Focus: Theme Park Marketing Strategy

Strategy for Theme Park Marketing and Attracting Overseas Guests

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Q1 What are your priorities for the marketing activities of Tokyo Disney Resort?

I think that the role of the Marketing Division at Oriental Land is to work with other departments to create ways of attracting Guests to our Theme Parks.

I took up the post of Director of the Marketing Division in April 2019. Looking back on my career so far, after joining the Company I was assigned first of all to the Attraction Operations Department, where I developed a real sense of the importance in Theme Park operations of teamwork and bonding with other team members. Later I worked in the Project Strategy Department, the Finance/Accounting Department, and in other positions that gave me an overview of the business as a whole. My experience in a wide range of departments has taught me that, in order to further develop Tokyo Disney Resort, the OLC Group needs organic links between the different parts of the organization. The same applies to marketing. The mission of the Marketing Division is to attract Guests and maximize operating cash flow, but to achieve this, it is essential for us to unite with other departments including the frontline operational departments, in creating and communicating Theme Park’s experience value.

I believe that it is important to involve the whole of the OLC Group in our efforts to deliver value to Guests.

Q2 What is your analysis of the ability to attract Guests of Tokyo Disney Resort, which has enjoyed continuous growth since its opening in 1983?

In fiscal 2018, ended March 31, 2019, due to the year-long Tokyo Disney Resort 35th anniversary events and other factors, the number of Theme Park visits reached a record high of 32.56 million, allowing us to substantially exceed our expectations for attracting Guests. Looking into the past too, whenever we have held anniversary events, they have motivated people to come back to us after a long absence, which has enabled us to incrementally improve visitor levels.

Anniversary events are of course not the only growth drivers in attracting Guests. By region of origin, Japanese Guests account for approximately 90% of visitors, and nearly all of them are repeat Guests.* I think that what underpins Tokyo Disney Resort’s ability to attract Guests is our ongoing enhancement of Tokyo Disneyland and Tokyo DisneySea experience value through sustained additional investment in new events, attractions, and facilities to ensure an enjoyable experience even for repeat Guests—combined with our success in continuously communicating the appeal of our experience to the public throughout Japan.

* A Guest who has visited Tokyo Disney Resort at least once before
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On the other hand, we see the falling birth rate and demographic aging, shrinking population as risks facing our ability to attract Guests. As shrinkage of the Japanese market is forecasted in the long term, we need to work on cultivating loyalty in the medium to long term. “Family entertainment” is part of the unchanging identity of Tokyo Disney Resort. It is important that people should start visiting us with the family from a young age so that they become loyal fans of Tokyo Disney Resort and come back to us again and again at different stages in life, thus developing an emotional attachment to our Disney Resort and come back to us again and again at different stages in life, thus developing an emotional attachment to our Theme Parks. So, when developing new events or attraction facilities for example, we attach great emphasis to the element of “enjoyment for the whole family.” Likewise, our marketing communication is designed to convey the clear message that we are a Theme Resort for the family to enjoy together.

![Breakdown of Guests by Region](image)

Guests for the year 32.56 million (Fiscal year ended March 31, 2019 result)
- Overseas 9.6%
- Region 29.6%
- FKK/metro area 60.8%

Given the external background of increasing numbers of overseas visitors to Japan, our 2020 Medium-Term Plan presents a strategy of targeting overseas Guests with steadily implemented initiatives. The number of overseas visitors to Japan in 2018 was 31.19 million (January 2018 figures from the Japan National Tourism Organization), and the government target is set at 40 million for 2020 and 60 million for 2030. We think that this trend is highly likely to have a boosting effect on Guest numbers.

