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Destination Management Analysis

Case: Togura Kamiyamada Onsen Town

Pallaspuro, Essi

2016 Laurea





Laurea University of Applied Sciences

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Destination Management Analysis
Case: Togura Kamiyamada Onsen Town

Pallaspuro Essi
Degree Programme in Tourism
Bachelor's Thesis
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Pallaspuuro Essi

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This is Bachelor's thesis is by a tourism student at Laurea University of Applied Sciences. The aim of the study is the destination management and general accessibility of Togura Kamiyamada Town from the viewpoint of tourists, both domestic and international. The aim of the research is to gain a general understanding of the situation in both target groups. A preliminary research was conducted in Togura Kamiyamada during the spring of 2016 and theoretical and analytical parts were written in the autumn of 2016.

Japan ranks as 9th out of 141 countries overall in the Travel & Tourism Competitiveness Index for 2015 by the World Economic Forum, and it is the highest in Asia. Japan has rich cultural resources with a unique cultural heritage and as a tourism destination it is multi-layered and competitive. Constant development in the tourism field with leading innovations, Japan is a strong player worldwide in the tourism industry.

The theme of the thesis is first of its kind and thus there is no previous research on the matter. For these reasons the research was general by nature and has multiple development possibilities. Qualitative and quantitative research methods were used in the research. Observation of the environment, interviews with local tourism field professionals, documentation by camera and ethnographic observation have all contributed into this study. Findings are illustrated with photography. In addition, various statistical information of the destination is analysed together with interview results conducted with local professionals.

The results suggest that Togura Kamiyamada is a destination full of potential and the town has developed in recent years and with the active community it has, development will be made in the future. There are areas of concern and in need of immediate attention, but generally it can be concluded that the direction of development is right. The outcome of the study was satisfactory, even though some aspects could be researched more in detail and have room for further examination.

Keywords: Tourism, Destination Management, Destination Image, Japan, Wellness and Health
Tourism

Essi Pallaspuro

**Matkakohdehallinnon analyysi:
Tapaustutkimus Togura Kamiyamada, Japani**

Vuosi 2016

Sivumäärä 37

Tämän opinnäytetyön tarkoituksena oli tutkia Togura Kamiyamadan kaupungin kohdehallintoa ja yleistä saavutettavuutta paikallisten ja matkailijoiden näkökulmasta. Ennakkotutkimus suoritettiin Japanissa, Togura Kamiyamadan kaupungissa kevään 2016 aikana ja teoreettinen sekä analyttinen osio syksyllä 2016.

Japani sijoittui yhdeksännelle sijalle 141 maasta Maailman talousfoorumin Matkailun ja Turismin kilpailukyvyyn indeksissä vuonna 2015, sijoitus on korkein Aasiassa. Japanilla on rikas kulttuurinen voimavara ja ainutlaatuinen kulttuuriperintö. Matkailukohteena Japani on monitasoinen ja kilpailukykyinen. Japani on vahva maa matkailumarkkinoilla jatkuvan matkailualan kehityksen ja johtavien innovaatioidensa ansiosta.

Tämän opinnäytetyön aiheesta ei ole aikaisempaa julkaistua tutkimusta ja työn aihe on ensimmäinen aihetta käsittelevä. Näistä syistä johtuen tämän tutkimuksen luonne on hyvin suurpiirteinen ja antaa jatkokehitykselle monia aihepiirejä. Tutkimuksessa käytettiin sekä laadullisia että määrällisiä tutkimusmenetelmiä. Ympäristön havainnointi, paikallisten matkailualan ammattilaisten kanssa käydyt haastattelut ja henkilökohtaiset kokemukset toivat lisämateriaalia tähän tutkimukseen. Löydökset on esitelty havainnollistavien valokuvien rinnalla. Lisäksi, tutkimuksessa on tarkasteltu alueen matkailun tilastotietoja sekä paikallisen matkailun ammattilaiselle suoritettu kysely.

Tutkimuksen tulokset osoittavat, että Togura Kamiyamadan kaupunki on varteenotettava matkailukohde ja kaupungissa on tapahtunut paljon kehitystä monilla tasoilla. Aktiivisen yhteisön ansiosta kohde tulee kehittymään myös jatkossa. Vaikka kohteessa on monia hallinnon ja matkailun tahoja, joihin tulee kiinnittää huomiota, yleisesti kehitystä on tapahtunut tavoitteellisesti ja tarkoituksenmukaisesti hyvään suuntaan. Yleisesti tutkimuksen tulos on suuntaa antava ja tarkasteltuja aiheita olisi voinut tutkia yksityiskohtaisemmin. Tästä johtuen monista käsitellyistä aihealueista suositellaan suorittamaan jatkotutkimuksia.

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1 Introduction

1.1 Thesis Objectives

Japan has a long history in domestic traveling business and tourism is one of the biggest economic sectors of the country. As visitor numbers from overseas to Japan are on the rise constantly, the accessibility of the country to foreign tourist is under pressure. Most widely known and frequently visited destinations in Japan are its capital Tokyo and cultural centre Kyoto. Even though Japan has many other destinations that have potential, many of them are ignored and focus is on the masses and big metropolises. The industry is highly competitive and unfortunately many small but towns and locations are not found by the potential travelers, often because of lack in marketing or the knowledge how to manage the tourism destination. This thesis focuses on tourism development of a small and relatively rural town of Togura Kamiyamada. Located in the Nagano Prefecture, the town has developed significantly in recent years and continues to improve its accessibility and attractiveness. Objectives of this thesis are analysing the destination management and accessibility of the area based on a preliminary study and observation.

