

Network for the Realization of a Tourism Nation

Hiroshi Suda, counselor for Central Japan Railway Company and acting chairman for the Strategic Conference for Promoting a Tourism Nation, shares his personal expectations of the newly inaugurated Japan Tourism Agency and of tourism-related groups, and considers the potential of “industrial tourism.”

The Japan Tourism Agency, established last October, is likely to act as a promoter and a coordinator. Acting as a promoter means the government takes an active lead in increasing the number of inbound visitors so as to make Japan a tourism powerhouse, because the act of encouraging inbound visitors involves bilateral assistance with foreign nations that issue visas, which is an activity that possesses characteristics similar to diplomatic negotiations. Issuing visas is an immigration policy, a major task of the government that cannot be handled by the private sector alone.

Countries that lead the way in

tourism have, for example, a Tourism Minister post in promoting inbound tourists under a national policy, giving them their international competitiveness. France, a good example, has a population of about 60 million but welcomes 79.1 million foreigners every year (tentative figure for 2006 according to the World Tourism Organization [UNWTO]). Japan, on the other hand, has a population of 130 million, but just 7.33 million foreign visitors according to the same UNWTO figures, tentative for 2006 (7.84 million was the most recent estimate for January–November 2008), ranking it thirtieth in the world. This explains why the government must

play an active role as a promoter.

Issuing visas is not the only role the government needs to play as a promoter. The time required to complete immigration procedures is one issue in encouraging foreign visitors. While some waiting is acceptable since immigration procedures for residents and non-residents differ, foreigners must wait much longer than Japanese residents do, in some cases requiring up to forty minutes. The government is attempting to address this with its goal in the 2007 Tourism Nation Promotion Basic Plan by reducing the maximum wait time at all airports to less than twenty minutes and speeding up procedures. If this



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—Hiroshi Suda, acting chairman for the Strategic Conference for Promoting a Tourism Nation and counselor for Central Japan Railway Company.

improvement is not achieved, foreigners will become less motivated to come to Japan.

The Tourism Agency has an important role as a coordinator. Tourism involves numerous people in a range of fields and operates based on their cooperation and collaboration. We cannot establish a tour or become a major tourist destination without widespread cooperation, including the cooperation of the private sector, the Tourism Agency, associated groups, and the public. This requires a coordinator or a mediator for those involved in tourism and group organizations such as tourism groups, economic groups and local governments. I believe that the Tourism Agency must ideally take on that role as an actor, namely as a government institution that can act.

The Conference for Promoting Tourism Strategies

The Conference for Promoting Tourism Strategies has discussed a range of issues that arise when accepting inbound visitors as mentioned above. We have received numerous comments, especially from academic experts, about immigration procedures when they visit a foreign country. These comments pointed out how immigration procedures, as much as they are necessary, could be conducted efficiently without causing discomfort or dissatisfaction to foreign visitors.

Other comments included the need to make the tourism industry more efficient in adapting to changes in the business environment, and the importance of feeding information to the general public overseas. The former, in simple terms, is about improving productivity and for the industry to make voluntary efforts, and the latter comes from the perspective that our national policy must encourage foreign citizens to better understand Japan.

The Tourism Agency has set a goal of attracting 10 million foreign tourists by 2010 and 20 million by 2020. The more I think of this goal, the more I feel the need for Japanese to change the way we think of foreigners. The term “*gaijin*” that we fre-

quently use includes the connotation that foreigners are very different and strange. Many Japanese *ryokan* (inns) still do not accept foreign visitors, and there were many strongly critical comments about this made at the conference, namely that we cannot allow this and that we should be welcoming these visitors without discrimination. We had many constructive discussions that concluded that the Tourism Agency should exercise its functions as described above and the private sector must also work together with the government in strengthening the tourism industry and making Japan a tourism powerhouse.

Numbers such as 10 million and 20 million are easy to say, but we must solve the problems already noted if we are to achieve the targets. We are currently coming up with constructive opinions on future policies as we reconfirm this fact and determine the roles for each field.

Based on these discussions, we must sustain consistent efforts to establish Japan as a major tourist destination. As mentioned, tourism is a complex weave of elements and factors that require the Tourism Agency to act as coordinator, local governments with excellent tourism resources to act as promoters, and the general public and tourism groups and companies to act as players. We must work to make Japan appealing to tourists by each playing these roles. Forming a network that defines these roles and responsibilities and that enables cooperation and collaboration is especially important.

