Destination Development in Japan Powered by Data and AI

23th Aug, 2026

Hiroaki Sogawa

Senior Officer, Japan Tourism Agency（JTA）

Japan Tourism Agency
Ministry of Land, Infrastructure, Transport and Tourism

Table of Contents

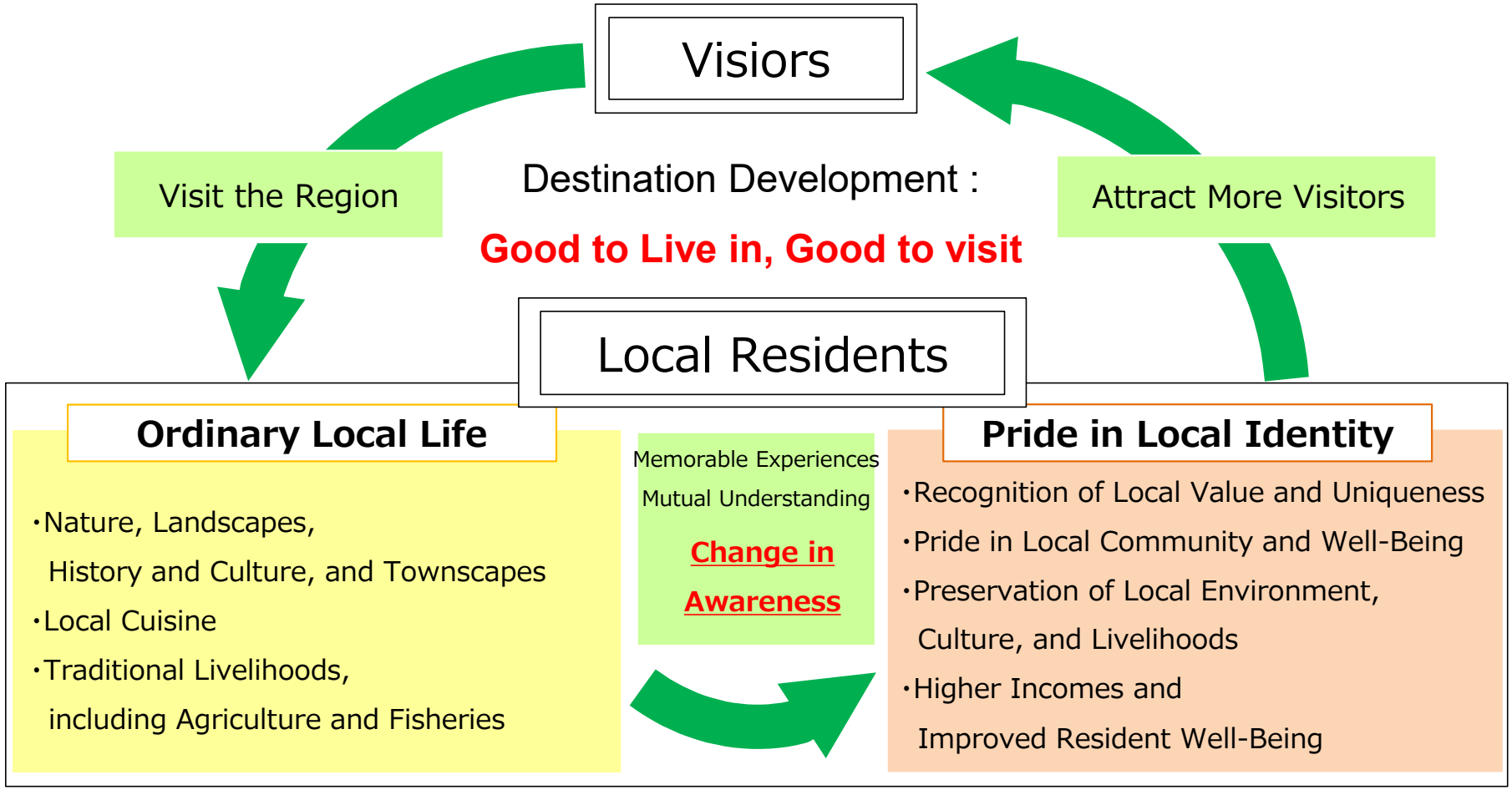
Japan Tourism Agency
Ministry of Land, Infrastructure, Transport and Tourism

- **Trends and Challenges of Tourism in Japan**
  - Inbound Visitor Trends in Japan
  - Tourism Challenges in Japan
- **Measures to address the challenges in Japan**
  - New Tourism Nation Promotion Basic Plan
  - Destination Development by DMO and Wide-Area Tourism Strategy
- **Case studies with data and AI**
  - Hakone, Gero and Hida Takayama（Pioneering DMO）
  - TOHOKU and KYUSHU（Wide-Area DMO）
- **Future Challenges**
  - Advancing Tourism DX
  - Appropriate use of Generative AI

JTA's Vision "Destination Development : Good to Live in, Good to Visit"

Japan Tourism Agency
Ministry of Land, Infrastructure, Transport and Tourism

○ Established in 2008, Japan Tourism Agency (JTA) has been promoting destination development based on the vision of creating places that are good to live in and good to visit.

