

The Japanese “Smartphone Native” Generation in Comparison to South Korea, Australia, and Indonesia

Survey of Millennial-Generation (Ages 22-28) Values and Travel (2017)

【Contact】 <https://www.tourism.jp/en/contact/>



JTB Tourism Research & Consulting Co.

- The Japanese Millennial Generation sees itself as “happy” and is more hopeful for the country than other generations. These Millennials attribute their hopefulness to “peace” and “freedom and equality” in Japan. At the same time, their hopefulness for the country is well below that of people in other countries.
- For fashion and lifestyle information, Japanese Millennials look to North America, Northern Europe, France, and South Korea, in that order. Post-Millennials look to South Korea the most, even over North America. Millennials in South Korea, Australia, and Indonesia get their information most often from Japan.

The Millennial Generation is defined in various ways around the world. In the US, the term “Millennial Generation” is sometimes used to refer to a broad generation of 17 to 39-year-olds born between 1981 and 2000. More generally, however, it refers to the generation of 20 to early 30-year-olds born in the late 1980s and 1990s. This generation holds new values specific to a digital society and has attracted attention not only in Japan but overseas as well for its potential to change the nature of future consumption. Growing rapidly in recent years, the number of people coming into Japan from developing countries in Asia likewise consists predominantly of Millennials who have benefited from higher educational standards and higher incomes given the economic growth in their countries. Globally, people 29 years old or younger represent 52.4% of the world population, nearly double the 27.9% they represent in Japan, while the Millennial Generation will reportedly make up nearly 20% of the future travel market (UNWTO: The World Tourism Organization of the United Nations).

Millennials in Japan are the generation born and raised in the Heisei Period (1989-present). Having grown up in the slow-growth era of Japan’s post-bubble economy, this generation had more family travel experiences in childhood than earlier generations because their parents were young during Japan’s bubble economy when consumption was strong. As past surveys have shown, this fact has driven travel consumption among Millennials in Japan as adults.* The values and behaviors of the Millennial Generation also garnered attention early in the belief that it would have a strong influence on other generations given the fact that Millennials actively share information, having themselves become a form of media through their use of SNS.

This survey analyzes the Japanese Millennial Generation, defined as adults between the ages of 22 to 28 (born 1989-1995). Members of this generation were in their teenage years, the period of life that most influences the development of a person's propensity to consume, when smartphones became popular; and they turned twenty after 2009, by which time Japan's job crunch had mostly ended. The survey also compares attitudes toward international travel by comparing this generation in Japan to similar age groups in Korea, Indonesia, and Australia, all of which are Pacific Rim countries like Japan and mainly use airplanes to travel overseas. These three countries were chosen because of their diversity and for the significance of their relationships with Japan: Between Korea and Japan there is a lively flow of culture and people, and the countries share many similarities; Indonesia, as one of Asia's developing countries, is in a period of economic growth and the number of its travelers to Japan is growing rapidly; and Australia, which has a different culture from that of Asia, has a long history of traveler's frequenting Japan. The survey examines how the values and communication skills of the Millennial Generation affect each other across countries.

*JTB Tourism Research and Consulting Co., "Survey of Millennial-Generation Values and Travel (2014)"

Generation	Birth Year		Age (2018)	Characteristics
Cinema	1937	1945	73 ~ 80	Hard workers during the high economic growth period after the World War 2.
Dankai	1946	1950	68 ~ 72	Baby boomers after the World War 2.
Post Dankai	1951	1959	59 ~ 67	First generation to enjoy fashion brands, playing tennis, golf and skiing.
Bubble	1960	1970	48 ~ 58	Enjoyed life during "Bubble Economy"
Dankai Jr.	1971	1975	43 ~ 47	Experienced collapse of "Bubble Economy" around "Coming-of-age".
Post Dankai Jr.	1976	1980	38 ~ 42	Experienced a hard time for job seekers.
Pre-yutori	1981	1988	30 ~ 37	Communication through the internet widened.
Millennials	1989	1995	23 ~ 29	Smart-phone natives.
Post Millennials	1996	1999	18 ~ 22	Adapted to global / sharing economy.

【Survey Outline】

Method : Web-based questionnaire survey

Survey period : September 2017

Respondents: Japan 1036, Korea 600, Indonesia 600, Australia 600. Men and women of 18 years old or more who have traveled overseas within 3 years.

Worldwide Characteristics of the Millennial Generation:

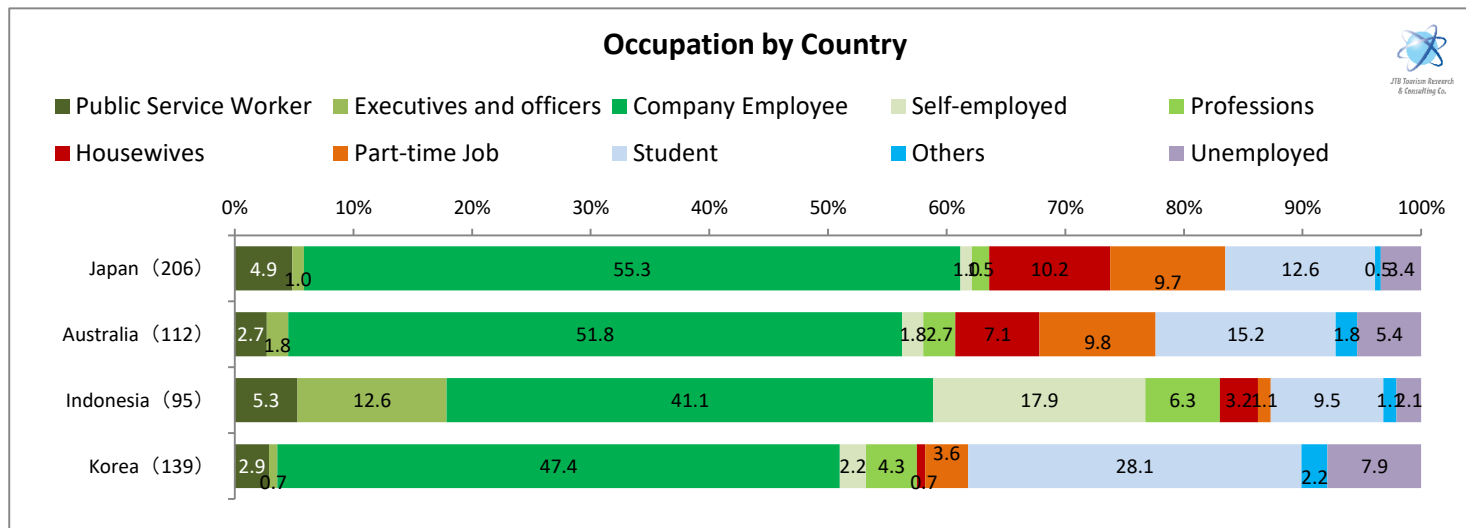
Based on foreign reports, the following four major characteristics are shared worldwide by the millennial generation:

- ✓ Left-leaning, free-thinking ideas
- ✓ High social activism
- ✓ Not ownership-oriented (use of sharing services)
- ✓ Strong communication skills, with Millennials themselves as media (use of SNS)

Based on these characteristics, this study surveyed the differences in values and behavior between Millennials in Japan and overseas.

1. In all countries surveyed, a large percentage of Millennials worked as corporate employees. Looking at the characteristics for individual countries, Indonesia had a significantly larger number of executives/officers and self-employed than the other countries, while South Korea had a high percentage of students.