The interest in this topic aroused during an internship of the author in a Japanese style inn, ryokan, in this specific town. The three-month long observation of Togura Kamiyamada, revealed the fact that the town has many projects and events to boost activity of the town. From personal experience of the travelling around Japan during multiple occasions, many tourist destinations of small towns are very active. By working at the ryokan for three months and taking part in these projects and events, it became clear that the amount of work invested into these projects is special and unique. The calibre of the activities is eye-opening and something that might be culturally different when compared to Finland. Also, the effort and positivity of the townspeople have on increasing the inbound, is notable.

The topic of tourism and inbound in Japan is very extensive and has a long history. In this thesis, the objective is to consciously study and analyse specifically the town of Togura Kamiyamada and focus on the general phenomenon briefly.

The theoretical framework research material is found to revolve around a few notable authors and the same theories were cited multiple times in the material. These authors can be considered as pioneers of marketing and tourism field and even though their theories can be now outdated, they present an era and measure how there has been a change.

1.2 Research Methods

The study will be made using qualitative and quantitative research methods. As a part of the research, a preliminary study and documentation of the destination was conducted during an internship period in Japan. The study includes statistical data of the location and tourism activities. In addition, information was gathered through personal experience and discussions with local innkeepers and townspeople. Also, interview with an American innkeeper provided data to the study.

Qualitative method uses a systematic approach to collecting and analysing data. Data can be in numerous forms such as photography, questionnaires, interviews. Findings of the study are not determined beforehand and usually the results can be used for further purposes. Qualitative research method emphasizes on understanding certain aspects of social life, experiences, attitudes, and life circumstances. (Bricki, Green 2007)

Quantitative research method analyses the data formed from numbers and statistics. The data can be collected in multiple methods that produce concrete data, numbers. Results from qualitative research can be analysed using quantitative methods. (Franses, Paap 2001)

1.3 Thesis Structure

The thesis consists of theoretical framework covering destination management and destination marketing briefly, including definitions of tourism industry and aspects of it that are discussed in the thesis. Following the theoretical part, statistical data of Japan as a destination is analysed together with details of Togura Kamiyamada Town. Also, tourism as a theme in Japan and some aspects of it are covered shortly to expand the readers' knowledge of Japan as a tourism destination. Preliminary study includes observations and documentation that were conducted in spring of 2016. After the preliminary study, secondary study in a form of an interview is conducted together with SWOT analysis of the destination.

2 Theoretical Framework

Tourism is one of the world's largest and fast-growing economic sectors in the world. UNWTO states that in international tourism represents seven percent of the world's exports in goods and services and tourism has grown faster than world trade over the past four years. (UNWTO, 2016) Tourism has many definitions and common consensus agrees that tourism is related to people's activities, travelling to a place different than the usual one for various purposes, and for a short time, of less than one year (UNWTO 2008). Cooper and Hall suggest that these activities of people form concept of a 'tourist', which is used to describe individuals who are engaged in voluntary temporary mobility in relation to their home environment.

Key elements 'voluntary', 'temporary' and 'mobility' must occur simultaneously to meet the definition. (Cooper and Hall, 2008)

Mill and Morrison (1992, cited in Pike 2008, 21) define that tourism is "the term given to the activity that occurs when people travel. This encompasses everything from the planning of the trip, the travel to the destination area, the stay itself, the return and the reminiscences about it afterwards. It includes the activities the traveller undertakes as part of the trip, the purchases made, and the interactions that occur between host and guest in the destination area. In sum, it is all of the activities and impacts that occur when a visitor travels".

Another definition that can be used is the 'Tourism System', developed by Leiper. (Figure 1).

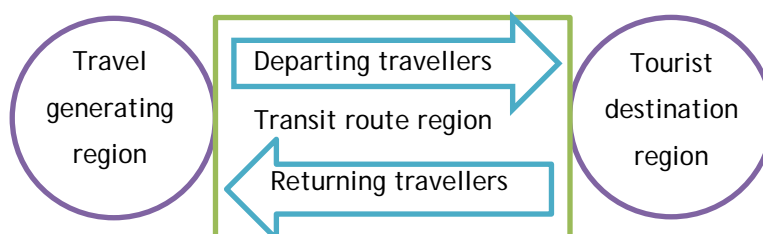


Figure 1: The Tourism System (Leiper 1979)

The objective of this model is to show the relationship between the areas where people travel from and where they travel to, and it is the transit route in the middle that defines the element of tourism. This definition of transit is not to be confused with travel when it is part of the tourism experience itself, such as transportation on a scenic train route or a river cruise. (Robinson, Lück, Smith, 2013)

2.1 Destination Management

Destination marketing and management is a complex issue which requires a comprehensive, holistic and systematic approach to understand it. (Pike 2008) Regarding from the demand side, travellers have a variety of choices of available destinations; from the supply side, destination marketing organizations at different levels are trying their best to compete for attention from a highly competitive marketplace (Heath and Wall, 1992). Therefore, destination competitiveness and attractiveness demand effective and integrative marketing and management strategies which are based on a sound understanding of the market condition (Pike, 2008).