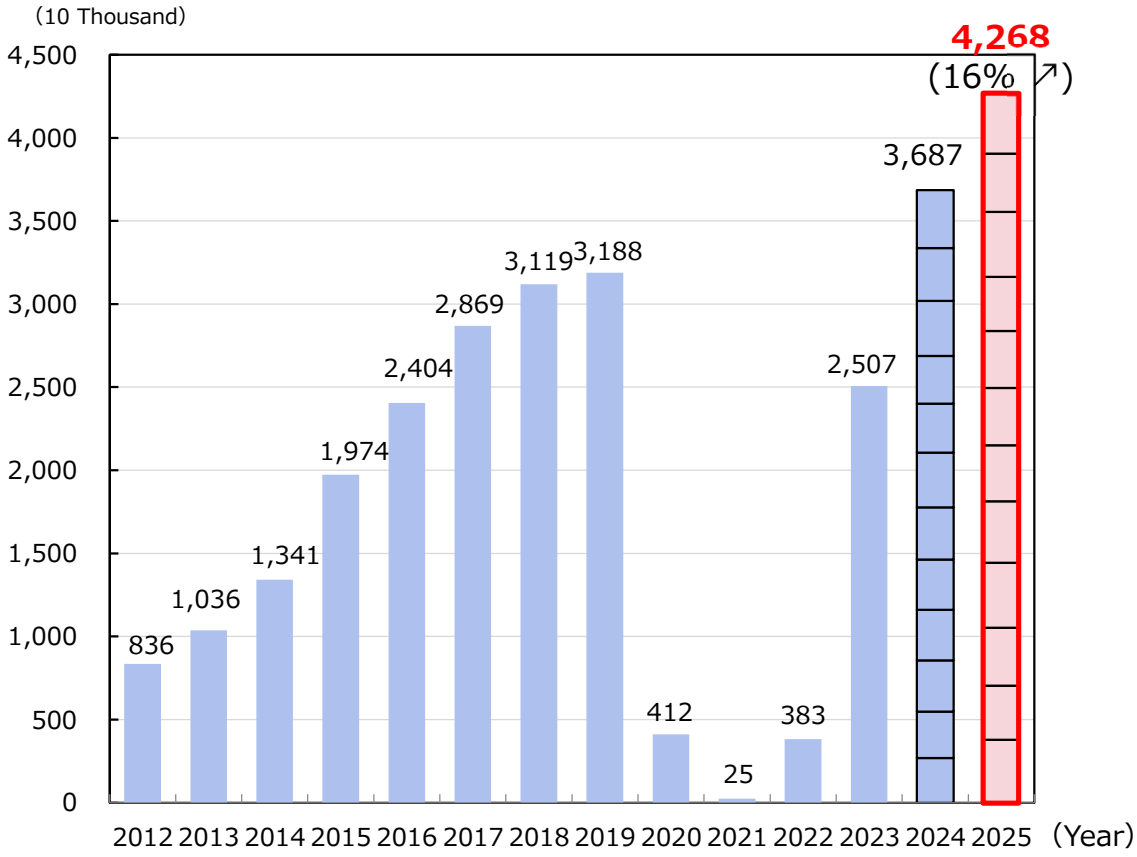


Inbound Visitor Trends in Japan

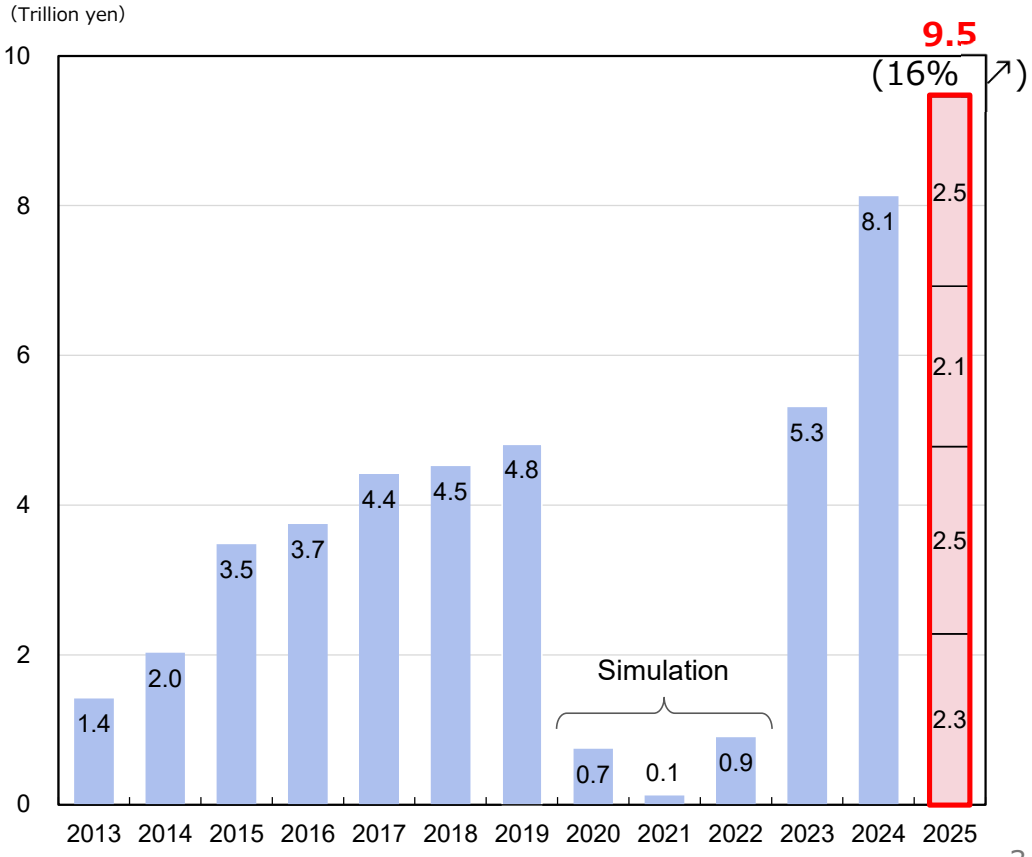
Japan Tourism Agency
Ministry of Land, Infrastructure, Transport and Tourism

○ In 2025, both the number of international visitors to Japan and inbound tourism spending reached record highs.

Inbound Visitors



Inbound Tourism Consumption



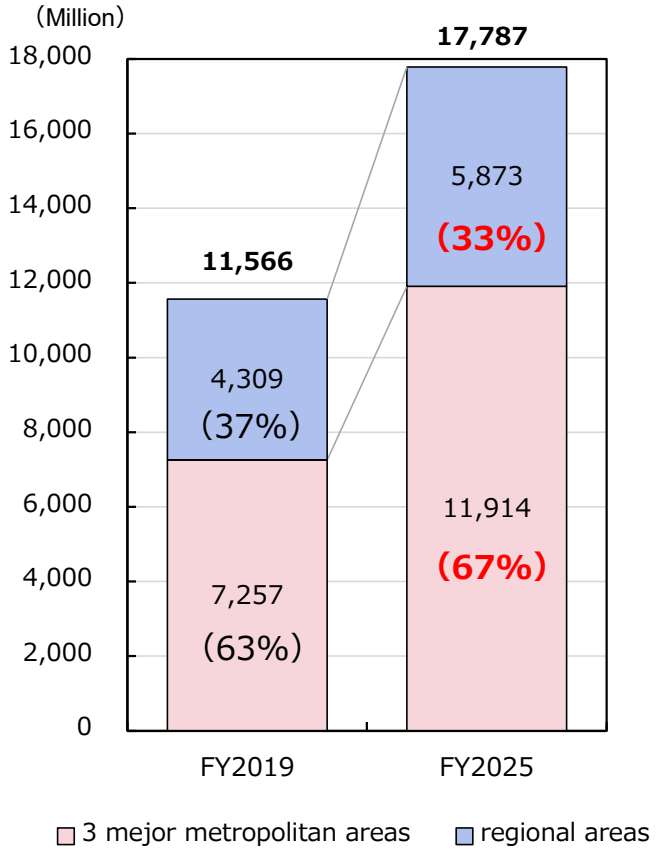
Source : Japan National Tourism Organization etc.