Of Millennials surveyed (those who partook in international travel within the past three years), the largest percentage overall worked as corporate employees regardless of the country. Looking at the characteristics for individual countries, Indonesia had a significantly larger number of executives and officers (12.6%) and self-employed (17.9%) than the other countries, while South Korea had a high percentage of students (28.1%).



In terms of the frequency of tourist travel by “core international travelers”—those who travel internationally once every two to three years—the order of countries from most to least frequent was South Korea, Australia, Japan, and Indonesia. This is thought partly to reflect the percentage of travelers who leave the country. In Australia and South Korea, where more than 30% leave the country, the percentage of core international travelers exceeds 70%. On the other hand, 50% of Millennials in Japan are core international travelers, while those who prefer domestic travel (a combination of those who “sometimes travel internationally but generally travel domestically” and those who “always travel domestically, almost never internationally”) were nearly half at 46.6%.



Millennials' "degree of happiness," "hopefulness for the future of their country," and attitudes toward work

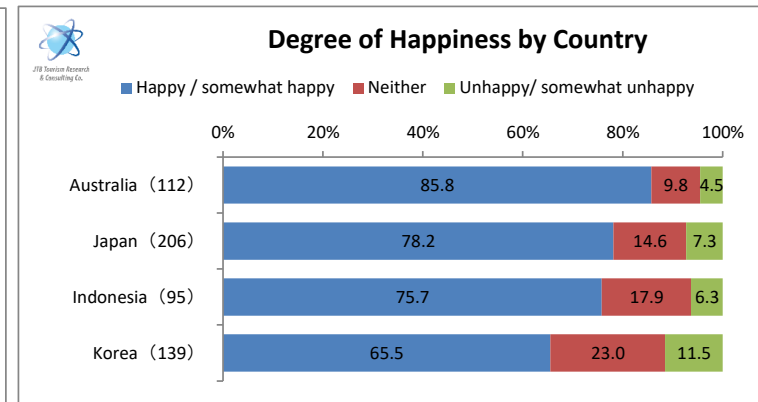
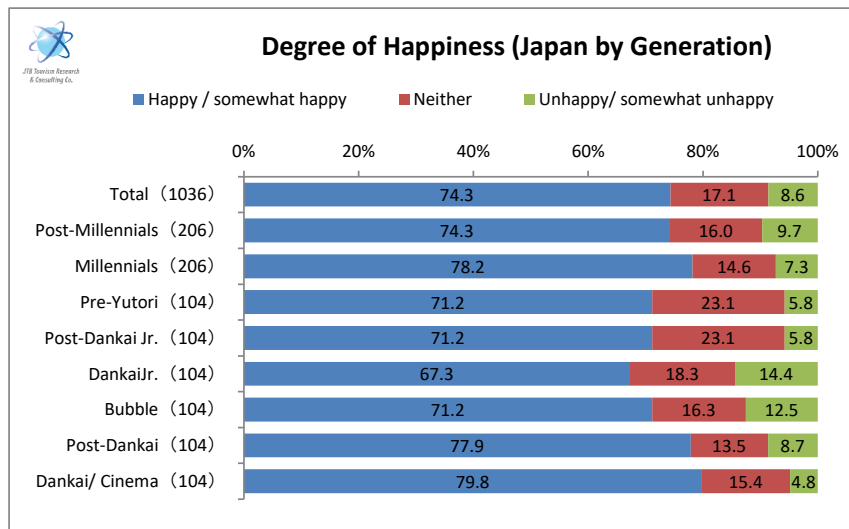
2. The Millennial Generation in Japan feels relatively "happy."

Their hopefulness for the country is also relatively high compared to other generations in Japan, but relatively low compared to people in other countries.

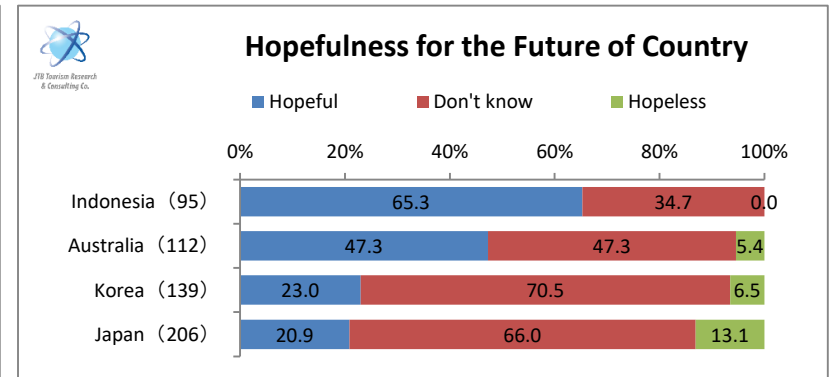
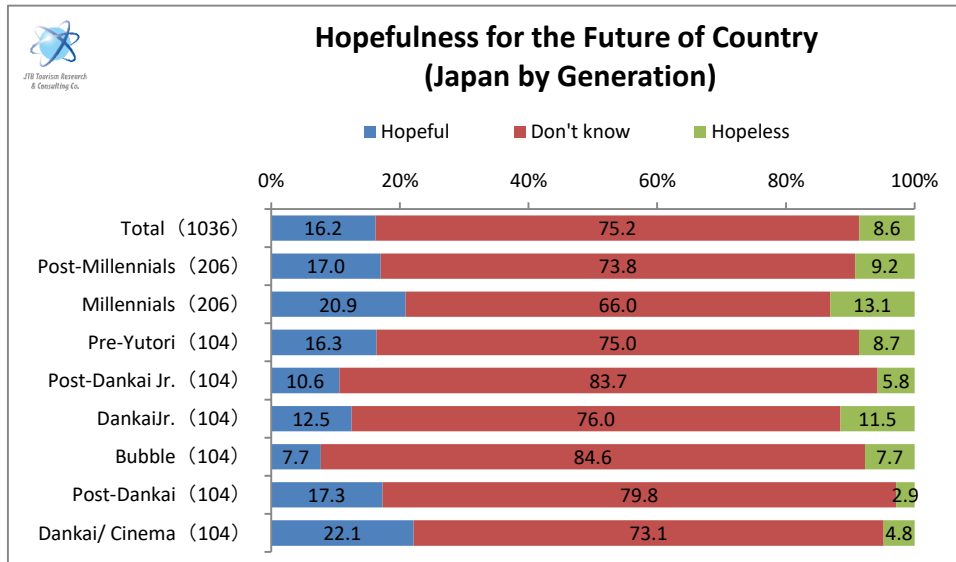
They attribute their hopefulness to "peace" and "freedom and equality."

The percentage of Millennials for whom the future is "hopeless" is also highest in Japan.