Effective and integrative marketing and management strategies for destinations determine a comprehensive understanding of the concept, scope of tourism industry in general and of des-

ination marketing and management. While traveling, tourist will consume the tourism product which brings economic benefits to the destination and community visited. (Wang and Pizam, 2011)

2.2 Destination Marketing and Branding

Marketing has evolved together with the pressure of economics and business, which require an increased focus on the adaptation of managerial approaches based on satisfying consumer needs. Overall level of economic growth that has led to improvements of living standards and thus led to increased travel is the key to the importance of marketing within tourism industry. More recently, falling birth rates and economic crises of tourism generating countries has forced these economies to standstill and to have place more emphasis on marketing. A popular early definition of marketing being a managerial process of providing the right product, in the right place, at the right time and at the right price was utilised for many years. This definition is unilateral and stresses the provision of the product without regarding any actors or functions involved in the process. (Fletcher, Fyall, Gilbert, Wanhill, 2013)

Kotler, Wong & Armstrong describe marketing as “a social and managerial process by which individuals and groups obtain what they need through creating and exchanging products and value with others” (1996.) This definition and Kotler’s idea of building marketing on social basis and on the main concepts of wants, needs, demands, satisfactions of marketing and marketers because they are central to the study of marketing. (Fletcher, Fyall, Gilbert, Wanhill, 2013)

Contemporary destination marketing and branding is both a process and an outcome, where the process involves dealing with the complexities of destinations and stakeholders, whilst outcome is a brand or the image of the destination. In other words, destination managing is taking note of two key operations; Managing the destination’s stakeholders and networks, and formulating and managing the destination brand. (Cooper and Hall, 2008)

Ward (1998) argues that the definition of destination marketing dates to late-nineteenth century when destinations sought to attract visitors in an increasingly competitive market and mass international tourism enhanced the competition even further. The concept of marketing continues to evolve into new approach of ‘branding’, where the brand acts like a glue that holds the marketing of the destination together. (Cooper and Hall, 2008)

2.3 Wellness and Health Tourism

There are multiple definitions on wellness and health. World Health Organization (WHO) defines health as a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity. This definition was approved in 1948 and has not been changed or been updated significantly since, which introduces criticism against it. One notable mention is, as cited in Erfurt-Cooper, Cooper (2009, 5.), Saracci has advocated a change of terminology in the original definition to "Health is a condition of well-being free of disease or infirmity and a basic and universal human right." (Saracci 1997) This corresponds more closely to health and can be used as motivator for travel to destinations in study of wellness. In addition, Awofeso (2005) argues that the WHO definition of health is unrealistic and inflexible and that it is important to recognise health is an ideal as much as actual state of existence. This opens up the possibility to desire future state of health through conscious action. (Erfurt-Cooper, Cooper 2009)

Further, National Wellness Institute states wellness to be an active process through which people become aware of, and make choices toward, a more successful existence. Combined with the tourism definition discussed before, it can be agreed that health and wellness tourism is a form of travel, where travellers take journey outside of their regular inhabitant to maintain and advance their health and wellbeing, prevent diseases, reduce stress and boost energy and vitality. The tourists in this sector usually take part in treatments, procedures, courses and other services that do that. (National Wellness Institute, Inc. 2015; World Health Organization 2014; 2015; UNWTO 2008)

Wellness and health tourism field has grown exponentially in recent years and where health tourism has been seen as an umbrella term for wellness tourism and medical tourism, the definitions have also increased. Henderson (2004) differentiates the definition between travel for reasons of wellness and travel for reasons of illness. Motivations differ when travelling to hospitals and clinics for procedures and treatments usually with prescription from a doctor, whereas motivations of those who are in good health but want to enhance their lifestyle. With many sub-sectors in the field, tourist can select between the forms of wellness they require depending on their motivations; Physical with focus on sports and fitness, medical with focus on the treatment, mental or psychological with focus on life-coaching of mind-control, relaxing and pampering in a luxury spa, entertaining and recreational in a water-park or a meditational and spiritual in a retreat. (Smith and Puczkó 2014)

3 Destination Overview

Japan is an island country located in the Pacific Ocean and lies East from China and the Korean Peninsula. With population of 126 million it is the world's tenth largest country by population and third largest economy with GDB of 4123 US\$ billions (World Economic Forum 2016). By terrain Japan is mostly mountainous and rugged, which has an impact to infrastructure and usable land resources. The area Japan lies on is seismically active which results to frequent earthquakes and occasional, but rare, volcanic eruptions. (World Fact Book 2016)

Tourism in Japan has a long tradition; it dates to era when tourism as a phenomenon was not yet popular. Visiting temples or shrines outside one's living grounds, pilgrimages, came popular during the Edo period (1603-1868). Missionaries spreading the faith of big shrines began to provide religious charms and local products to groups of pilgrims and even providing accommodation to them. Connecting routes to famous shrines were already existing from eras before and small towns that had formed alongside them started to provide more accommodation and refreshments to the travellers. (Guichard-Anguis and Okpyo, 2011)

Contemporary traveling in Japan resembles the earlier patterns although the meaning of travel has changed. Japanese travel to historical sites to appreciate their culture and travel itself has ritual-like behaviour, taking pictures, visiting shrines and temples and buying amulets and charms. Also, Japanese domestic tourism is changing in character from seeing tourism to doing tourism, but the change is taking place slowly. (Guichard-Anguis and Okpyo, 2011)

3.1 Competitiveness

Japan ranks as 9th out of 141 countries overall in the Travel & Tourism Competitiveness Index for 2015 by the World Economic Forum, it is the highest among Asia.

