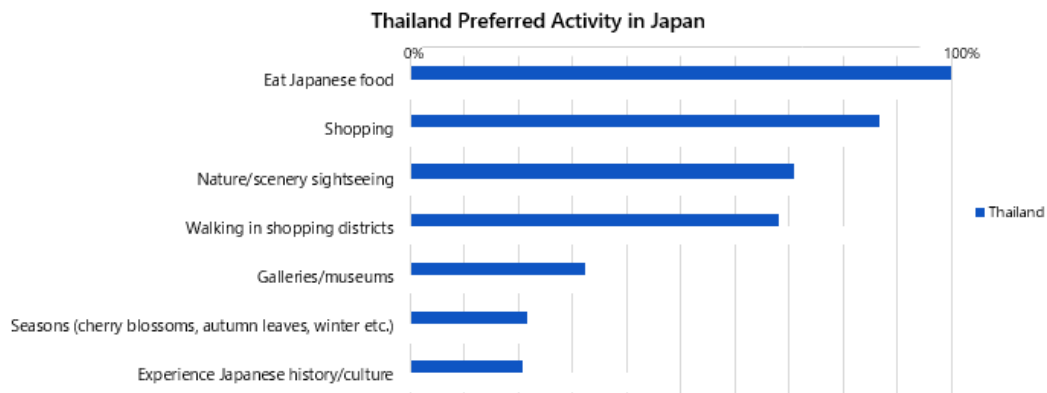
Pain points analysis result

Based on the results of the desktop research so far, it is hypothesized that the following three points are pain points for Thai tourists when traveling to Japan.

- **Limited Information on Rural Areas**: Available resources often lack detailed, season-specific information on attractions, activities, operating hours, and transportation options for rural areas. Most websites provide only general overviews, which limits their ability to attract tourists to rural areas.

- **Complexity in Understanding Japan's Regions:** Japan's unique division into regions and prefectures can be confusing, requiring tourists to cross-reference multiple sources. This issue is compounded when using the JR Railway map, where different formats of area divisions add to the uncertainty, making it unclear whether travelers are heading to the correct destination.

- **Language Barriers:** Tourists often encounter language challenges in non-English speaking countries. In Japan, where English proficiency is limited outside major cities, visitors may face difficulties with navigation, dining, and handling emergency situations.
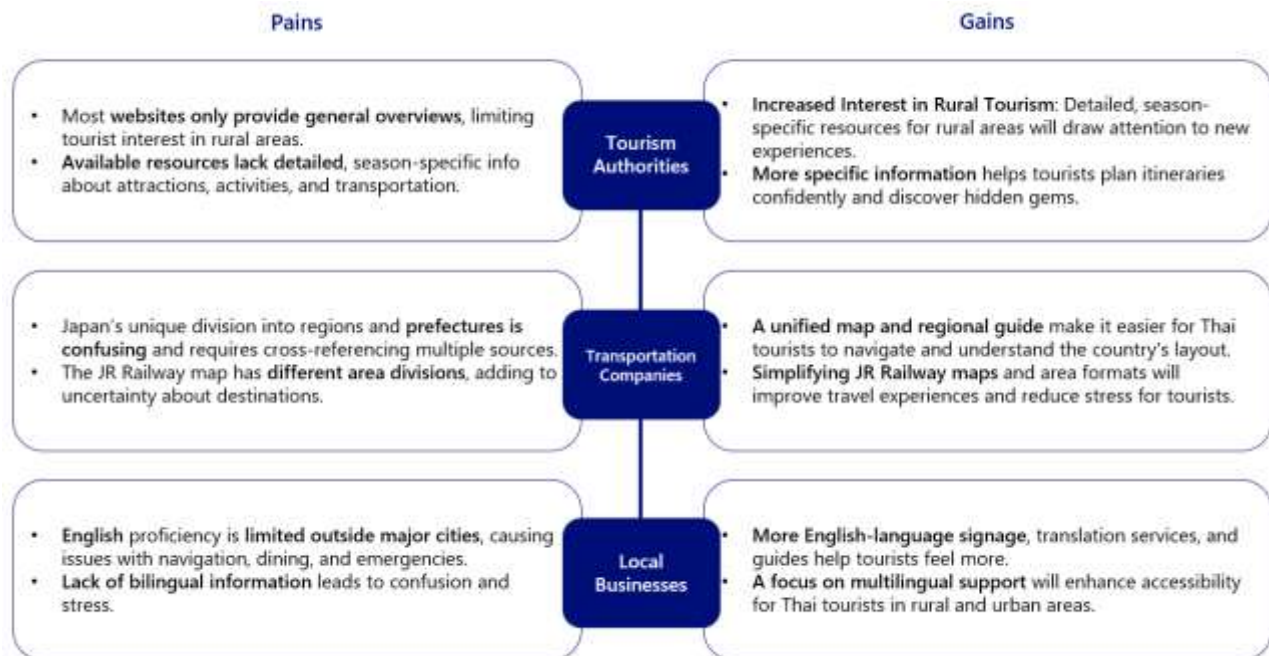
In this section, we will use Focus Group Discussion (FGD) to test the hypotheses from the pain points analysis in Chapter 3. FGD is a method of qualitative research used to gather insights from a specific group of people about a particular topic. In an FGD, a small group of participants (typically 6 to 12 people) is brought together to discuss their thoughts, opinions, and experiences regarding a subject under the guidance of a moderator. The information of the participants for the FGD is provided below as a premise.

