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“Diversification” is Key to Boosting Domestic Travel Consumption

National and local governments, and businesses should work together to diversify travel periods, in order to reduce costs and ease congestion.

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Summary

- An estimate of the price index for domestic travel finds that it has been rising significantly above the consumer price index (CPI) since the Apr-Jun 2023 period. The main cause is the sharp increase in accommodation costs due to rising labor costs and other factors.
- Real domestic travel consumption in 2024, calculated using the estimated price index, slightly exceeded the 2019 level. However, when broken down by age group, consumption remained below the 2019 level for those aged 60 and above. Among those aged 30 to 59, there was a clear divide between those who traveled and those who did not compared to before the COVID-19 pandemic, while among those aged 60 and above, the proportion of those who did not travel increased.
- Domestic travel spending is expected to continue increasing in the future. However, with the recovery from the COVID-19 pandemic largely complete, the pace of growth is likely to slow. Efforts to diversify travel destinations, season, and timeframe are important to stimulate consumption. This should help reduce financial burdens and excessive crowding, thereby reducing the number of people refraining from travel.