The World Economic Forum has engaged for the past nine years to carry out an in-depth analysis of the competitiveness of economies around the world. Published every two years, the Report provides a strategic tool for both business and governments to do comparison between countries. The data for the Report is collected mainly from international organizations but also survey data from the World Economic Forum's annual Executive Opinion Survey for over 15,000 business executives and business leaders annually. (World Economic Forum 2015)

The Report groups the results in a framework under sub-indexes (Table 1.) and they are defined in following way: Enabling Environment captures the general settings necessary for operating in a country, Policy and Enabling Conditions captures specific policies or strategic aspects that impact the Travel & Tourism industry more directly, The Infrastructure captures

the availability and quality of physical infrastructure of each economy and the Natural and Cultural Resources, which captures the principal “reasons to travel. (World Economic Forum 2015)

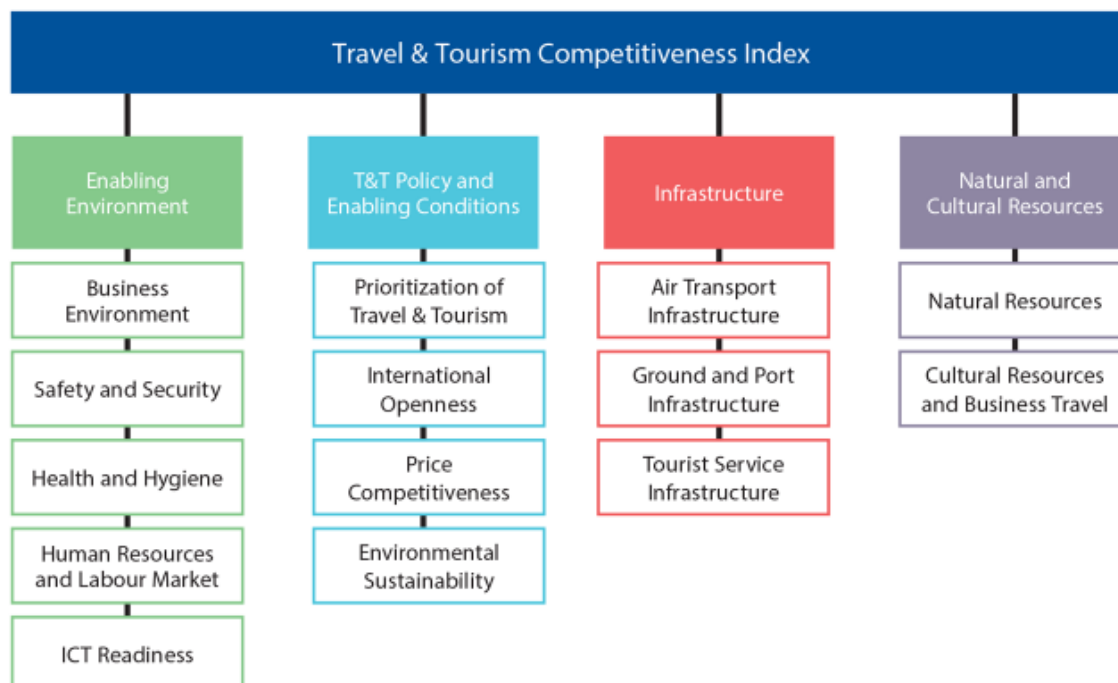


Table 1: Travel & Tourism Competitiveness Index Framework (World Economic Forum 2015)

Japan ranks the total score of 4,9 in scale of 1-7. The higher the score, the competitive the country is when it comes to Travel and Tourism. As seen from the Table 2. below, most of the aspects score 4,0 or more. Lowest scores are in the topics of Price competitiveness (3,7), which scores 119th and Natural resources (3,9) which is 30th from the 141 countries. The highest scores come from Health and Hygiene (6,4) which puts Japan on 6th place, and Safety and Security (6,0) which is 22nd place and has the same score from ICT readiness which places Japan 9th from the 141 countries. On highest placing of 6th on overall comparison is Cultural resources and business travel with the index of 5,9. (World Economic Forum 2015)

