



2-4-0

“Overseas Use” Overview

Background to the theme

The number of Japanese people traveling overseas declined for a period as a result of terrorist activity and other overseas troubles, as well as the sluggish Japanese economy. The Japan National Tourist Organization, however, states that the number of people traveling overseas began to recover since 2004, and in 2006 stood at 17.53 million people (up 570,000 from the previous year). Similarly, there has been an increasing trend for foreigners visiting Japan, with 7.33 million overseas visitors in 2006, up 590,000 from the previous year.

The proportion of people owning mobile phones is increasing rapidly, both in Japan and the rest of the world. The ability to communicate with others whenever and from wherever you wish, even from another country, is extremely attractive to users. Japan's mobile phone network developed on a different wireless standard to much of the rest of the world, however, meaning that the market was late in producing phones that could be used overseas. With the future expansion in use of 3G (third-generation) mobile phones, however, the range of services available to people traveling abroad will be given more attention, and overseas mobile phone use is expected to increase.

The important points relating to overseas use of mobile phones are that the user is able to take the same handset he or she always uses in Japan overseas, and utilize it as a global terminal for communications, and the services available. Domestic mobile network operators have been strengthening their international services, making handsets compatible with roaming networks, and gradually extending the area in which roaming is available.

The use of global handsets is still relatively uncommon, however, and the cost of using such handsets overseas is significantly higher than the cost of using the phone in Japan, which means that in comparison to the latent need for such services, the actual uptake is assumed to be low.

This chapter deals with this situation, and examines the needs and current usage status of mobile phones overseas, as surveyed in the 2006 survey into general mobile phone use. We also consider how widely the service may come to be used in the future. In the first section, we examine developments in wireless standards, and the relationship of this to international roaming services, as well as looking at the handsets available from domestic mobile network operators and the services offered. The second section studies the actual use of mobile phones by Japanese peo-

ple overseas, and the purposes for which they are used. It also covers the needs that have been expressed for certain functions and services. The third section covers mobile phone services available to foreigners visiting Japan.

Attributes of the theme, and specific topics

The 2006 survey into general mobile phone use showed that 38.2% of people take a globally compatible mobile phone with them when traveling overseas. This was a rise of 5.1 points over the response to the same question the previous year, and this rise was reflected across all age groups. 36.1% of travelers said that they took with them the globally compatible handset they use in Japan on a day-to-day basis, reversing the trend shown the previous year, where a majority of respondents said that they rented an internationally compatible mobile phone to use during their travels. Sales of globally compatible handsets, which are increasingly being offered by the various mobile network operators, seem to have contributed to the increased use of mobile phones overseas.

This year's survey also looked into the phenomenon of people carrying mobile phones that only operate in Japan on overseas travels, in order to be able to use the life assistant functions on the phone such as the clock, alarm, and camera. This confirmed the latent need for globally compatible handsets. The survey also divided international travelers up by purpose, and showed that there is a significant difference between business and leisure travelers in the proportion of people taking mobile phones on their trips, and their attitudes to mobile phone use. More business travelers took their phones with them than leisure travelers, and business travelers also reported that when out of Japan, they use their handsets more often to receive calls than to send them.

At the same time, a study of areas where people found mobile phone use overseas inconvenient found that the greatest dissatisfaction lies in the cost of using services such as international roaming. These costs may be restricting the level to which people are prepared to use mobile phones abroad.

As an indication of future trends for mobile phone use overseas, half of the survey's respondents stated that they would like to use mobile phone services while overseas. In particular, young people and the elderly are the two groups that rarely use overseas phone services, indicating a gap between latent needs and actual use.

Future predictions

3G mobile phones are becoming more and more popular in different countries of the world. The popularization of 3G, which represents the global standard in mobile phone technology, means that people throughout the world can take their mobile phone handsets from their own country and use them overseas, offering easy and convenient ways to communicate. As mobile phones become more global, international roaming services will surely follow suit.

As this year's survey has also made clear, however, there is a gap between the latent needs of overseas travelers and the actual level of use. One reason for this is the high cost of roaming charges, which deter people from using their phones overseas.

The EU has regulated roaming prices in 2006, restricting the charges that can be placed on roaming within the Community, and is working on reducing these costs. As different countries begin to work on these problems, the international standard for overseas call charges is expected to fall.

As the usage environment for mobile phones overseas becomes more attractive through revised pricing, and various services begin to come online offering contents relevant to people traveling abroad, it is thought that the use of mobile phones overseas will gradually grow. Phones going on sale in the future will include international roaming as standard. This may offer manufacturers of 3G mobile phones in Japan the opportunity to take their business to a global level.

2-4-1	State of International Roaming Service Offering	Key Words
Up until the second generation (2G) of mobile phones, Japan used a different wireless standard from other countries, which therefore made it impossible to use a handset designed for Japan anywhere overseas. 3G phones, which have been available since 2001, made international roaming possible. This section introduces the roaming-compatible mobile phones (“global handsets”) on offer from each of the mobile network operators, and some of the services available via mobile phones that help with travel overseas.		<ul style="list-style-type: none"> ■ Wireless standard ■ SMS ■ GSM ■ Rental handsets ■ Prepaid ■ Rental service ■ Foreign visitors to Japan ■ International roaming ■ Global handsets ■ SIM card ■ Chip roaming service ■ Disaster

2-4-2	Current State and Future of Mobile Phone Use Overseas	Key Words
Travelers who do not own a global handset often acquire a separate handset for the purpose of traveling overseas, but many users take their Japanese mobile phone on trips with them. Since there are problems such as high charges, etc., the rate of utilization of mobile phones for voice calls and mobile e-mails is much lower when overseas than when in Japan. Users say that they would like to be able to access tourist information and other such helpful information, so lower charges and improved and expanded services are required.		<ul style="list-style-type: none"> ■ Young people ■ The elderly ■ International roaming ■ Global handsets ■ Life assistant functions ■ Camera and photography functions ■ Loss or theft ■ SIM card ■ Illegal use ■ Tourist information

2-4-3	Mobile Phone Use by Foreigners in Japan	Key Words
In 2004, NTT DoCoMo began inbound roaming service in Japan, based on the Tourism Promotion Action Plan put together in 2003. As well as preparation of an environment in which international roaming can be used, information sites in various languages are being created, and services are continuing to expand. In the future, in line with moves within the EU, Japanese companies may well begin to debate the issues surrounding lower international roaming charges.		<ul style="list-style-type: none"> ■ Tourism Promotion Action Plan ■ Foreign visitors to Japan ■ Tourist information ■ GPS ■ Global handsets ■ Wireless standard ■ International roaming ■ W-CDMA ■ “Roaming-in” (inbound roaming)