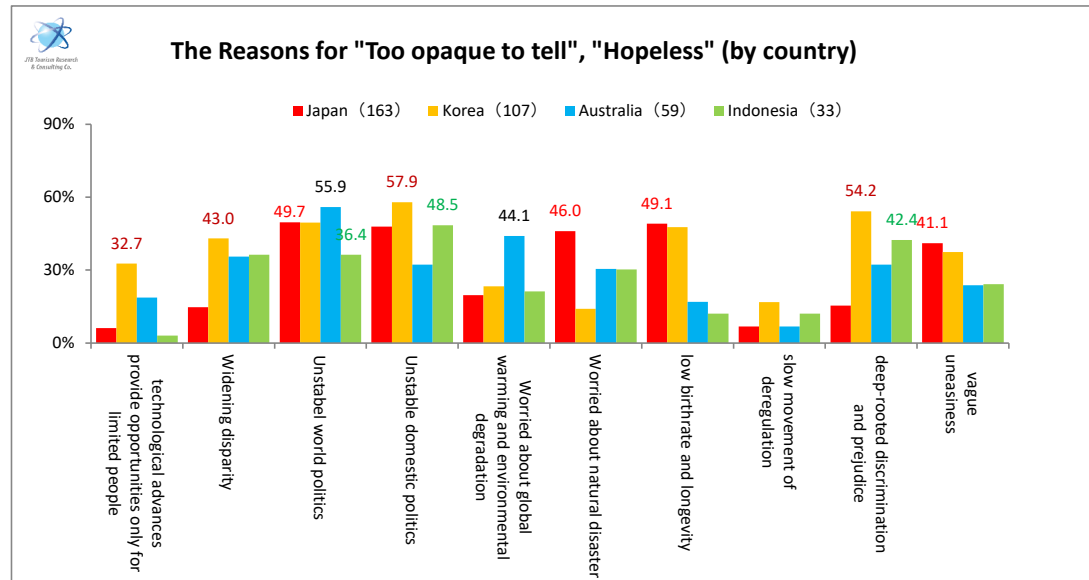
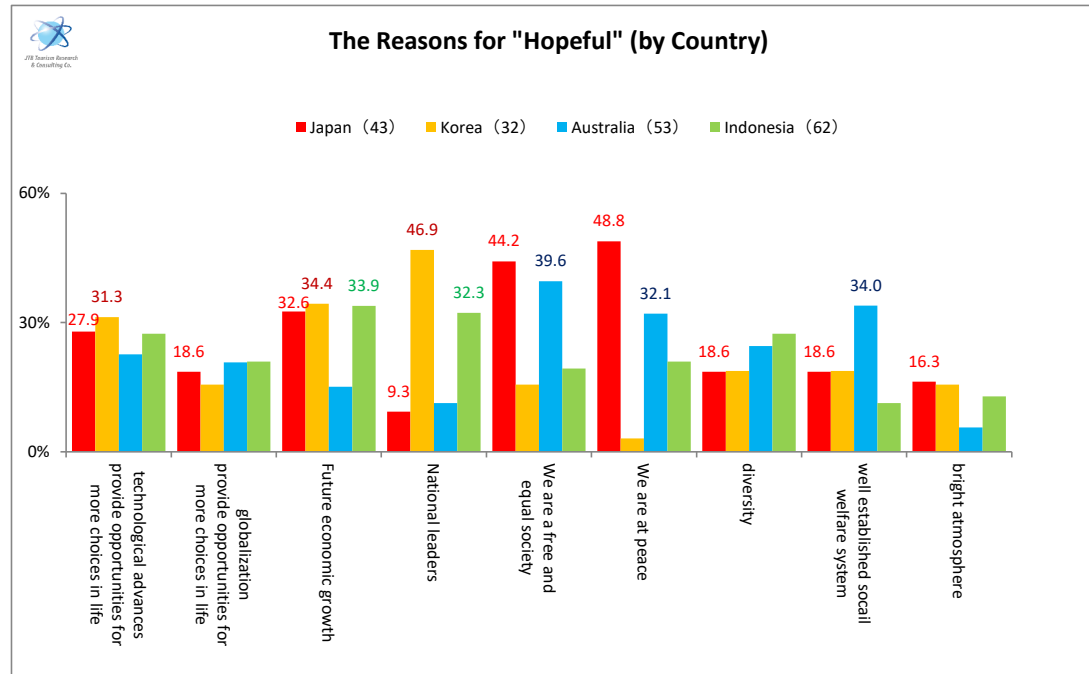
To understand how Millennials felt about their ordinary daily lives and their countries, the survey asked about the "degree of happiness in their current daily lives" and the extent of their "hopefulness for the future of their country." By generation, the percentage of Millennials in Japan who were "happy" or "somewhat happy" (78.2%) was second only to the Baby Boomer and Cinema generations (currently ages 67 to 70), and second after Australia when compared to other countries, indicating that many Millennials in Japan feel relatively "happy." Likewise, regarding the extent of their "hopefulness for the future of their country," the percentage of Millennials in Japan that "are hopeful" (20.9%) was second greatest after the Baby Boomer and Cinema generations.



On the other hand, in comparison with the other countries, the extent of Japanese Millennials' hopefulness for the future of their country was the lowest, resulting in a large gap with Indonesia (65.3%) and Australia (47.3%). At the same time, the percentage of Japanese Millennials who felt the future of their country was "hopeless" (13.1%) was more than any other generation in Japan and the highest among the other countries.