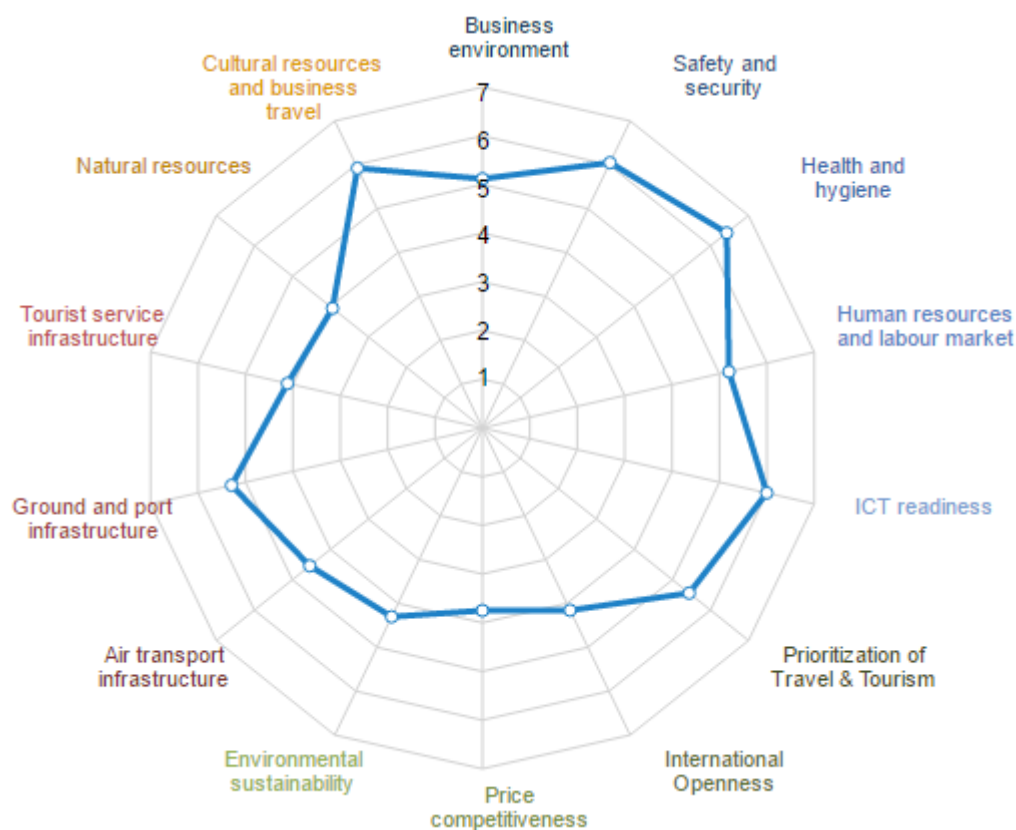


Table 2: Travel & Tourism Competitiveness Index of Japan (World Economic Forum 2015)

Japan's success can be attributed to its rich cultural resources with unique cultural heritage and efficient ground and air transport infrastructure. Japan's human resources are highly qualified and excel in terms of treatment of customers, where Japan is ranked 1st globally. The country can rely on a strong business travel component, and is geographically situated in an area where neighbouring countries' middle classes are growing significantly. (World Economic Forum 2015)

3.2 Visitor Statistics

During 2015 Japan received 19.73 million overseas visitors, which is 47.3 percent increase from 2014. Most percentage of visitors are from surrounding countries, China, South Korea, Taiwan and Hong Kong. Visitor number from United States of America is also notable. (Table 3 and 4.) (Japan National Tourism Organization, JNTO, 2016)

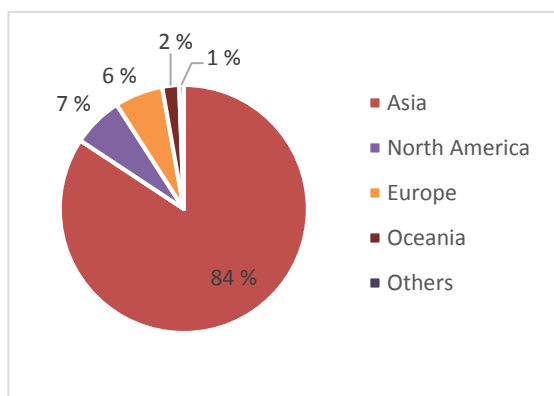


Table 3: Foreign Visitors to Japan by Region 2015 (JNTO)

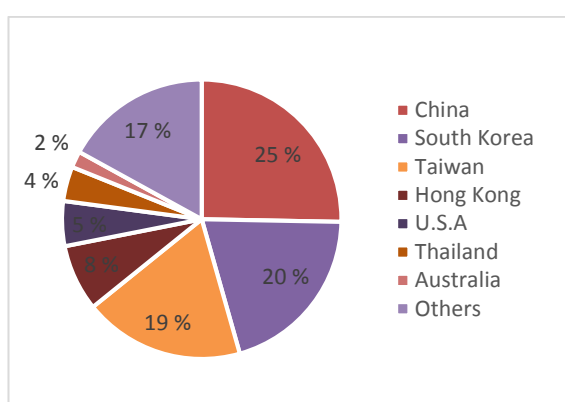


Table 4: Foreign Visitors to Japan by Country 2015 (JNTO)

In the case of Kamiyamada Onsen and Togura Onsen, the number of visitors can be counted from the “Bathing tax”, which is a small fee when using spa facilities that have natural springs. The “Bathing tax” is collected individually from visitors by age over 12 by the establishment and directed to general maintenance of the hot spring facilities in the town. (Chikuma City Tax Ordinance; Chapter 3. Section 1.) The number of visitors has been on decline in the recent years. (Table 5.) From 1995 until 2014 visitor amount has decreased from approximately 880000 visitors to 500000 visitors, which is 42 percent decrease in 19 years.

