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‘South East Asia’ emerging again, with Koreans not visiting Japan for their overseas travel

- ConsumerInsight’s ‘Weekly travel behavior and planning study’
- Japan dropped to 6.2% as an overseas travel destination due to Koreans’ Japan Boycott
- Vietnam ranked the 1st, with Taiwan and Thailand benefiting as well
- Hong Kong in decline since August due to the protests in its land

While Japan fell sharply in the aftermath of the Korea-Japan conflict, Vietnam became the No. 1 destination for overseas travel, with Southeast Asia such as Taiwan and Thailand, etc, is seeing returns.

As for Hong Kong, Koreans have been restrained to travel Hong Kong with the spreading anxiety caused by more radicalized protests in the region, which, however, has not reduced Koreans’ overseas travel but altered their destinations. Efforts have been made to turn the reduced demand for Japan travel to the domestic, which has been difficult to succeed in a short term.

‘Weekly travel behavior and planning study’ (weekly 500 sample, 26,000 sample per year), conducted by ConsumerInsight’ Consumer Trend Research Lab, asked those planning to travel overseas in the next 6 months about their destinations and analyzed its results. The study analyzed its data from the 1st week of July when the conflict with Japan started to the 2nd week of August (7 weeks), also comparing with the same period of the last year, in order to understand the rapidly changing travel market in a timely manner.

■ Vietnam beat Japan to become the No. 1 overseas travel destination... the demand for Japan travel reduced by 72% in only 7 weeks

During the given period, Vietnam rose to the top position with a 14.0% market share in overseas travel destinations. It was 3.2 percentage points higher than its last year's 10.8% [Table 1]. On the other hand, Japan dropped by 12.3% p from 25.8% last year to arrive at 13.5% this year, losing its long-time leading position to Vietnam [\[reference. Interest in travel to Japan '9%' ... cut to 1/3 in a month\]](#). Taiwan and Thailand rose to 7.0% and 6.7%, or 2.3% and 1.0% up, since the last year, respectively, benefiting from the Korea and Japan conflicts intensively. No noticeable changes have been found for China and Hong Kong, though.

The weekly breakdowns of the last seven weeks’ planned travel destinations (from July 1 to August 2) show a more dramatic change. Since the first week of July, when the Korea-Japan conflict began, plans for Japan travel declined at record-high rates every week. In July, Japan marked 22.0%, staying well ahead of Vietnam in the 2nd place in the overseas travel destinations, but cut to the half at 12.8% in the 4th week of August, and came to 6.2% in the 2nd week of August, falling even below Thailand (8.8%) [Figure 1]. On the other hand, during the same period, Taiwan rose by 4.3% points and Thailand by 3.2% points, ranking the second and third after Vietnam on the same measure. Hong Kong rose steadily until the fifth week in July, then faltered in August and fell to 3.6% in the second week of August. The fall of Hong Kong seems to be the impact of continued mass protests.

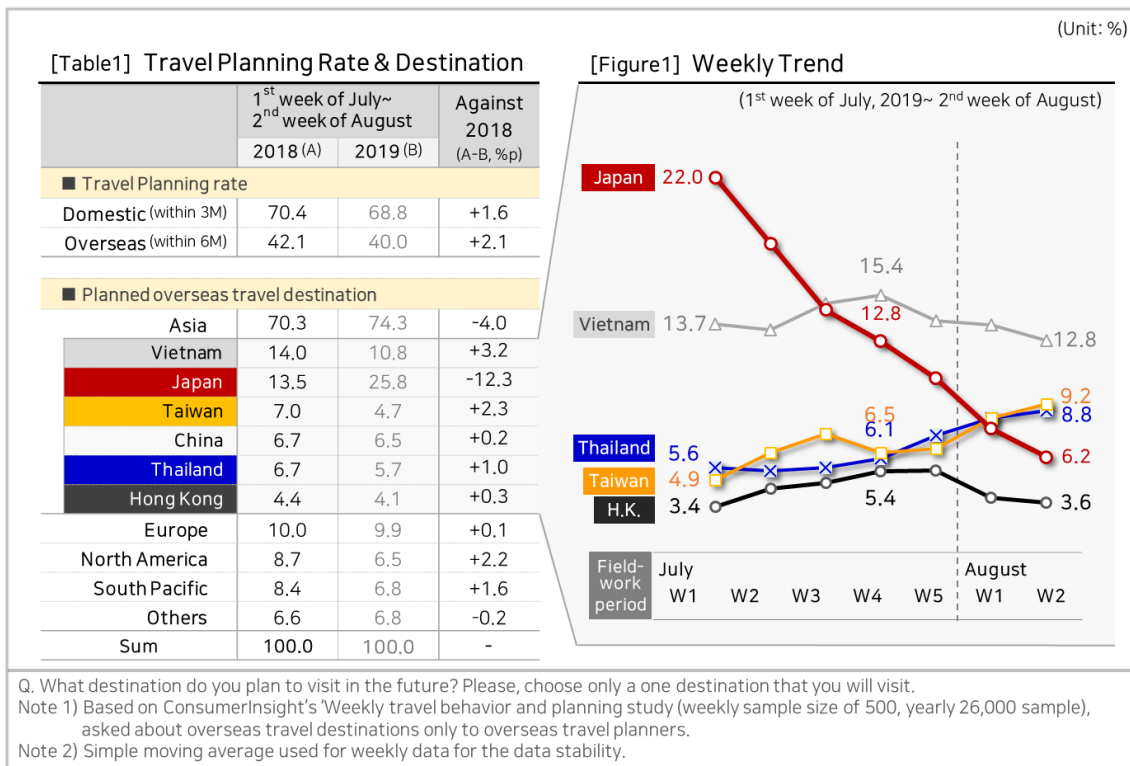
■ Conflict with Japan influencing Koreans' overseas travel plans?

During the given period, the overseas travel planning rate was 42.1%, up 2.1% points from the previous year [Table 1]. The withdrawal from Japan travel was big, which, however, is not likely to impact on Koreans' overall overseas travel demand. Contrary to concerns that a shrinking trip to Japan will lead to a contraction in the outbound market, it has only emerged as a destination reorganization.

Meanwhile, domestic travel plans for the same period were 70.4%, up 1.6% points from last year, and the weekly trends showed that the decrease in the domestic travel plans after the summer vacation peak was less than the previous year's, which is likely due to the Chuseok holidays that are coming up earlier than usual, though.

Within short-range and low-cost trends, other nearby and less popular areas such as Taiwan and Thailand are emerging instead. Efforts are needed to induce domestic travel to be a viable alternative.

<Overseas travel plan in 1st week of July ~ 2nd week of August, 2019>



These results are based on a weekly survey of 'Weekly travel behavior and planning study' conducted by ConsumerInsight Consumer Trend Research Lab with a sample group of 500 travel consumers (26,000 sample per year). The weekly update survey results and analysis reports can be viewed at www.consumerinsight.co.kr/travel and the summary of the survey results by year are downloadable. ([Download Reports](#))

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