This session included 10 participants, 60% familiar with Japan and 40% unfamiliar, the group consisted of 70% male and 30% female.
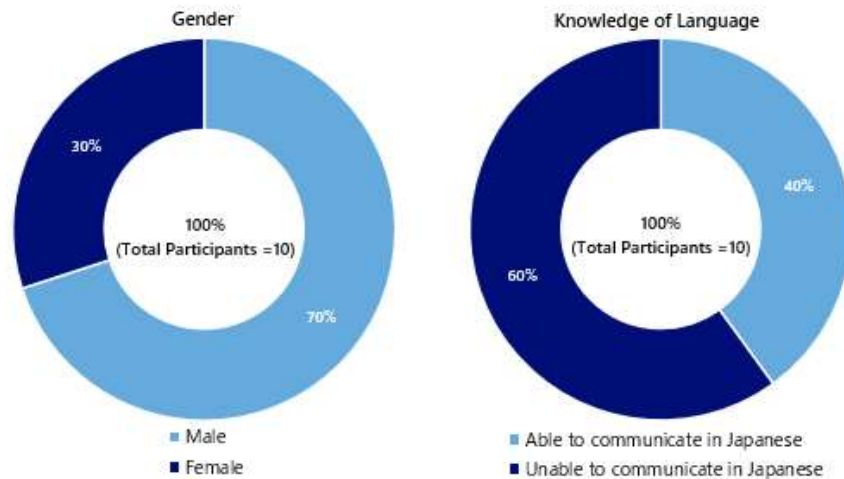
- o **Age range:** 90% are aged 30-39 years old and 10% are aged 40-49 years old
- o **Travel experience in rural Japan:** 80% have visited rural areas
- o **Average length of stay:** 7 days
- o **Travel group composition:** Friends, family, and partner
- o **Average spending per person for the entire trip:** 241,800 Yen (approximately THB 58,000), depending on flight costs
- o **Occupations:** Business consultant, business analyst, project manager, developer, data analyst

In the FGD, participants were asked to validate three key hypotheses regarding the pain points of Thai tourists' experiences identified in Chapter 3.2 of this report.

Destination considerations: Rural area information

First, regarding the hypothesis that the lack of information about regional areas contributes to a pain point, all participants agreed with this hypothesis. The following specific opinions were presented:

- The highlights of each tourist destination are unclear, and tourists do not know what activities they can enjoy.
- Due to the limited number of reviews on Google Maps and the restricted promotion on social media, many spots remain relatively unknown.
- Many local websites are available only in Japanese, making it difficult for tourists who are not native Japanese speakers to access the information, which may result in tourists avoiding these destinations.

Trip planning: Language barriers in the reservation process

Next, regarding the hypothesis that Japan's developed transportation system and the complexity of understanding regional areas contribute to a pain point, 60% of the participants (6 out of 10) agreed. The following specific opinions were presented:

- Travelers who speak Japanese or have friends in Japan find the booking process easier to complete.

- However, travelers who do not speak Japanese face difficulties when using Google Translate, which often leads to communication issues and forces them to alter their plans.

Challenges during the trip: Understand the transportation system

Lastly, regarding the hypothesis that language barriers contribute to a pain point, 60% of the participants (6 out of 10) agreed. The following specific opinions were presented:

- Some participants who meticulously plan and prepare before their trip do not encounter significant issues with transportation.
- However, even though Google Translate can be somewhat helpful in regional railways, it can still be challenging to navigate due to kanji. Even participants fluent in Japanese face unexpected situations, such as accidents or route changes.

To summarize these findings by travel stage:

100% agreed that regional information is lacking in the destination consideration stage. 60% agreed that the complexity of the transportation system is an issue during the trip planning stage. 60% agreed that language barriers are encountered during the travel stage.

Researching Reference Source

For additional data from desktop search sources, use the following sources:

- Overview of demographic: Japan Tourism Agency (MILT). " *International visitor Survey in January～December 2019*" (2019, Thailand) https://www.mlit.go.jp/kankocho/en/siryou/toukei/syouhityousa.html
- Overview of spending by preferred activity in Japan: Japan Tourism Agency (MILT). " *International visitor Survey in January～December 2019*" (2019, Thailand) https://www.mlit.go.jp/kankocho/en/siryou/toukei/syouhityousa.html
- Overview of spending by category: Japan Tourism Agency (MILT). *"International visitor Survey in Jan - Dec 2019"* (2019, Thailand) https://www.mlit.go.jp/kankocho/en/siryou/toukei/syouhityousa.html
- Overview of research source: Japan Tourist Agency (MLIT), *"Survey on consumption Trends of Foreign Visitors to Japan in 2019"* (2019, Thailand)https://www.mlit.go.jp/kankocho/en/siryou/toukei/syouhityousa.html
- Overview of Visit Trend: Japan Tourism Statistics (JNTO). *"Trends in Visitor Arrivals to Japan"* (2019, Thailand) https://statistics.jnto.go.jp/en/graph
- Overview of top 10 visited area: Japan Tourism Statistics (JNTO). *"Visit Rate Ranking by Prefecture"* (2019, Thailand) https://statistics.jnto.go.jp/en/graph

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