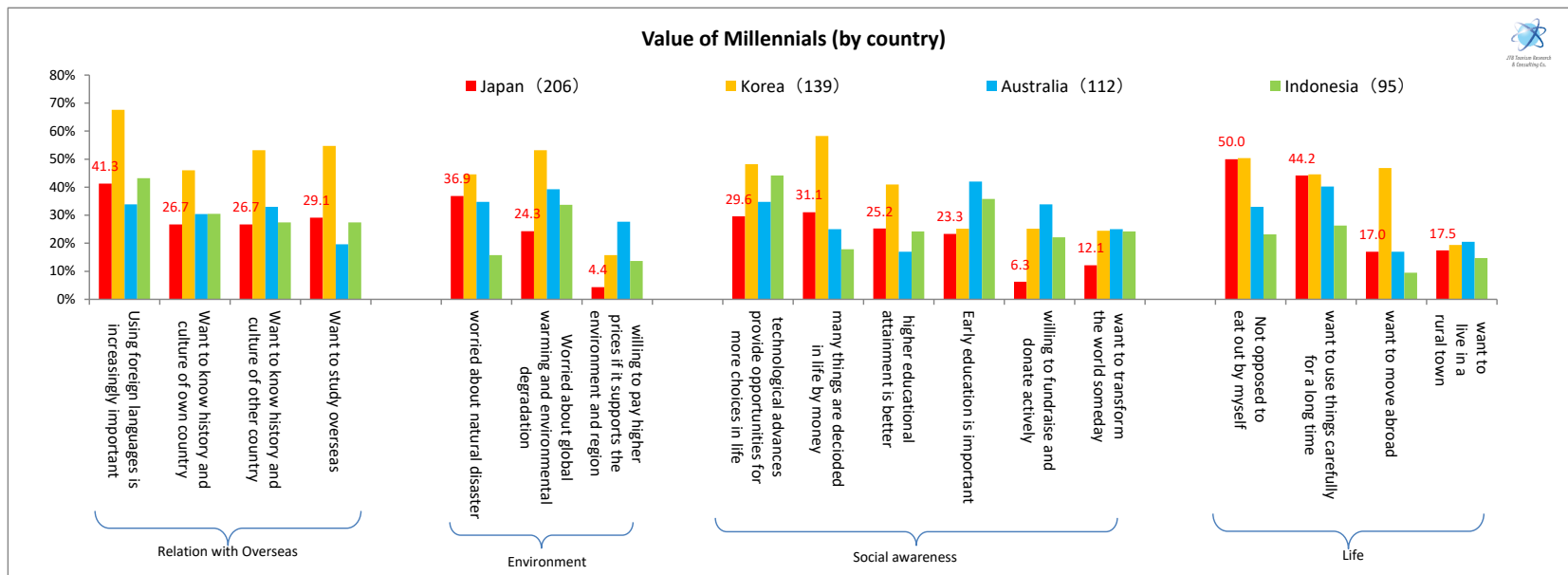


The reasons most cited by those who were “hopeful” were “we’re at peace” (48.8%) and “we are a free and equal society” (44.2%). The top reasons among those for whom the future was “hopeless” or “too opaque to tell” were “unstable world conditions” (49.7%) and “worrisome population changes, including declining birthrates and societal aging” (49.1%). By comparison, a much larger percentage of Millennials in both Indonesia and Australia “are hopeful” (Indonesia 65.3%, Australia 47.3%). In Indonesia, the top reasons for having hope were “future economic growth” (33.9%) and “national leaders” (32.3%). Millennials in Australia gave the same reasons as those in Japan but many also cited the “well-established social welfare system (education, retirement, medicine, etc.)” In South Korea, a slightly higher percentage were “hopeful” (23.0%), with the top reason for having hope being “national leaders” (46.9%); on the other hand, among those for whom the future was “too opaque to tell” (70.5%) or “hopeless” (6.5%), more than half cited “unstable domestic politics” (57.9%) and “deep-rooted discrimination and prejudice” (54.2%).

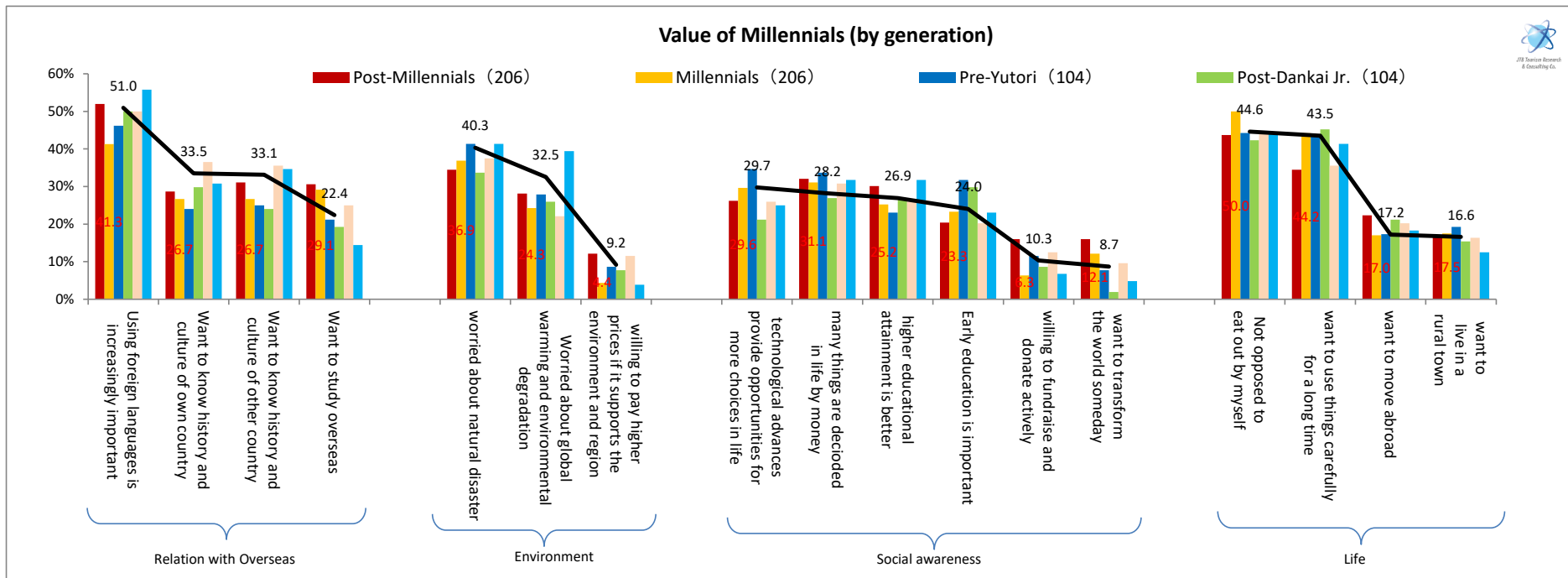


3. Japanese Millennials indicate a desire to study and train internationally but feel no strong need to study language or their own country's culture; their concerns about environmental degradation, as well as their intention to provide support through donations, fundraising, or consumption, are far below other countries. Reversing this trend, the Post-Millennial Generation (currently ages 18-21) has more positive aspirations; Post-Millennials have stronger international aspirations, upward aspirations, and intentions to contribute to society.

Next the survey asked Millennials about their values in everyday life. While Japanese Millennials indicated a higher desire to study and train internationally than other generations (Millennials 29.1%, total 22.4%), they had the lowest percentage who thought “using foreign languages is increasingly important” (41.3%) and also had less interest in foreign and Japanese history and culture. The comparison with other countries reveals a significant characteristic in the values of South Korean Millennials. Japan, Australia, and Indonesia showed similar tendencies overall, though Japan had considerably less interest in the environment and in contributing to society, with only 24.3% “worried about global warming and environmental degradation,” 4.4% “willing to pay higher prices if it supports the environment and region,” and 6.3% “willing to fundraise and donate actively.” Compared to the other three countries, Japanese Millennials also showed significantly less interest in “wanting to transform the world someday” (12.1%). International aspirations were significantly higher among South Koreans, who also showed a strong interest in natural disasters and environmental degradation; on the other hand, they also showed much more practicality than the other countries, agreeing that “technological advances provide opportunities for more choices in life,” “many things are decided in life by money,” and “higher educational attainment is better.”

