

# INSTAGRAM'S IMPACT ON JAPANESE BUSINESS

## INBOUND TOURISM

2017



2.7m

Our estimate is that during 2017 Instagram was involved in the planning and execution of around **2.7 million in-bound leisure tourism visits to Japan.**



9-10%

Instagram was involved in **9-10%** of overall international visits occurring in Japan during 2017, which is around **\$3.38 billion in expenditure.**

\* \$3.38 billion USD equates to 375 billion JPY as at 27 Feb 2019

### Instagram is a Source of Inspiration for Travellers



46%

of regular travelers **use Instagram** when planning a vacation



51%

Instagram is a **source of discovery** for **destinations and experiences** that are less well-known



31%

use **Instagram's search features** (hashtags, locations, accounts) when planning trips

### Instagram Helps Businesses in the Travel Industry Grow

43%

of SMBs agree they have had **someone from another country** visit their business due to a post on Instagram



56%

of SMBs agree **Instagram helps travel businesses in a way that websites cannot**



45%

of SMBs agree that Instagram helps them **find customers in other cities, states or countries**



57%

of SMBs agree that Instagram **helps drive footfall to their physical location**



43%

of SMBs agree that tourists and travelers have **discovered their business through Instagram**



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## Methodology

In a study commissioned by Instagram titled “Instagram’s Impact on Japan’s Tourism Economy”, Development Economics reviewed data and documents on current levels and recent trends in the volume and value of international tourism to Japan. They identified the 20 largest markets from which visitors to Japan originate, and the recent growth trends for each. Development Economics (“DE”) also reviewed strategic reports that identified drivers of growth and predictions of the types, origins and drivers of future growth patterns for visits to Japan over the next 3-5 years. In addition, DE also gathered trend data on usage of social media platforms, including Instagram, in each market as well as evidence (from user surveys) of the influence on Instagram on trip-planning and other relevant tourism behaviors.

Insights obtained through these sources and a broader literature review were used to develop assumptions used in the modelling stage. At the modelling stage, DE used the data and document review to construct a model that disaggregated the Japan tourism market by the 20 largest markets. They then developed trend-based forecasts of growth expected over the period up to 2023 for each of the 20 largest tourism markets.. Finally, DE developed assumptions (based on insights obtained during the evidence review process) about the proportion of international tourism visits and spend in Japan that are influenced by information obtained by visitors from Instagram. The model yielded a predicted estimate of Instagram-influenced tourism spend for each market segment for the period to 2023, which was then aggregated to provide an overall estimate for Japan as a whole.

In an additional study commissioned by Instagram, Ipsos interviewed online a representative quota sample (with quotas set by age and gender) of 3,023 Instagram users aged 13+ across Japan (Instagrammers) as well as 500 Instagram Business users from small and medium sized businesses (under 250 employees). We interviewed 85 company owners / founders within the SMB sample. The SMB sample were all solely or jointly responsible for their company’s advertising, marketing, PR or communication activities and use Instagram on behalf of their company. Interviews were conducted online between September 4th and September 17th, 2018.

Sample size of the subgroups included:

Instagrammers sample: Males (n= 1523), Females (1500), Under 35s (n= 1878), 35s and over (n= 1145), Regular travellers: those that take 3-5 trips in the last 3 years (n= 753), less frequent travellers 1-2 trips (n= 728), Frequent Travellers 5+ trips (n=718)

SMB sample: Owners / founders (n=85)

Under 35s (n= 187), over 35s (313). Businesses in tourism related industries (n= 81). Daily Instagram users (n=192), Weekly (n=132), Less often (n=176). Statistics included are representative of those surveyed.