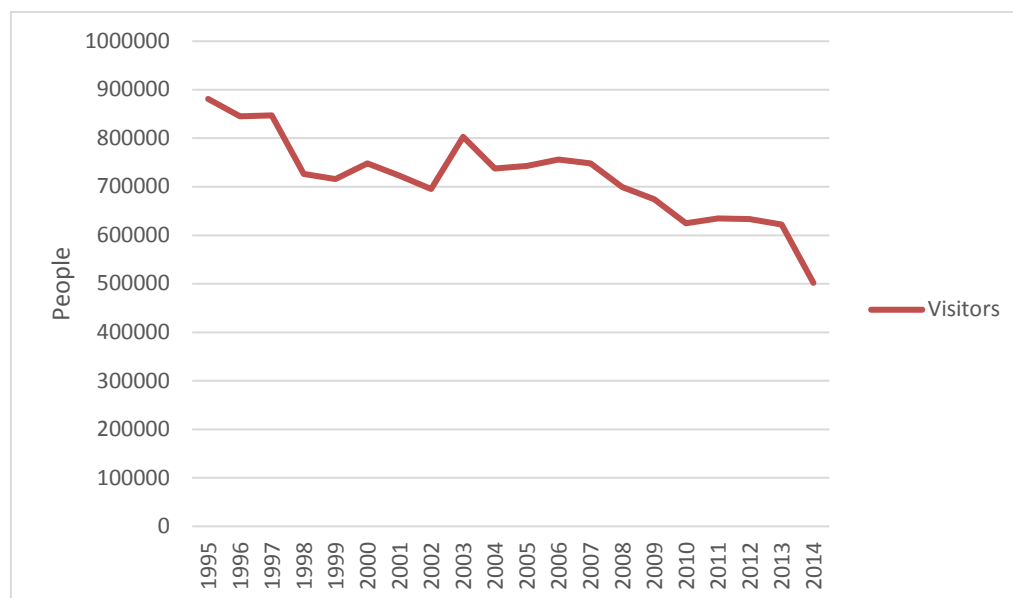


Table 5: Yearly Visitors in Togura and Kamiyamada 2014 (Chikuma City Tourism Promotion Plan 2016)

3.3 Nagano as a Destination

Nagano Prefecture is in the centre of Japan and is surrounded by numerous mountain ranges and is Japan's fourth largest prefecture with 13000 square kilometres. Approximately 20% of the area is designated as Natural Parks. The position of the prefecture high in the mountains provides it with a cooler climate compared to the neighbouring prefectures and the Tokyo Metropolitan area. Nagano area is popular summer holiday destination and markets itself with clean and crisp air and water, and a place to get away from the humid and hot temperatures of Japanese summer. Nagano region also has many specialised dishes and delicacies and is famous across the country by its soba buckwheat noodles, apples and sake rice alcohol. (Go Nagano)

Nagano Prefecture is divided into several cities and towns, with Nagano City being the administrative centre and most populous area. Northern area of the Nagano Prefecture, south from Nagano City and situated in a valley formed by the Chikuma river, locates the Chikuma City. With the population of 61,300 in 2013 and area of 120 square kilometres, Chikuma City divides into smaller towns and villages. These towns and villages used to act independently before merging together in multiple occasions forming the present day Chikuma City, officially the formation being in 2003. (Chikuma City Profile)



Figure 2: Location of Nagano Prefecture and Chikuma City (GoNagano 2016, Japanguides, 2016)

Togura Kamiyamada Onsen town has 125-year history of visitors. Togura and Kamiyamada became a distinguished as a stopover point for pilgrimage travellers to the nearby Buddhist Zen-koji Temple. The town has preserved lively geisha-entertainment heritage and visitors from abroad can exclusively enjoy dance and game performances. The hot-spring waters are accessible in 7 day-use bath houses and in 30 of the inns and hotels of the town. (Onsen Town Togura Kamiyamada)

3.3.1 Japanese Onsen

Japan has used hot springs for many centuries and first mentions of bathing in hot springs has aristocratic connections that date back to Heian period (years 794-1185), although it most likely has much older origins. There is evidence of using water for purification purposes found dated at the end of Yayoi period around year 297, and it is very likely people used the hot springs even before that, since hot mineral water was available and the climate in Japan has rather cold winters. In recorded evidence, Japanese used the thermal springs to heal war injuries and recover from battle, the same purpose as the Romans did. During the Edo period (years 1603-1867) bathing was accessible to all levels of population to socialise with friends and neighbours and this custom has not changed since then. (Erfurt-Cooper and Cooper, 2009)

The Japanese hot spring, maintains a traditional atmosphere even when found in a modern, locally used bath house. This is due to careful preservation of the culturally desired preference of authentic hot spring water and the ambience of natural environment. Minerals in the hot spring water vary depending on the location and are highly valued for their beneficial properties and the water is supposed to have a good 'feel'. The equal terms and relaxing surroundings of the bath house is important to Japanese people, since the hierarchy of society is reduced when people gather in a thermal pool. (Erfurt-Cooper and Cooper, 2009)