However, while the total number of overseas visitors to Japan is increasing, there is a growing dispersion of tourists to non-metropolitan areas due to increasingly diverse motives for their visits and the expansion of flights to non-metropolitan destinations, resulting in more overseas visitors not coming to Tokyo during their stay. Although there has been a sustained rising trend in the number of overseas visitors to Tokyo, there has been a change year by year in their composition by nationality and purpose of visit. While keeping a close watch on these changes in the external environment, we will be moving forward with initiatives to ensure that many people continue to include a stay at Tokyo Disney Resort in their itinerary.

Q3 The number of overseas Guests is on an increasing trend. Do you see that as an opportunity to attract increased Guest numbers?

Currently, we see increasing in the number of overseas visitors to Japan as an opportunity, and capture a steady 10% or thereabouts of the total overseas visitor market as Guests. As a result, along with the recent increase in the number of overseas visitors to Japan, we have seen a rise in the number of overseas Guests coming to Tokyo Disney Resort.

Overseas Guests as a proportion of the total have increased from 3.9% in fiscal year ended March 31, 2014 to 9.6% in fiscal year ended March 31, 2019. In response, our 2020 Medium-Term Plan addresses the task of improving reception functions. In the last two years, with guide maps and other resources made available in various languages and Cast Members are now equipped with a point-and-speak phrasebook that allow them to communicate nonverbally. Starting in fiscal year ending March 31, 2020, as part of various practical initiatives, the plan is for employees to receive training to enhance the ability to respond to overseas Guests through improved understanding of their cultural background.

Guide maps in multiple languages

Q4 Do you think that events such as the Rugby World Cup 2019 and Olympics and Paralympics Games Tokyo 2020 will help to increase Guest figures?

Considering the external environment as I mentioned above, we pay close attention to such international sporting events. However, as the event itself is the main purpose of the visit to Japan, we take the realistic view of their potential impact that they do not contribute directly to increasing Guest numbers.

On the other hand, given our location close to the center of Tokyo, which is one of the strengths of Tokyo Disney Resort, we take the positive view that some of these visitors will probably come to our Theme Parks.

It is also likely that international events of this kind will have not so much a short-term but rather a medium- to long-term effect in helping to boost overseas visitor numbers in Japan. The fact that an event attracting worldwide attention is held in Japan leads to enhanced awareness of Japan as a country and increased interest and curiosity, which in turn results in an increase in overseas visitors. We think that this may have a beneficial effect in the medium- to long-term in attracting increased numbers of overseas Guests to Tokyo Disney Resort.

One initiative to take advantage of these opportunities is to create awareness of our Theme Parks as an option among event visitors and to deploy a measure to buy the tickets for those interested. For example, in the lead-up to the Rugby World Cup 2019, an increase in visitors to Japan is expected especially from regions where rugby is popular such as Europe and Oceania, so, by establishing a ticket sales infrastructure and conducting promotional activities for these visitors, we are preparing to attract Guests on a continuous basis even after the event is over. For the Olympics and Paralympics Games Tokyo 2020 likewise, we are taking the same approach and will implement our plans at the required time.
Our overseas Guests do not come from any specific region but from many different regions all over the world, with an increasing trend in visitor numbers from every region. The geographically close Asian market can be seen as our biggest, but other regions are growing too, and we are now welcoming a more diverse range of Guests than ever before. Diversity is expressed not only in culture, customs, and religion, but also in leisure habits. By creating Theme Parks that all Guests can enjoy, I think we can enhance our ability to attract Guests.

When it comes to length of stay and consumption patterns, visitors from different countries and regions show wide variations, which makes it impossible to generalize, but taken as a whole, they do not differ greatly from Japanese Guests. However, as more than 90% of Japanese Guests are repeat visitors, a growing number of people are becoming experts in how to make the best use of their time at Tokyo Disney Resort. Overseas Guests on the other hand are in many cases making their first visit, so I think it is crucially important to use promotional methods that inform people in advance about how to enjoy Tokyo Disney Resort.