Tourism Challenges in Japan - Tourist Concentration -

Japan Tourism Agency
Ministry of Land, Infrastructure, Transport and Tourism

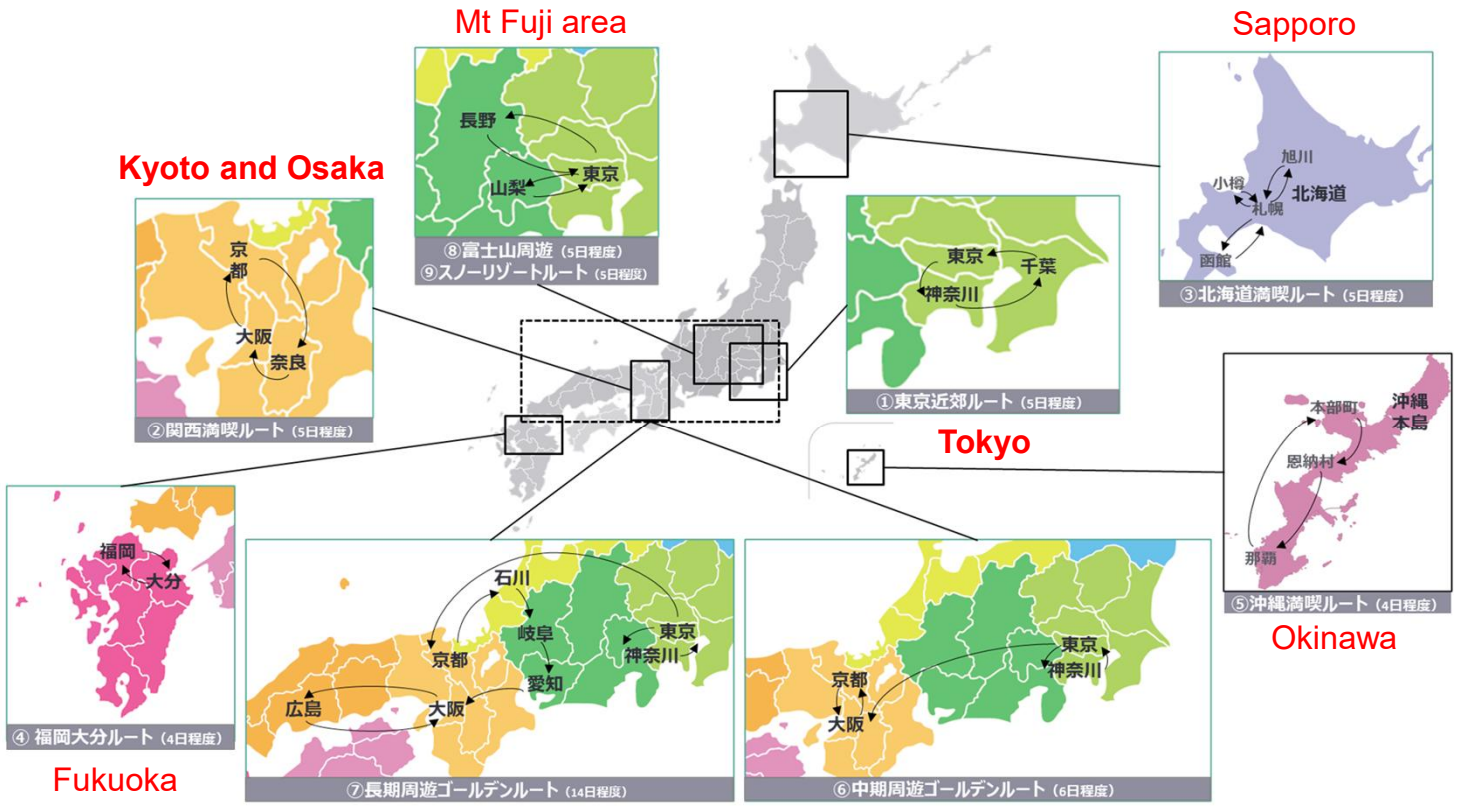
○ Inbound tourists are concentrated in accommodations within the three major metropolitan areas: Tokyo, Osaka, and Kyoto.
○ Visitor dispersal beyond the main tourist routes remains a challenge.

Accommodation of Inbound Visitors



Source : Japan National Tourism Organization etc.

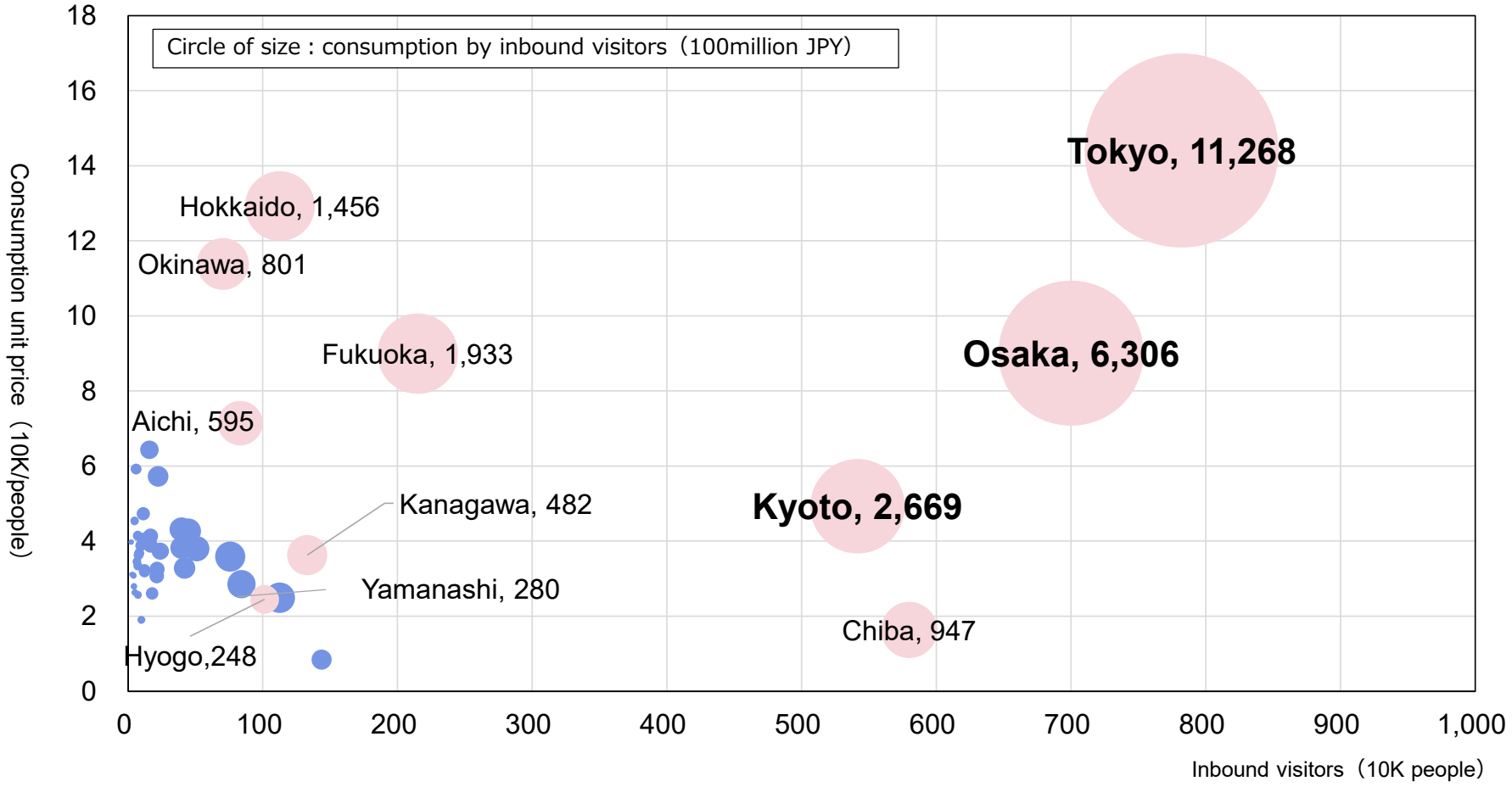
Main Routes of Inbound Visitors



Tourism Challenges in Japan - Concentration of Consumption -

Japan Tourism Agency
Ministry of Land, Infrastructure, Transport and Tourism

○ Inbound visitor spending is concentrated in Tokyo, Osaka, and Kyoto, highlighting regional disparities in tourism consumption.