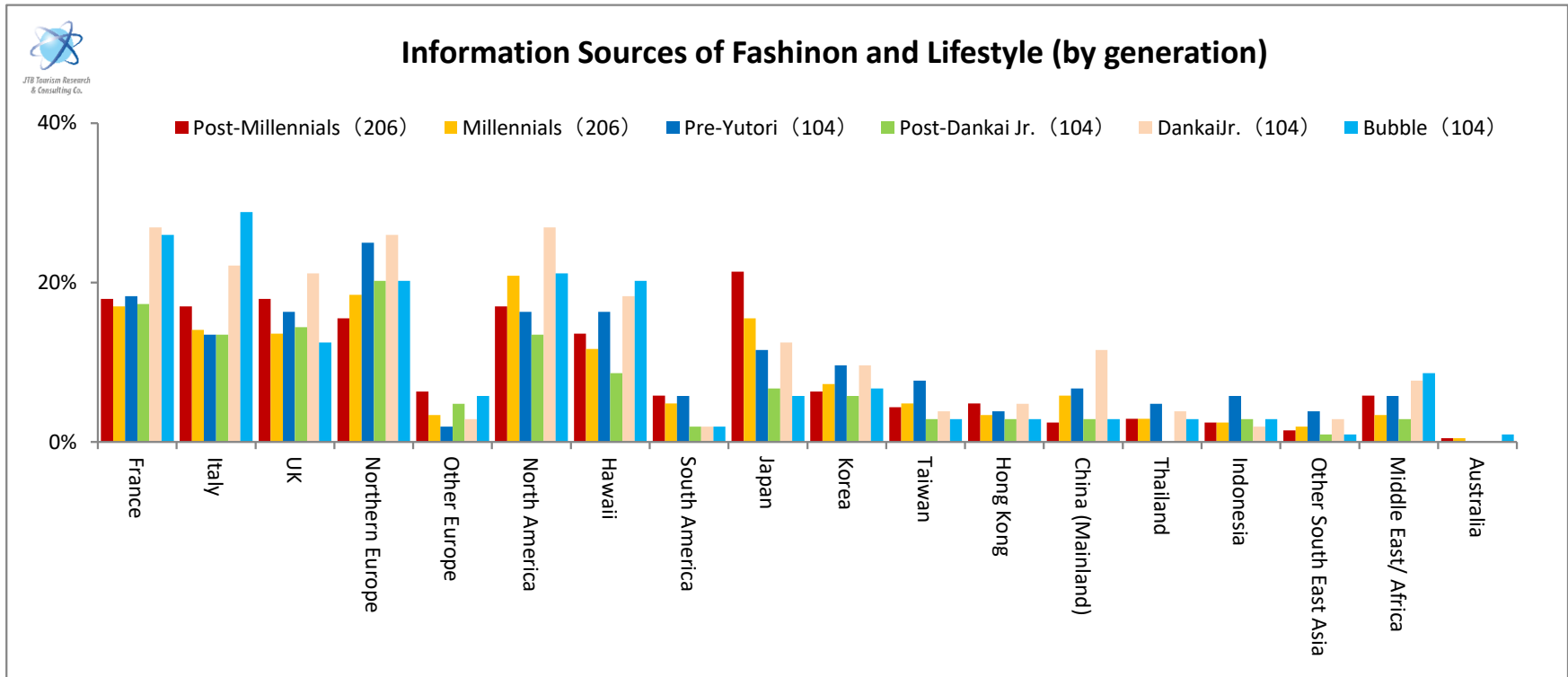


Especially noteworthy in this context is the Post-Millennial Generation (currently 21 years old and younger). Compared to other generations as a whole, Post-Millennials had the strongest desire to study and train internationally (30.6%) and a greater belief than Millennials in the importance of foreign languages and greater desire to learn foreign and domestic history and culture. Post-Millennials compared to other generations as a whole also had the highest percentage of those who “want to move abroad” (22.3%), who “want to transform the world someday” (16.0%), and who are concerned with environmental degradation and giving support though donations and consumption.

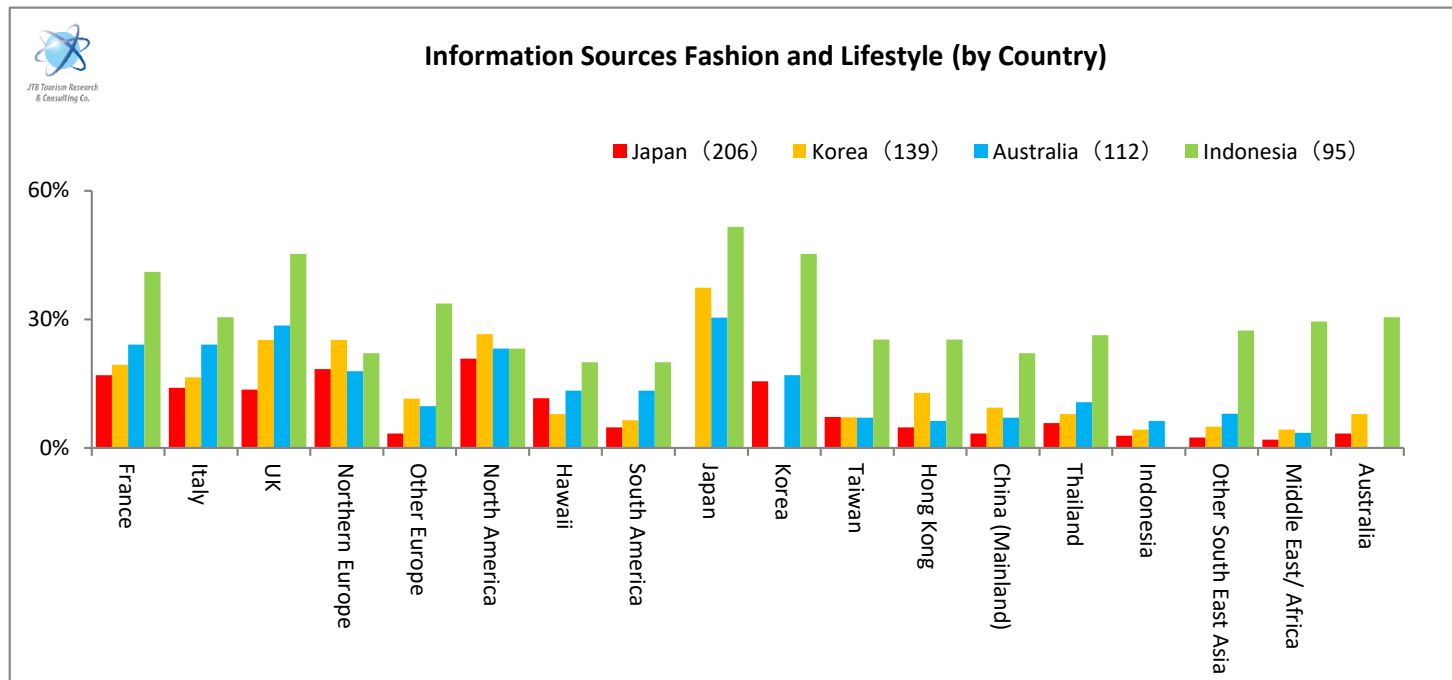


4. For fashion and lifestyle information, Japanese Millennials look to North America, Northern Europe, France, and South Korea, in that order. Post-Millennials look to South Korea the most, even over North America. Millennials in South Korea, Australia, and Indonesia get their information most often from Japan.

The survey asked Millennials which countries they look to, other their own, for information on fashion, interior design, and lifestyles. Millennials in Japan look to North America, Northern Europe, France, and South Korea, in that order. Notably, Post-Millennials (in the survey, 18 to 21-year-olds) look to South Korea the most, even over North America; it is not an obviously massive boom like the Korean Boom that happened before, but this younger generation reports getting information about Korean idols and their fashions as normally as they do about Japanese idols. Another interesting finding was that the Bubble Generation has a greater interest than other generations in information from Italy and Hawaii; although the bubble has burst, this generation has not forgotten the brands from that period or its experiences of international travel and continues to regard them highly as a source of information.