In the future, in marketing for overseas guests, I think it will be important to put in place an online sales system and to strengthen promotional activity. In the Asia region, where group travel arrangements made over the counter have been the mainstream up to now, individual travel arrangements made through online travel agencies have become the norm in recent years. If we look at Europe, North America, and Oceania, where the trend to increased visitor numbers to Japan has been strong, we find that many visitors have already switched to online. To make such people aware of us as an option, I think it will be important going forward to form partnerships with online travel agencies. Meanwhile, we will continue placing emphasis on receiving overseas Guests at our Theme Parks. It is not possible to make a definitive statement as these things vary between different countries and cultures, but overseas travelers tend to attach more importance to word-of-mouth recommendations than do the Japanese. In recent years, social media in many countries has become more highly developed than in Japan, so we should not disregard the influential power of social media postings made by former Guests. This trend indicates that the experience we deliver at our Theme Parks is a very important element in attracting Guests. Our initiatives so far have brought improvement in certain aspects, but we at the Marketing Division are committed to working in partnership with Theme Park operational departments, to deliver to overseas Guests a Theme Park experience that provides an even higher level of satisfaction.

Q5 Can you tell us about your marketing strategy for overseas Guests?

As we welcome overseas Guests from many different countries and regions, it has become clear that there are corresponding differences in the degree of market maturity. People from different countries and regions differ in their knowledge of Japan, their familiarity with the Disney brand content, and their awareness of Tokyo Disney Resort. It is important to consider what kind of marketing will appeal to people in a specific region and how to make them feel they want to visit Tokyo Disney Resort. We are developing marketing strategies tailored to Guests from overseas, with the main focus on East and Southeast Asia, and rolling out related promotional activities locally.

For instance, we were already welcoming many Guests from Taiwan even before the start of the recent increase in overseas visitors to Japan. In addition to their geographical proximity, many of them have a familiarity with Tokyo Disney Resort, so our promotional approach is similar to our approach in non-metropolitan regions of Japan. Last year, we participated in the Lantern Festival in Taipei City with the display of a Resort Cruiser and a parade event. Disney characters and dancers attended the festival and participated in a parade accompanied by music from the Tokyo Disney Resort 35th anniversary events with the idea of inspiring people to go and see Tokyo Disney Resort for themselves. This event was covered by many local media and made a large impact.

Meanwhile, in recent years we have devoted energies not only to promotions in each country but also to targeting overseas visitors who decide which places to visit after arriving in Japan. As part of this approach, we are placing advertisements and ticket sales facilities at the airports and tourist information offices frequented by such visitors, thus creating an environment in which they will be made aware naturally of Tokyo Disney Resort.

Q6 From a long-term perspective, what role does overseas marketing play in the business management of Tokyo Disney Resort?

For long-term sustainable growth, it is essential to strengthen our customer base both domestically and overseas. On the other hand, I believe that overseas marketing is important not only to attract Guests, but also from a revenue perspective. In recent years, we have been selling vacation packages inclusive of accommodations to the overseas market, and the number of packages sold has expanded strongly to greatly exceed last year’s figure. Going forward, we will promote sales by offering a multilingual sales website and taking other measures to create a more user-friendly environment accessible to more overseas Guests.

In fiscal year ending March 31, 2023, we are planning to open the new themed port Fantasy Springs. This will reinforce our character as a resort destination able to offer a unique experience. Ahead of that date, we believe that we can maintain and improve profitability by continuing to deliver an impressive experience to Guests within Japan but overseas.

Our department is responsible for attracting Guests, but achieving our mission requires cooperating and coordinating with a wide range of other departments involved in Theme Park operation. Enhancing the Theme Park experience value for overseas Guests, in coordination with the various operational departments and the CS Enhancement Department such as reception functions, and communicating that experience value to overseas markets to appeal to a large audience such as Guest-attracting functions are complementary aspects of our activity. Strengthening these functions in a balanced way is, I believe, essential in order for ongoing overseas marketing to fulfill the role of supporting the profitability of Tokyo Disney Resort in the long term.