Source : Japan National Tourism Organization

Tourism Challenges in Japan - Overtourism -

Japan Tourism Agency
Ministry of Land, Infrastructure, Transport and Tourism

○ Strong domestic and international tourism demand has led to overcrowding in certain destinations and seasons, as well as inappropriate visitor behavior.
○ These challenges highlight the need to balance sustainable tourism development with residents' quality of life.

Overcrowding in certain destinations



Transportation Congestion
@Kyoto station



Public Space Congestion
@Togetsukyo（Kyoto Pref）



Road congestion
@Furano（Hokkaido Pref）

inappropriate visitor behavior



Entry into Private Property
@Biei（Hokkaido Pref）



Traffic Obstruction
@Shona（Kanagawa Pref）



Littering
@Cities and Towns

The New Tourism Nation Promotion Basic Plan in Japan (FY2026 ~ FY2030)

Japan Tourism Agency
Ministry of Land, Infrastructure, Transport and Tourism

○ JTA has been implementing relevant measures under the Tourism Nation Promotion Basic Plan **to realize Japan's vision of becoming a tourism-oriented nation** and **has formulated a new plan for the 2026–2030 period this year**.

○ The three policy pillars include **encouraging inbound visitors to explore regional destinations** and enhancing **the resilience of the tourism industry**, with data and AI being leveraged to accelerate these efforts.

Pilar of policies

Planning Period :
FY 2026 → FY2030

Balancing inbound tourism with ensuring residents' quality of life

- Addressing localized congestion and behavioral issues
- Establishing regional frameworks to promote tourism in rural areas
- Enhancing tourism content with high potential for increasing consumer spending
- Strengthening transportation networks in rural regions

Use of Data and AI

Domestic Exchanges and Outbound Expansion

- Promoting vacation dispersion and travel demand seasonality management
- Building momentum to stimulate domestic and international travel demand

Resilience of Tourist Destinations and Industries

- Diversification of inbound market and tourism content to enhance sustainability
- Productivity improvement through tourism DX, labor-saving investments, and other measures
- Establishment of a sound competitive environment
- Addressing diverse needs including universal tourism

Vision for 2030

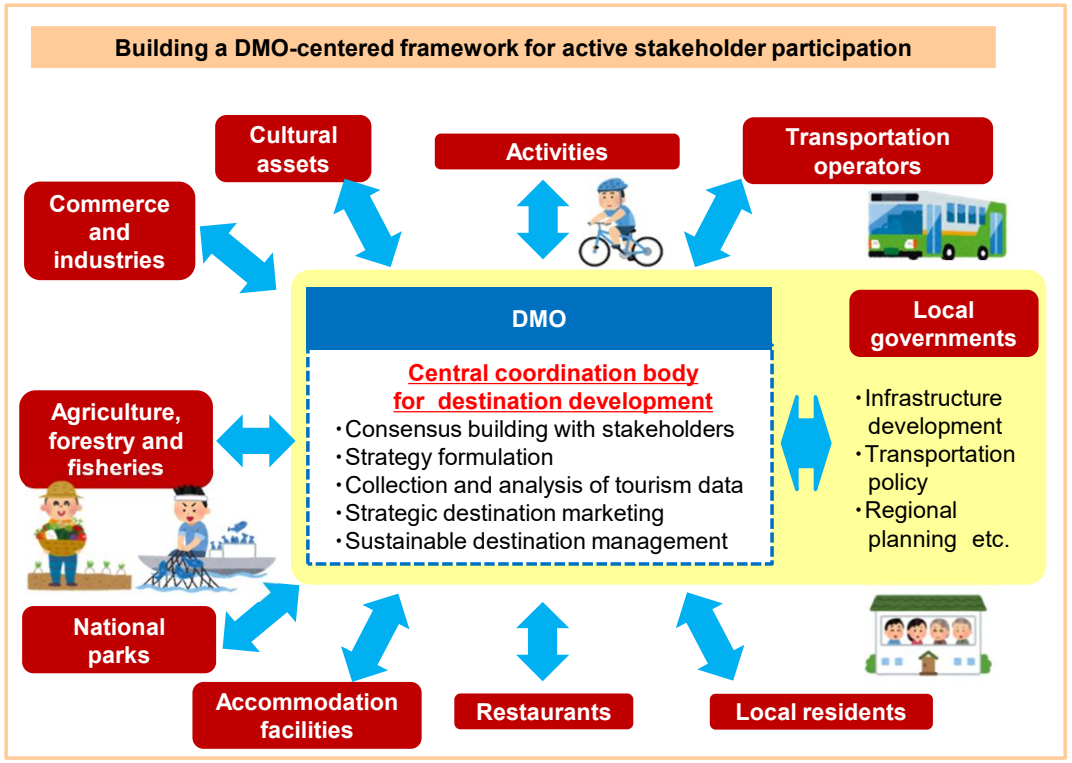
Tourism as a strategic industry that sustainably preserves and enhances Japan's appeal and vitality for future generations