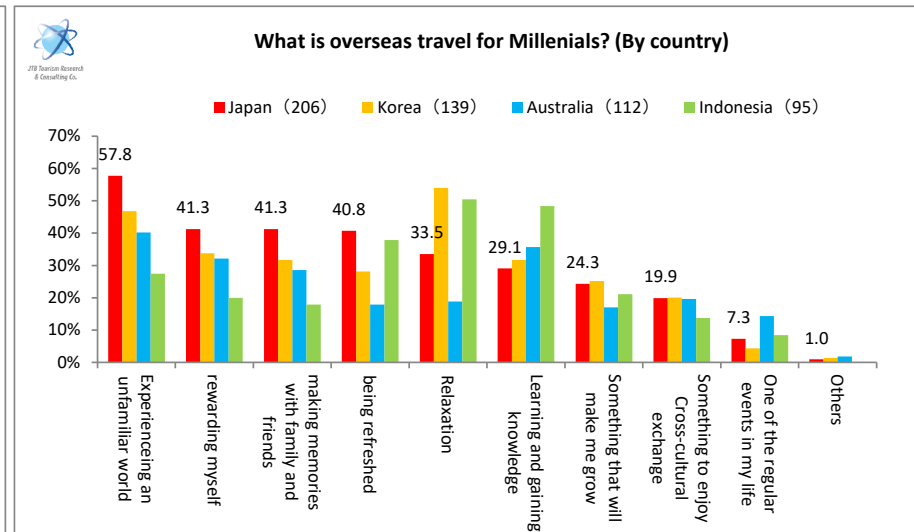
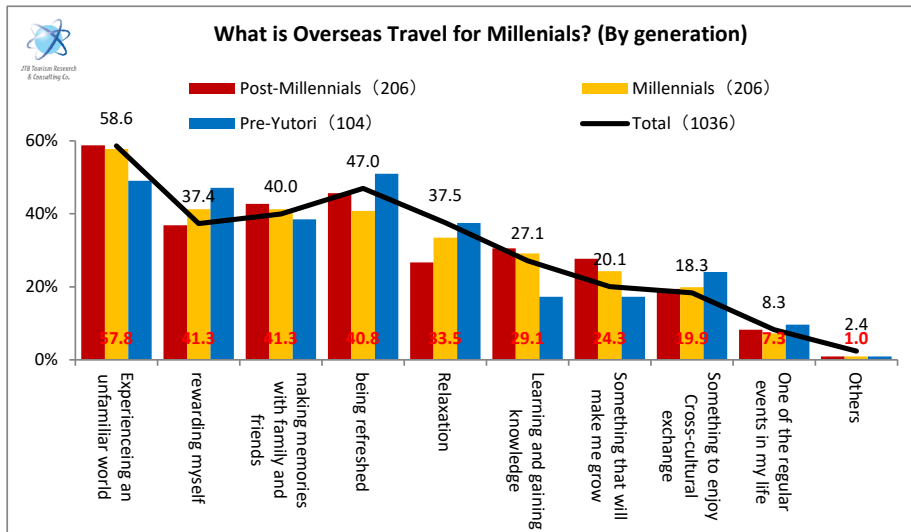
Outside Japan, findings showed that Millennials in South Korea, Australia, and Indonesia get their information most often from Japan. Presumably, things like anime and figurines have become a familiar part of everyday life and information has become easier to obtain.



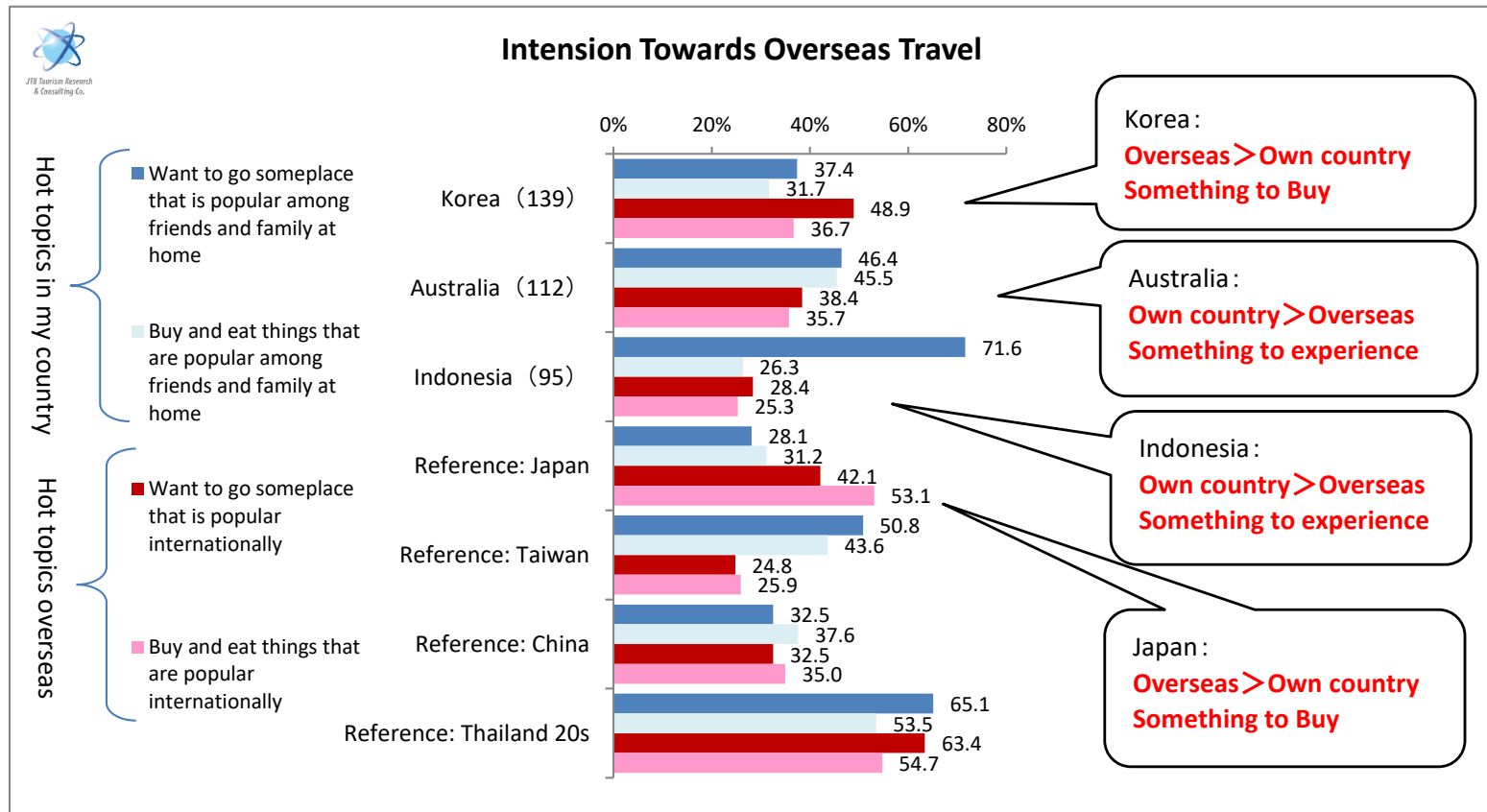
5. When travelling internationally, Australians and Indonesians “want to go someplace that is popular among friends and family at home,” while South Koreans “want to go someplace that is popular internationally” and Japanese want to “buy and eat things that are popular internationally.”

For Japanese Millennials, international travel is first and foremost about “experiencing an unfamiliar world” (57.8%). Compared to Japan as a whole, it was also more about “something that will make me grow” (24.3%) and less about “being refreshed” (40.8%). Compared to the other countries, it was more about “experiencing an unfamiliar world” (57.8%), “rewarding myself” (41.3%), “making memories with family and friends” (41.3%), and “being refreshed” (40.8%).

On the other hand, for many Millennials in Indonesia international travel was also about “learning and gaining knowledge.” In the growing economic environment, this younger generation is actively turning its eyes outward.



The survey also asked what kinds of places they tended to prefer emotionally when deciding on a particular destination. Australians and Indonesians tended to “want to go someplace that is popular in their countries,” while South Koreans would “want to go someplace that is popular internationally.” Past surveys have shown that Japanese “want to buy and eat things that are popular internationally,” more so than domestically.

