

### **Outlook for Travel to Britain**

- As travel to Britain is very seasonal, with the summer being the peak season, travel to Britain for the next three months is not expected to greatly increase although some tour operators have noted a slight increase in leisure travel to Britain due to the weak pound.

### **Britain in the News**

- A short trip—3 days and 1 night—to London, Brighton and the Seven Sisters was featured on a national television show targeted at females and short 'bullet-travelling'.

### **General Market Mood**

- General Elections were held at the end of August with a landslide victory by the Democratic Party of Japan (DPJ); their 100-day "honeymoon" period will end on 24 December and they currently hold a 59% approval rating.
- The general market mood is slightly gloomy, with the government announcing that the country is in mild deflation.
- The government has announced a ¥7.2 trillion stimulus package in response to severe job market conditions.

### **Consumer Behaviour**

- Household expenditure in October was ¥288,000, 1.3% down from the same month of the previous year, indicating that people are continuing to pinch their pennies.
- 45% of people surveyed expect winter bonuses will fall and many have their bonuses earmarked for monthly spending shortfalls and loans, which means holding back on big-ticket purchases like overseas travel and electronics.
- Fast Retailing Co.'s (parent company of Uniqlo) chain has been selling jeans for ¥990 yen (approximately £7.00) since March 2009 and expects to sell its millionth pair of super-cheap jeans by the end of the year, signaling the demand for value for money items.

### **Media Matters**

- The trend of decreased ad revenue for magazines continues with the likes of Chou Chou (working women's lifestyle) halting publication with their October issue and Pinky (young female's fashion/beauty) announcing they will halt publication next February.
- According to the Ministry of Economy, Trade and Industry, general ad sales (including newspaper, magazine, TV, radio and online) fell 17.7% in September 2009 year on year (with advertising sales of magazines decreased by 24.1%).

### **Routes and Fares**

- Code Sharing between Virgin Atlantic and ANA (All Nippon Airways) commenced 3 August.
- JAL has reduced its number of direct flights from 14 to 7, beginning 8 December. Total direct flights from Tokyo to London are now at 28 per week.
- Virgin Atlantic Economy Late Saver/Winter Special online Fares to London advertised from ¥58,000 with other charges (airport tax, fuel surcharges, air insurance) ¥25,880.
- JAL online fares advertised from ¥60,000 plus other charges (airport tax, fuel surcharges, air insurance) of ¥28,020.

## **Business Tourism**

- Nothing to report for October to December.

## **Leisure Travel Trade**

- JTB has announced that it expects to have a net loss this fiscal year, blamed partly on store closures and valuation loss on shareholding, due to a drop in corporate demand and the H1N1 (swine) flu virus.
- Demand for tour packages has been hurt by discounted highway tolls—as low as 1,000 yen—which were introduced earlier in the year.

## **Competitor Activity**

- Nothing new to report

## **VisitBritain Activity Update**

- 1,000-More-Days Countdown event to the 2012 Olympics Games event held in conjunction with the FCO and other diplomacy partners, chaired by the Ambassador and Mara Yamauchi.
- Mini Cooper Fly & Drive Promotion has resulted in increased incremental visits via Virgin Atlantic.
- Launch of Literary Britain Campaign targeting women with disposable income in their 20's to 30's introducing destinations with connections to British literature, including a Christmas Dinner with 25 key media partners.

## **Upcoming activity**

- Regional Value for Money campaign with British Airways.
- Joint campaign with Atout France targeted at stylish working females in their 20s, 30s, 40s.

## **Who's in Town?**

- Archbishop of Canterbury in Tokyo in September, as part of a provincial tour.
- Business Secretary Lord Mandelson in Tokyo, meeting with Prime Minister Hatoyama in October.
- On the online front, UKTI Music's British Anthems artists—including The Answering Machine, Attack! Attack, The Volt and other unsigned artists.