Measures ① Destination Development by DMOs

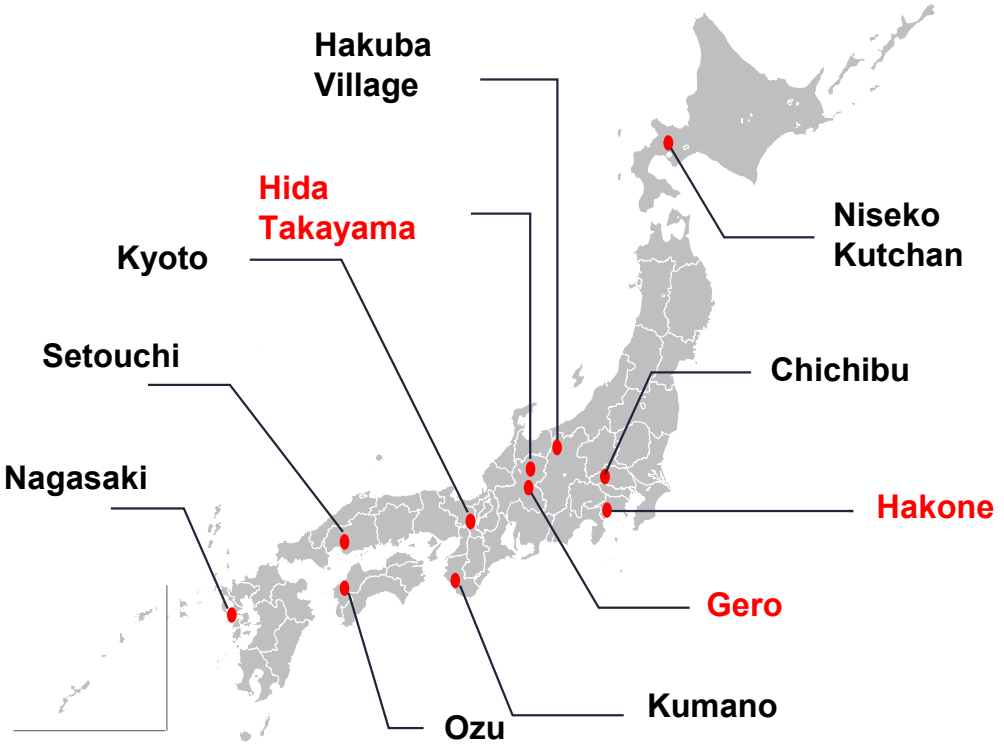
Japan Tourism Agency
Ministry of Land, Infrastructure, Transport and Tourism

- ○ JTA supports DMOs, which serve as the **central coordinating body for destination development**, formulating and implementing **destination strategies** while **aligning diverse local stakeholders** around a shared vision and strategic direction.
- ○ DMOs continuously **collect and analyze various types of data** to conduct **strategic destination marketing** and undertake **sustainable destination management** initiatives aimed at delivering benefits to local communities and improving residents' quality of life
- ○ Currently, **a total of 350 entities** are registered as DMO and **11 pioneering DMOs are selected as a model for other areas**

DMO（Destination Management/Marketing Organization）



11 Pioneering DMOs



Measures ② Initiatives based on Wide-Area Tourism Strategy

Japan Tourism Agency
Ministry of Land, Infrastructure, Transport and Tourism

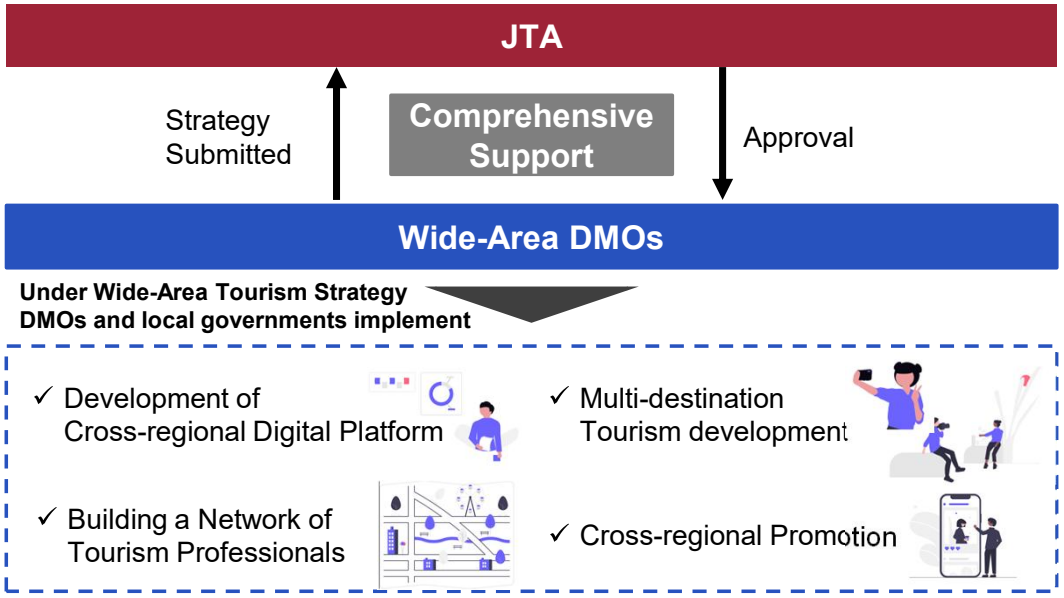
- ○ **Wide-area DMOs** are promote destination development **across areas spanning multi prefectures**
- ○ **A broader regional perspective is essential** for attracting visitors to regional areas and **advancing visitor dispersal more effectively**.
- ○ JTA prioritizes support for initiatives based on **Wide-Area Tourism Strategies developed by Wide-Area DMOs**.

Initiatives based on Wide-Area Tourism Strategy

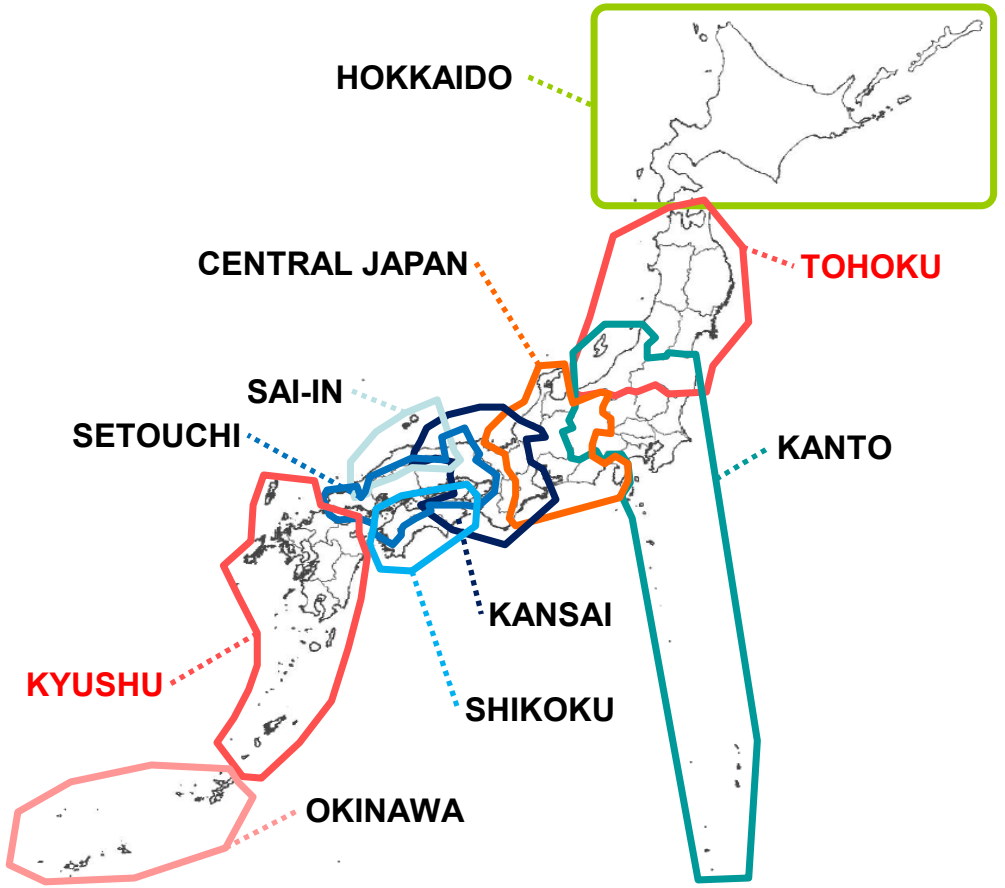
Key point of Wide-Area Tourism Strategy

① **Strategic visitor targeting by data analysis in regional-scale**
② **Regional dispersal of visitors considering seasonal fluctuations**
③ **Cross-sector collaboration across the regional ecosystem**