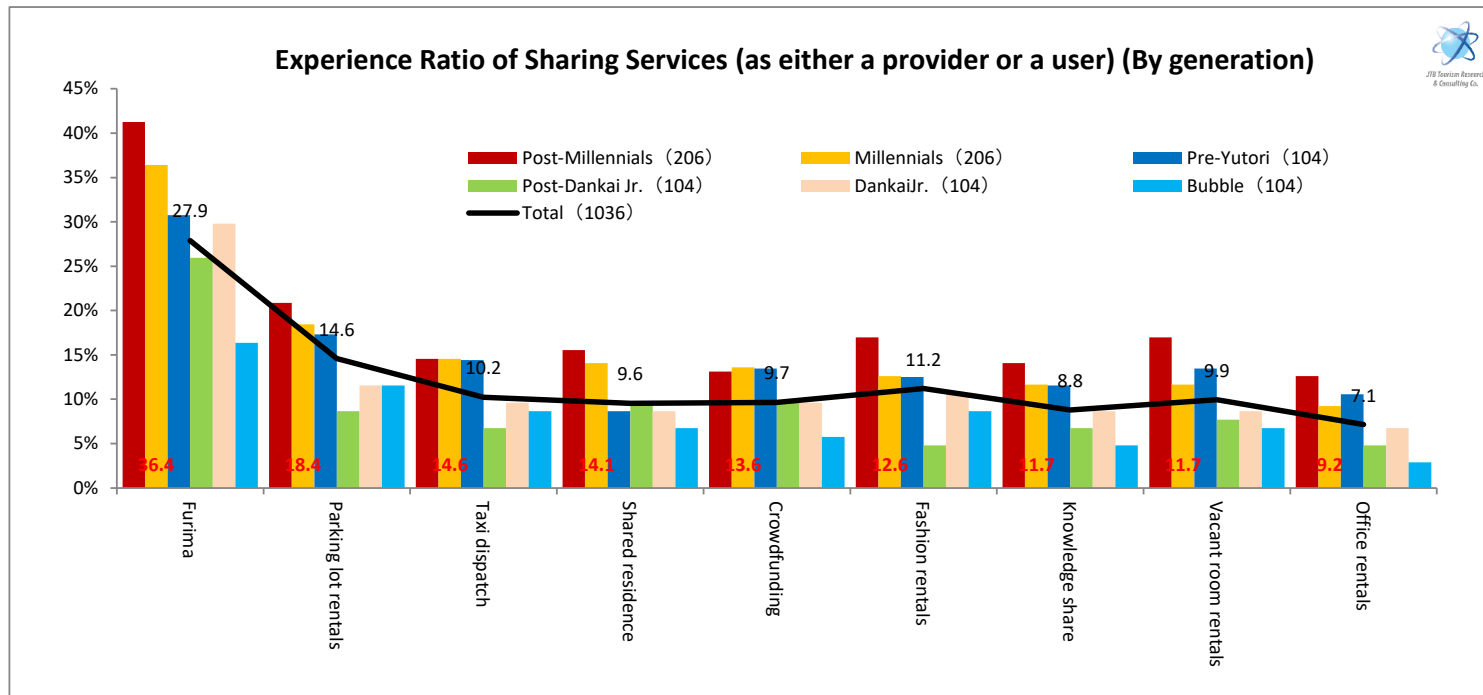


6. Furima (“flea market,” “free market”) is the most heavily used new kind of service.

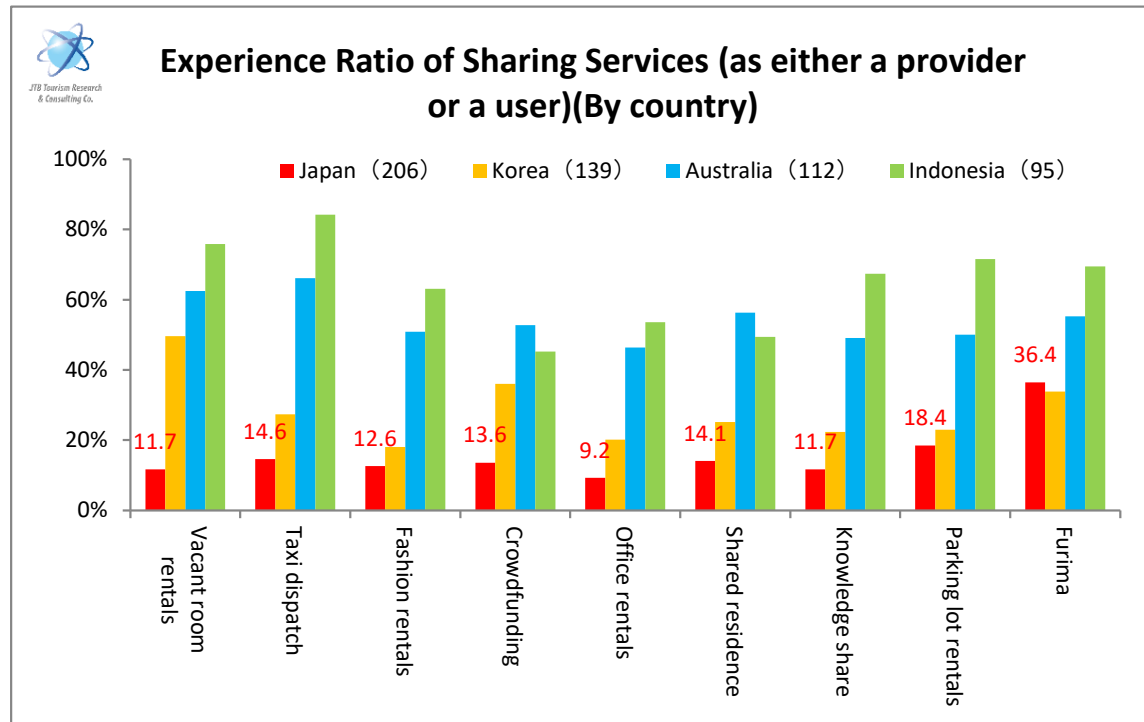
It has been tried by 36.4% of Millennials and 41.3% of Post-Millennials.

As a “sharing service” that lets people use things that already belong to someone else, it is helping establish new forms of economic activity.

With the spread of smartphones, people’s lives are increasingly digital. New “sharing services” are spreading, allowing people to purchase or borrow things already owned by someone else or, conversely, matching people with others who want something they own. In Japan, *furima* apps and sites and vacant room rentals (private lodgings) already constitute a large and growing market. The survey asked how many people had used such services. By type, *furima* is at the top with 27.9% overall, followed by parking lot rentals at 14.6%. The younger the generation, the higher the rate of use of such services; Post-Millennials (currently 18 to 21 years old) were the highest users of any such service. The survey, which looked at the Bubble Generation to the Post-Millennial Generation, found a large gap between the Post-Junior Baby Boomer Generation (currently 37 to 41 years old) and Pre-Yutori Generation (currently 29 to 36 years old), suggesting a high mental barrier to the use of such services between these two generations.



Compared with Millennials in the other countries, Japan had the lowest rate of any such services overall, while Australia and Indonesia had much higher rates of use than either Japan or South Korea.