The Spirit of Hospitality

Citizen awareness of tourism is not clearly defined in Japan today.

There seems to be a strong tendency to consider “tourism” as merely sightseeing. The essence of tourism lies in meaningful communication and hospitality. The Japanese public is still not sufficiently aware that we must welcome tourists in that spirit. There seems to be a strong notion that tourism is a subject of consumption rather than what establishes a community. Tourism is a constructive economic activity that is the foundation for all

communities in creating their future. It is vital for every citizen to understand that they must each participate in tourism with this awareness and spirit of hospitality, and that tourism is a fundamental activity of mankind. This is a major challenge.

While it is important for the tourism sector, including accommodation and travel businesses, to also possess a spirit of hospitality, there seems to be room for improvement in business management, especially in productivity. In particular, the costs of a tour, such as room rates, transportation and service charges to travel bureaus, must be lowered to allow tourists freedom to move.

For example, many Japanese *ryokan* adopt the traditional system of a “one night stay with two meals included.” This, in fact, is one factor that gives tourists the notion that accommodation rates are very high. Foreign visitors would find it easier to stay if *ryokan* could modernize their management and base their rates on room charges while offering meals and other services at optional rates, as hotels do. The primary profit model of travel companies has been based on service charges. Travel companies must manage their businesses more efficiently, and redevelop themselves multilaterally into a comprehensive travel system industry to handle travel goods, develop financial products related to travel, or provide information that only travel companies could handle. Diversifying income sources and lowering dependence on service charges is a method of management that consumers demand of travel companies. Private companies need to make efforts in these areas.

Transport operators must give consideration to what to do with fares they currently charge customers, including improvements in vehicle features and time schedules, or improvements in service through collaboration with advertising media. Companies in the tourism sector must work to reform management and improve services, and reduce tour costs while achieving efficiency in overall business, otherwise the number of tourists will not increase. That is the responsibility of companies.

There are also a vast number of people in the private sector related to tourism groups and economic groups. Tourism groups should unite and create a trend of attracting tourists. Economic groups play a major role, since tourism functions as an economic activity. These groups should ideally take the lead in uniting citizens who wish to participate in tourism one way or another and in creating a community force.

Local governments are the authorities in rural areas, and so possess the function of coordinators. A local government should therefore encourage the involvement of citizens, tourism operators, transport companies and associated groups, and focus on setting up a local tourism infrastructure. This would define the roles of citizens, tourism groups, private companies, and the local governments. It is crucial that the local governments unite all elements in their individual roles to get tourism working as a single system. In the future, local governments would need to develop a regional organization that possesses an income adjustment function, which would pool tourism income gained from national tourist sites in the region and refund it to relevant businesses.

In developing international tourism as Japan's core industry, the tourism industry still lacks unity among its diverse businesses. How efficiently it unites is a major challenge and role that the private sector assumes.

Industrial Tourism

Historical landmarks and monumental landscapes are not the only tourism resources of an area.

The Strategic Conference for Promoting a Tourism Nation proposes the promotion of industrial tourism—of sightseeing factories. No region lacks an industry. Industrial tours are an attractive tourism resource brimming with human life in the community. I feel that many regions currently possess potential appeal but have not identified it yet.

People, particularly in neighboring countries and Asian nations, are very interested in this field of industrial tourism. Many others in Western na-

A Shinkansen bullet train glides past Tokyo International Forum.




COURTESY OF CENTRAL JAPAN RAILWAY COMPANY

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tions express interest in touring traditional industries such as the handicrafts field. Toyota Motor, for example, receives some 300,000 visitors to its factories every year, of whom 50,000 are from abroad. This is on a par with major tourist sites.

Most such industrial tour resources are owned by private companies that accept visitors as part of their public relations activities. In most cases, therefore, they do not charge admission. But to sustain them indefinitely as industrial tourism, it would be effective to establish a business model that creates a monetary cycle. Even if the company subject to the industrial tour does not earn income from admissions, its surrounding community would generate income from

food for the visitors or from shopping or accommodation. A comprehensive tourism system for the community like the one mentioned earlier could pool part of the industrial tour income and return part of it to the company that would in turn promote more industrial tours. If visitor numbers rise, the effect would be fed back to the community to create a healthy cycle.

Allowing the private sector to create a system of promoting rural industrial tours and the government and local governments to participate as coordinators is a new challenge that Japan should take on in aiming to become a tourism nation. 

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