Scheme of initiatives



10 Wide-Area DMOs



Case study ① Hakone DMO（Tourists' Quantity Management）

Japan Tourism Agency
Ministry of Land, Infrastructure, Transport and Tourism

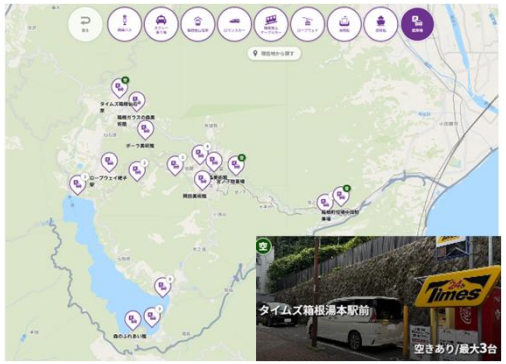
- ○ Destination : One of the Tokyo metropolitan area's leading hot spring destination.
- ○ Challenge : Despite its convenient access from Tokyo, the region faces **persistent traffic congestion**.
- ○ Solution : "**Hakone Tourism Digital Map**" which visualizes real-time congestion levels for transportation, parking facilities, and restaurants
- ○ Outcome : Improving **visitor convenience** and encouraging **greater tourist spending**.

Key Action



Challenge in Hakone

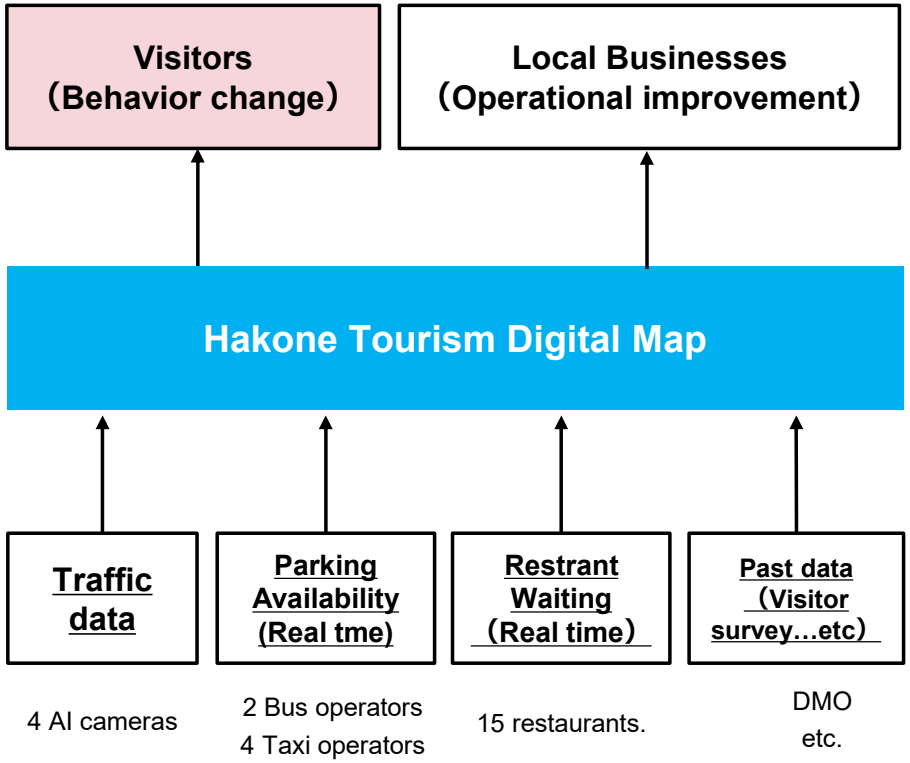
- ○ **Easy access from Tokyo**
- ○ **Persistent congestion**
- ○ **Improving vistor satisfaction**



DX Solution

- ○ **Visualizing destination congestion**
- ○ **Supporting smooth mobility**
- ○ **Maximizing tourist spending**

Framework



Case study ② Gero DMO（Acquiring New Visitors from Urban Areas）

Japan Tourism Agency
Ministry of Land, Infrastructure, Transport and Tourism

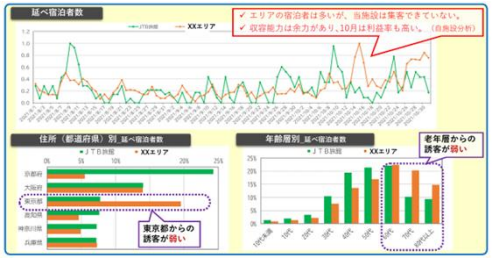
- ○ Destination : One of Japan's leading inland hot spring destinations.
- ○ Challenge : **Attracting new visitor segments from urban markets** due to its distance from major metropolitan areas
- ○ Solution : System that enables the collection and **analysis of accommodation data across the city**
- ○ Outcome : Formulation of destination-wide marketing and **visitor attraction strategies**.

Key Action



Challenge in Gero

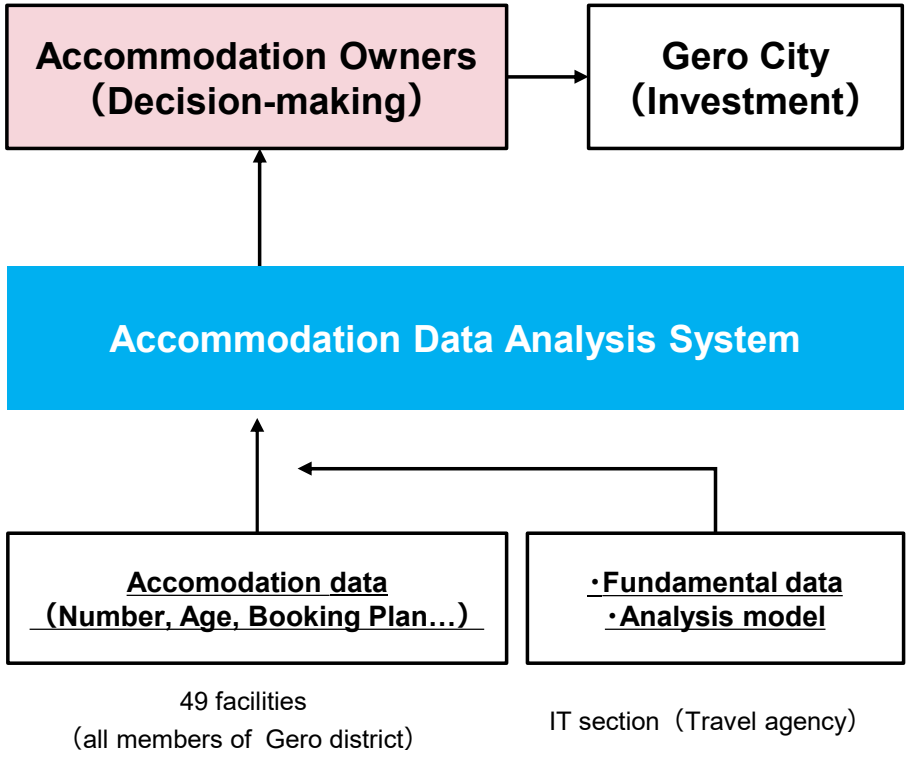
- ○ **Popular hot spring**
- ○ **Distance from major cities**
- ○ **Strategic visitor attraction**