3.3.2 Japanese Ryokan

Concept of *ryokan*, new type of Japanese traditional style accommodation, was popularized around Taisho period (1912-26) to describe facilities where visitor would stay for leisure purposes. *Ryokan* began to be the purpose of the travel itself instead of playing the part of mere shelters along the road, which is a general use of inns still remaining today in many of them. Offering same-type of amenities as western style hotels do, but serving the customers in a traditional atmosphere, make *ryokan* original. Japanese style rooms with straw made *tatami* floors and sliding doors, low table with pillows to sit on and sleeping on futon-mattresses instead of beds and enjoying ones meal served to the room are characteristic descriptions of a *ryokan* stay. Today, baths play a major part in the selection of *ryokan*, and many criteria decide the success: their surroundings, natural or manmade, setting, design, and materials used, number of baths and period when they were created. (Guichard-Anguis and Okpyo, 2011)

4 Preliminary Study

The preliminary study occurred during an internship period in a local inn, within the months of March, April and May of 2016. Preliminary study consists of visual observations of the community, personal experiences, and interaction with the inhabitants of Togura Kamiyamada Town, together with casual discussions with innkeepers, hotel proprietors and some of their seniors in the tourism field. Photography taken in March, April and May illustrates some of the observations and findings. Example cases of development are observed and photographed in a traditional inn called Kamesei Ryokan. Preliminary study is presented as structured observation by the author.



Figure 3: View of Kamiyamada Onsen Town (Pallaspuro 2016)

4.1 Tourism Demography

Main forms of tourism in Togura Kamiyamada are leisure and wellness tourism. The hot springs are the most popular attraction of the area and many visitors travel to the town with the main purpose being able to relax and bath. As Nagano prefecture is known for its nature, some travellers had their motivation in outdoor activities such as hiking and cycling. Some visitors expressed their interest in historical events and locations, as the Nagano area has multiple castle towns and ancient pilgrimage destinations.

Majority of the guests staying at the hotels and inns are from the neighbouring cities or prefectures with occasional visitors from other areas. As Nagano prefecture is situated on relatively higher ground and surrounded by mountains, travellers from larger metropolitan areas, such as Tokyo, feel that the air is cleaner. Also, distance and the accessibility of the area is quite comfortable when traveling from Tokyo. Togura Kamiyamada town is reachable by car or train. Closest airports are situated in Nagoya and Tokyo and both are covered by train network. The most common transportation methods to the area are private or rental cars. The hot baths facility and hotel area is also covered by special shuttle bus network from the Togura train station on peak hours in the morning and afternoon.

The way of traveling in Japan is going through a significant transition. Due to the aging of the population of Japan and smaller family sizes, the composition of the regular group traveling has changed in one generation. People are traveling with less party members than before. Also, the idea of core-family has changed from including the grandparents to only parents and

children. This has led to the fact that now there are two to three guests staying in one traditional sized room, when before, up to six guests would have been considered ordinary to stay in the same room. Many traditional style inns in the area were built to accommodate the need of era before and are now facing the change of generations. However, large and airy rooms could add a sense of luxury to a modern traveller.

Visitor demography is versatile. However, aging of the whole population of Japan is impacting the medium; Strikingly large number of the guests are senior citizens. School class reunions and recreation gatherings are common and some groups have visited the same hotels and inns for several years. Regular visitors of other age groups are also seen. Many guests travel with family, either as a pair or with children. Also, small groups of University students on a holiday or work colleagues on a business trip are also frequent. Some hotels and inns offer services to companies on organising seminars or retreats.

The number of foreign visitors is on decline as seen in previous Table 5 on page.13. However, the general atmosphere towards attracting more foreign visitors in the future is positive. There is no statistical information available regarding the countries of origin of the tourists visiting Togura Kamiyamada Town. However, popular opinion states that the area has had more visitors from outside Asia during the recent years, emphasising tourists from Oceania, Europe and the Americas. Majority of the visitors is visiting the area for the first time. Especially many of the foreign visitors come to Japan for the first time and have chosen to stay at foreign friendly inn.

Nagano Prefecture has a distinctive image to the Japanese people. It is seen as a mountainous region with clear air and beautiful nature, that offers delicacies such as fruits and vegetables, and activities that range from hiking to skiing. In addition, the image includes remote towns with historical background and snowy winters that are relatively rare for majority of Japanese. When it comes to Chikuma City, it is not very known and many Japanese are not familiar with the area. From a foreign perspective, Nagano is even less known. Some might recognise the name from Winter Olympic Games that took place in the region in 1998. Also, skiing areas such as Hakuba, are known to some tourists.

4.2 Events and Festivities

Multiple festivities and events take place in the town along the year. Festivity season begins in March with local speciality, apricot flowers. Products made from apricots are sold in multiple shops as souvenirs and many tourists arrive to the town to enjoy the blossoms. A local tale tells that a princess from a distant province came for marriage to Chikuma City area and brought with her seeds of apricot trees to be reminiscent of her birthplace, where apricots were common.



Figure 4: Apricot Trees by the Chikuma River (Pallaspuro 2016)

Some festivities from the western world have also made their way to Togura Kamiyamada. Easter event is held annually on a Sunday that is close to the actual Easter. This event is directed to families with young children. A park by the Chikuma River is utilized in traditional American Easter activities, such as egg toying and egg hunting. The event is implemented together with a local international circle and a Christian community of the town.

