

Overtourism

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Reconsideration on Pricing of Cultural Facilities

- According to mass media reports, the recent surge in inbound tourism under the weak yen has been accompanied by various negative effects—such as rising prices, higher rents and hotel rates, and disruptions to residents' daily lives—yet it is increasingly becoming a driving force for revitalizing the tourism industry.
- On the other hand, this increase in inbound tourism is prompting a reconsideration of the government's role in cultural promotion.
- In this context, the following two issues will be discussed and analyzed.

Self-Supporting for Cultural Facilities

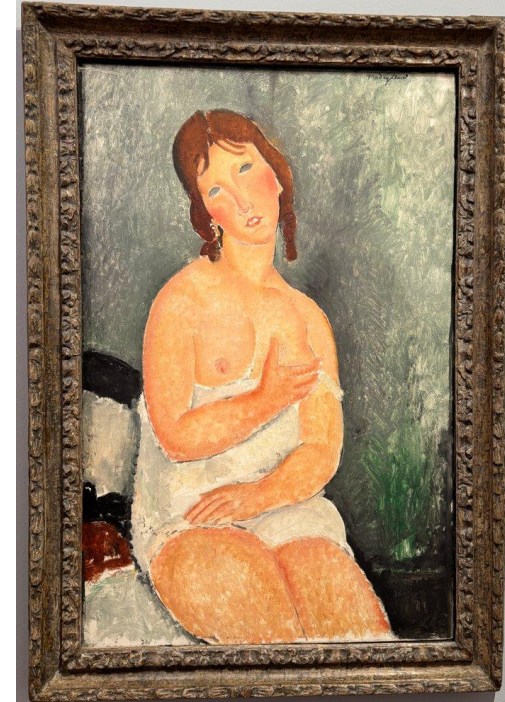
- The government has demanded reforms for cultural facilities such as national museums, requiring them to increase their own revenue and reduce dependence on state subsidies.
- Specifically, it has set a target for these facilities to generate 65% of their operating expenses through self-generated income.
- Facilities that fail to meet this goal may be required to undergo organizational restructuring, including mergers.
- See the Mainichi article.

Price Differentiation between Japanese and Foreigners

- In many advanced countries in Europe and North America, admission fees for cultural facilities are set significantly higher than the current levels in Japan.
- Moreover, many countries implement large price differentials between domestic taxpayers (citizens) and foreign tourists.
- In Japan as well, Himeji Castle recently introduced a new pricing policy: ¥1,000 for Himeji citizens and ¥2,500 for all other visitors (both Japanese and foreigners).
- Although this resulted in a 20% decrease in visitor numbers, the castle successfully doubled its revenue.
- See the Sankei Article.

Case 1: Albertina at Vienna

- Vienna's Albertina museum also charges 19€.
- Based on the typical X(Twitter) users' sentiment that "in terms of purchasing power parity, 1€ is roughly equivalent to 100 yen," we can set the admission fee to Tokyo's typical museum at ¥2000.
- However, if the price were raised to ¥2000, visitor numbers would likely drop sharply, just as they do in some European facilities like Albertina.



Case 2: Kunst Historisches Museum, Wien

🏠 入場料

大人	€ 24
19歳未満の青少年	無料
年間チケット	€ 53
7つの美術館・博物館を1枚のチケットで	



Case 3: Charlottenburg at Berlin: Admission costs 19€



Sophie Charlotte



Sophie von Pfalz,
mother of S-C and
George I of the
House of Hanover,
Great Britain.

Musee de Louvre



EEA visitor rate

For residents and/or citizens of the European Economic Area (EEA)

€22.00

Non-EEA visitor rate

For non-residents and non-citizens of the European Economic Area (EEA)

€32.00

Under 18s and EEA residents under 26

See full list of visitors eligible for free admission

FREE

Japan 1: National Museum of Western Art, Ueno

- In Japan, for example, the admission fee at the National Museum of Western Art in Ueno, Tokyo, is currently 500 yen for adults and 250 yen for students.
- As a result, the museum is always crowded with young men and women. It often feels less like people are coming to see the artworks and more like they're coming to see attractive guys and girls.
- In short, it has essentially become a popular dating spot for young people.
- If the fees were raised to 2,000 yen for adults and 1,000 yen for those 18 and under, the number of visitors would likely drop sharply.

常設展観覧料

	個人	団体 (20名以上)
一般	500円	400円
大学生	250円	200円

Japan 2: New Pricing of Himeji Castle

- Himeji Castle raised its admission fee from 1,000 yen to 2,500 yen — a 150% increase.
- Although the number of visitors fell by 20%, revenue doubled (a 100% increase).
- Price elasticity of demand for visitors:
 $-20/150 = -13\%$
- Price elasticity of revenue: $100/150 = 66\%$
- While this was a major success for Himeji Castle, the example of Japan's most famous castle probably cannot be generalized to other sites.

姫路城の入城料金一覧	
一般（18歳以上）	2,500円
市民（18歳以上65歳未満）	1,000円
30人以上（一般・18歳以上）	2,000円
30人以上（市民・18歳以上65歳未満）	800円
姫路城・好古園共通券	2,600円
姫路城年間縦覧券	5,000円

Pricing Strategy of Himeji Castle

- General admission for 18 years and above is now 2,500 yen.
- Why didn't they introduce a price difference between Japanese and foreigners like the Louvre does?
- Since it's a municipally operated facility, it seems only Himeji citizens pay the reduced rate of 1,000 yen.
- Admission is free for anyone under 18, whether Japanese or foreign. They're probably taking into account Japan's unique situation, where second-year high school students go on school excursions.
- Basically, they're excluding university students who come just for dating purposes.

School Excursions and Tourism in Japan

- Himeji Castle seems to be strategically offering free admission to high school students.
- They likely recognize that not many schools actually travel all the way to Himeji for school excursions, so they've deliberately made it free in order to attract school trip groups and bring business to the shops in the castle town below.
- This pricing strategy is quite different from traditional strategies of cultural facilities targeting at high school excursions.

Traditional Pricing: Kumamoto Castle

- The traditional Japanese approach has always been to earn money from school excursions through group admission fees.
- For example, Kumamoto Castle charges ¥640 per person for high school students and older, even for groups.

High School Students and older

800 yen (640 yen)

Elementary/Junior High School Students

300 yen (240 yen)

Children under 6 years old

Free