DX Solution

- ○ **Integration management of accommodation data**
- ○ **Optimum service and pricing comparing with others**
- ○ **Investment for new accommodation facilities**

Framework



Case study ③ Hida Takayama DMO（Responding to Demand Fluctuations）

Japan Tourism Agency
Ministry of Land, Infrastructure, Transport and Tourism

- ○ Destination : A popular destination known for its well-preserved historic townscape experiencing **rapid growth in inbound tourism demand**
- ○ Challenge : Operational inefficiency caused by demand fluctuations, such as restaurant **capacity shortages and seasonal declines** in winter
- ○ Solution : **AI-powered visitor flow forecasting model** opened to local stakeholders
- ○ Outcome : Improving **operational efficiency and optimizing resource allocation** for local businesses

Key Action



Challenge in Hida Takayama

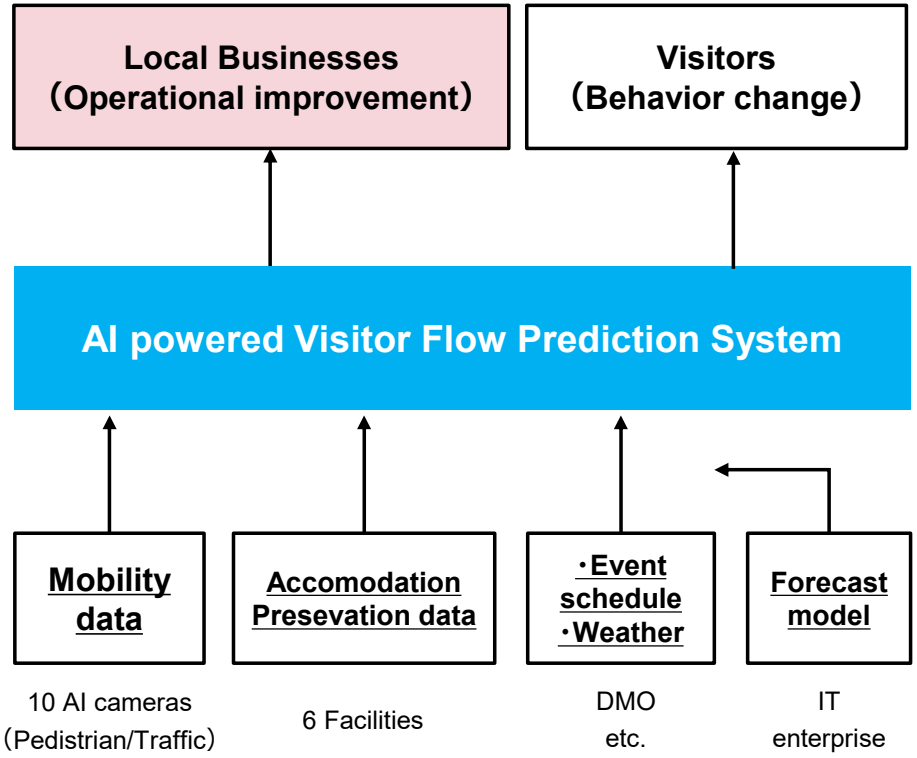
- ○ **Rapid Increase of Inbound**
- ○ **Operational inefficiency**
- ○ **Capacity shortages**
  （Dinner, Accommodation… etc）



DX Solution

- ○ **AI demand prediction**
- ○ **Optimizing resource allocation**
  （Food, Staff, Traffic… etc）
- ○ **Operational efficiency**
  （Business hour, Pricing… etc）

Framework

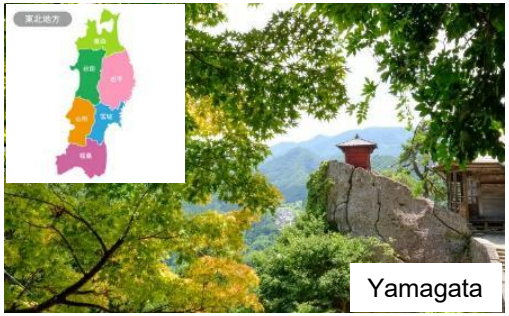


Case study ④ TOHOKU Wide-Area DMO（Enhancing Awareness of the Region）

Japan Tourism Agency
Ministry of Land, Infrastructure, Transport and Tourism

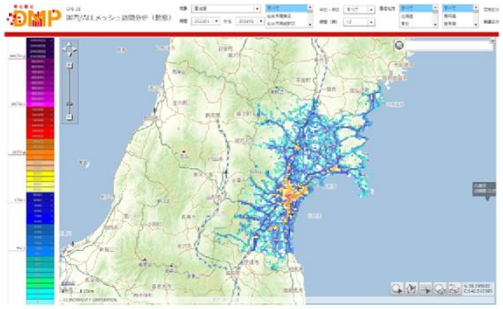
○ Destination : Region that has lower international recognition compared with other parts of Japan
○ Challenge : **Raising awareness of Tohoku as a whole** among inbound travelers
○ Solution : "**TOHOKU Data Management Platform**" capable of collecting and analyzing visitor data across the region
○ Outcome : Multi-faceted **understanding of traveler needs and preferences**