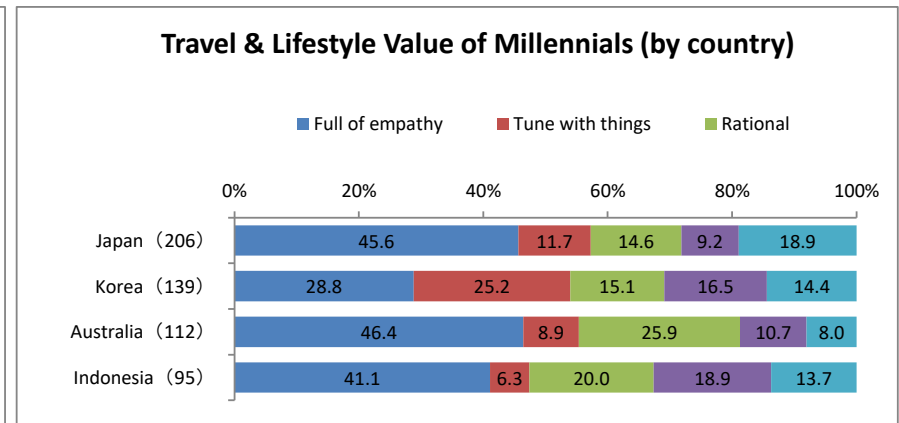
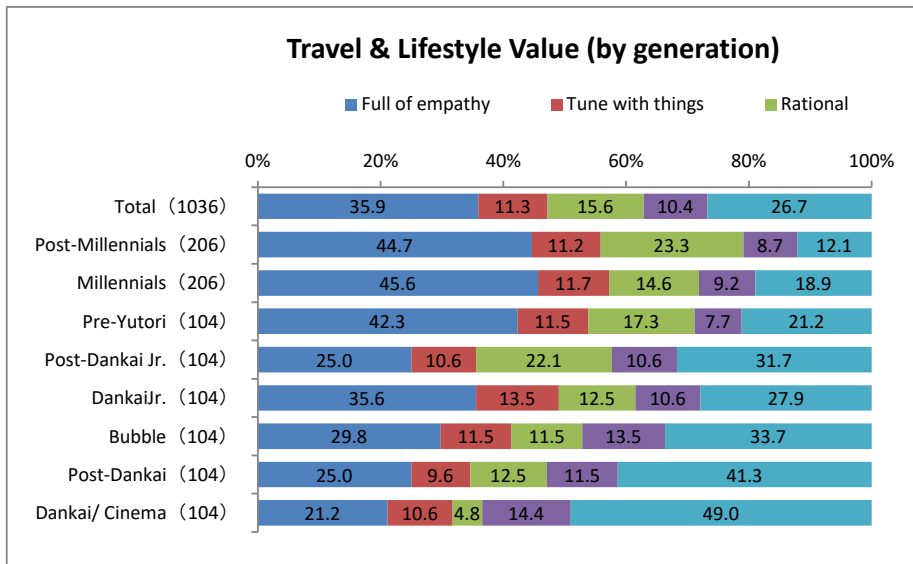


In a digital society with a declining birthrate and societal aging, it will be increasingly important not only to direct marketing at individual target groups but also to keep in mind targeting that is mindful of linkages and synergies

As Section 4 showed, Millennials in South Korea, Indonesia, and Australia look to Japan for information on fashion and lifestyles. It is fair to say that Japan has established itself as a disseminator of trends in Asia-Pacific region. In particular, Japanese Millennials often tend to be the “sharing type” in terms of their value orientation (they actively share the things they like and spread them to others). As a result, even though their population is small, their impact both domestically in Japan and internationally is likely to be large. As influencers, they are key persons with an important role to play in marketing by making the appeal of products, services, and travel destinations better understood.

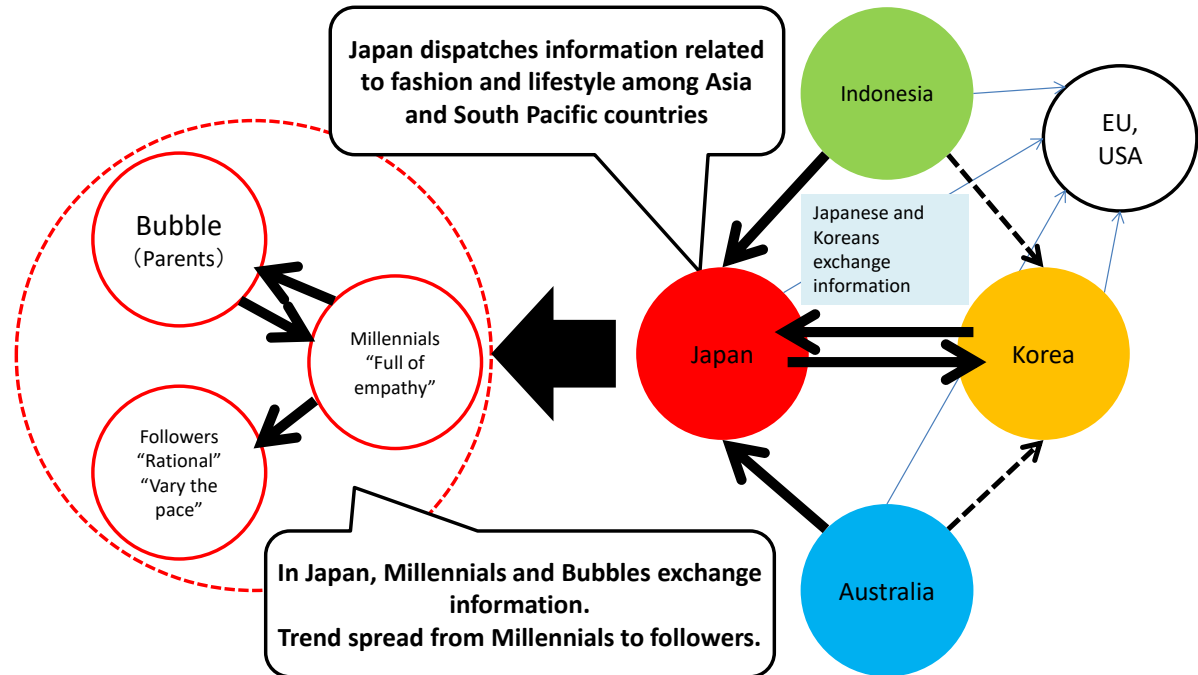
In South Korea, there is a very strong tendency (25.2%) for Millennials to be the “strong antenna” type (they are extremely sensitive to new trends and seek them out but are less influential than sharing types). Japanese Millennials can be expected to notice the popular trends in South Korea and adopt the ones they like, then spread them to other generations within Japan and to Millennials in other countries using their communication skills as sharing types. Conversely, emerging trends in Japan also have the potential to spread more widely via South Korea.

The Japanese Millennial Generation is strongly shaped by the Bubble Generation of their parents that came before them and the wide range of consumer experiences that generation enjoyed. Undoubtedly, when thinking about future products, services, and inbound marketing, it will be important to build strategies that factor in the relatedness of information and trends between individual countries, as well as the relatedness and aspirations of each generation.



Japan's Post-Millennial Generation has potential that should not be nipped in the bud; attention should be paid to their values and behaviors

【Ripple Effect of Fashion and Lifestyle Trend】



On the flipside of expected travel and consumption, this survey reveals what appears to be a narrow worldview of Japanese Millennials. As the survey shows, they want to travel overseas but have little interest in language or in domestic and foreign culture and history; and they not only have low upward aspirations but also, despite Japan's already a low interest in contributing to society, an even weaker interest in doing so. On the other hand, Post-Millennial Generation behind them shows strong international aspirations as well as strong interest in contributing to society. That said, the Post-Millennials showed a lower degree of happiness and were less hopeful about their country's future than were Millennials, revealing a practical, rational side to their views. While it is as yet unclear whether these differences are generation-specific or reflect their current stage in life, it is possible that global conditions and the Fourth Industrial Revolution will shape the future thought and behavior of Post-Millennials in Japan and around the world in different ways than those of Millennials. These are future developments to which we will pay careful attention.