Key Action



Challenge in TOHOKU Region

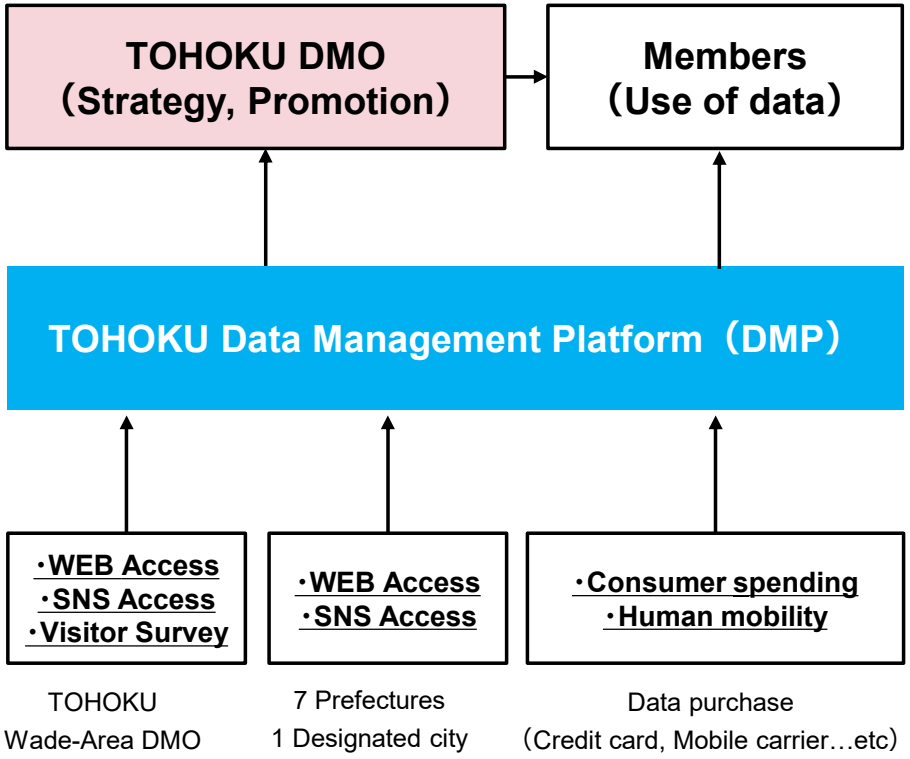
- ○ **Including hidden destinations**
- ○ **Low awareness of "TOHOKU"**



DX Solution

- ○ **Collecting travelers needs**
- ○ **Strategic targeting**
- ○ **Considering promotion**

Framework



Case study ⑤ KYUSHU Wide-Area DMO（Promoting Multi-Destination Travel）

Japan Tourism Agency
Ministry of Land, Infrastructure, Transport and Tourism

- ○ Destination : Region that has a wide variety of unique tourism resources
- ○ Challenge : **Attracting visitors to rural areas** as tourist flows tend to concentrate in specific destinations
- ○ Solution : **Generative AI-based travel planning tool** to create personalized itineraries tailored to traveler needs
- ○ Outcome : Spreading the economic benefits of inbound tourism by **multi-destination travel across prefectural boundaries**

Key Action



Challenge in KYUSHU Region

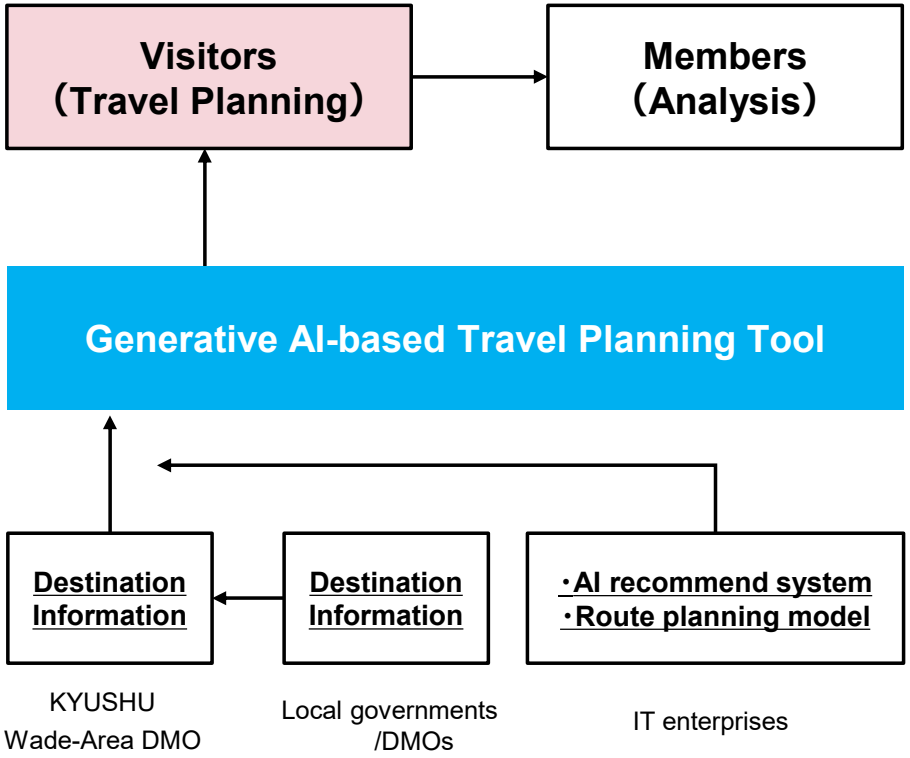
- ○ **Diverse tourism resources**
- ○ **Demand imbalance among prefectures**



DX Solution

- ○ **Recommenndarion considering personal needs**
- ○ **Travel planning across prefectural boundaries**
- ○ **Spreading economic benefits**

Framework



Future Challenges - Advancing Tourism DX -

Japan Tourism Agency
Ministry of Land, Infrastructure, Transport and Tourism

○ JTA is promoting initiatives to advance Tourism DX in four key areas

4 Strategic Directions and Key Challenges Ahead

①Enhancing Visitor Convenience and Encouraging Regional Circulation	✓ Utilization of **TravelTech Startups** in Japan and Abroad ✓ Utilization of **Privacy-Enhancing Technologies（PETs）** to Address Restrictions on Visitor Attribute and Behavioral Data
②Improving Productivity in the Tourism Industry	✓ **Handling Sophisticated Data Summarization and Insights** Generated by Generative and Conversational AI ✓ **Sharing and Standardizing** Back-office Operations at the Regional level
③Advancing Destination Management	✓ **Avoiding Duplication in Data Collection** by the National Government, Local Governments, and DMOs ✓ Promoting Collaboration with Emerging Industries **through Open Data**
④Developing and Utilizing Digital Talent for Tourism	✓ Supporting the **Development of Human Resources** Capable of Utilizing the Digital Tools and Technologies Identified in the Challenges Above

Future Challenges - Appropriate use of Generative AI -

Japan Tourism Agency
Ministry of Land, Infrastructure, Transport and Tourism

○ JTA is currently developing guidelines and key considerations for the appropriate use of generative AI in tourism destinations and the tourism industry.

Key Points for Appropriate Use	
Perspective① : Privacy Protection	✓ Use within the scope of the **privacy policy** ✓ Ensure that personal information is **not used to train large language models (LLMs)**
Perspective② : Copyright Protection	✓ Avoid generating content that closely resembles **existing copyrighted works** ✓ **Modify generated content** when similarity to existing works is identified
Perspective③ : Hallucination	✓ **Avoid generating fictional tourist destinations**, facilities, or itineraries that are not realistically feasible within the available travel time ✓ Establish methods for **verifying and refining AI-generated outputs**
Perspective④ : Biases	✓ **Encourage independent decision-making** with awareness of cognitive biases ✓ Mitigate output bias through the use of **RAG technology**