Following in March and beginning of April, cherry blossoms bloom. In Togura Kamiyamada, Association called Okami-kai, 'okami' standing for proprietress and 'kai' for to gather, organises hanami, a cherry blossom viewing event. On afternoon, when the cherry blossoms are in full bloom, Okami-kai decorates a local park and builds stalls to sell home-made snacks and meals. Townspeople gather to the park to spend time together, greet neighbours and discuss recent matters.



Figure 5: Cherry Blossoms Festival in Kamiyamada (Pallaspuro 2016)

In May, 'Ushi ni hikarete Zenkoji mairi', unique and historical event takes place. The event is a walking commemoration from Kamiyamada to the Zenkoji Temple in Nagano City. This large-scale event is organised together with business owners and the Togura Kamiyamada Tourist Information Centre, as participants of all age gather in town. The event is based on a folk tale originating from the area where an immoral townswoman chases a cow to the Zenkoji temple Buddha statue and becomes righteous. During the event, around 300 participants walk 30 kilometres from Kamiyamada to Zenkoji Temple. Alongside the route, organisers set up resting stations with refreshments. After reaching the Zenkoji Temple, participants are transported back to Kamiyamada where they receive bathing voucher to the multiple bathing facilities, hotels and inns in the town.



Figure 6: Preparations for 'Ushi Ni Hikarete Zenkoji Mairi' (Pallaspuro 2016)

Summer is considered the high-season and multiple festivals take place in July and August. Main summer festival is the Togura Kamiyamada Onsen Summer festival, matsuri, where townspeople gather for parades, traditional dance performances and drum play sessions, festival food and drinks. Matsuri -festivals are organised by local shires or temples and annually different chairman is chosen from the townspeople to act as ceremony master. Summer festivities culminate to the Annual Chikuma River Fireworks Display, where multiple teams of fireworks specialists gather to display their work.

Another event native to the United States, Halloween, is also celebrated in Togura Kamiyamada. Haunted house and pumpkin carving are organized and the event is popular among children. Halloween event is organised by local innkeepers.

Winter is low-season in events, but travellers can enjoy illumination on the local foot bath and the main street. New Year celebration is the most important event of the year and is traditionally celebrated together with the family. Temple or shrine visits are also an inseparable aspect of New Year's celebrations.

In addition to these unique events mentioned above, temples and shrines around the town have their own specified commemoration days and festivals throughout the year.

4.3 Projects and Associations

Local tourism businesses are quite active interacting with each other and multiple projects have been conducted in the past.

Karakoro Onsen Association is a group of mostly local innkeepers who gather together to activate the area. Most recent project they were a founding member of, a foot bath, was implemented in 2015. Part funding for the venture was received from project to activate tourism locations hosted by Tourism Department under the Japans Ministry of Transportation. A park and small stage was also built on the site. The bath is popular among locals and visitors and many events take place at the "Karakoro Foot Bath".

Zukudashi Eco Tours is a bicycle rental shop that offers guided cycling tours and walking tours to visitors. The shop also acts as a small information centre mainly targeted to foreign visitors, since the staff can communicate in English. The business was established in spring of 2016 and it received funding and support from the Empty House Countermeasure Act of the Housing Department under the Japans Ministry of Land and Transportation. Project included renovating an empty property, starting a business, and promoting the business in the area. Conditions to receive funding included activating the community and making the business profitable in two years.

'*Asa-ichi-market*' provides local produce to visitors and travellers passing by. It was launched to compete with large roadside stations '*Michi no Eki*' along the highway. Businesses together take part in organising the market in Sunday mornings from May until the end of September each year and has gained notable popularity.

4.4 Tourism Development

Togura Kamiyamada has gone thorough many development projects in the past. Generally, the town government is active on maintenance of the infrastructure, but small details are

trusted on the townspeople and business owners. The town has a rustic scenery and many areas have been left without care for years.



Figure 7: Sign of Togura Onsen (Pallaspuro 2016)

When traveling in Japan, language barrier can become a hurdle. English guiding is necessary for a foreign tourist to get by. Togura Kamiyamda has a significant amount of English language speaking travellers coming every year and many signage is already translated in to English. Many locations are in lack of translations that would help a tourist navigate in the town. However, English language handout map is provided by most of the hotels and inns of the town. Introductions of recommended restaurants and notable landmarks with illustrations are also marked in the map. The map is easy to read and makes navigating significantly easier, even though the town is small.



Figure 8: Hallway and sign (Pallaspuro, 2016)

Many inns in the town are built from wood and have old architecture and some have modern sections added later. Traditional style of building introduces multiple topics in need of development and renovation. Traditional Japanese way of architecture includes thresholds when entering the building or a room. This space is called *genkan*, and it separates the outdoor space from indoors. Also, traditionally room floors of an inn are made from tatami mats, woven straw sections, and the *genkan* is a place to leave your slippers to protect the tatami mats. High thresholds are difficult to customers who have difficulty in movement, such as elderly and disabled guests. In the specific inn in question, thresholds can be found in all the entrances to rooms and in some to bathing facilities, but they are rather low steps compared to the highest one at the main entrance. Nevertheless, accessibility in and around the building with a wheelchair is challenging without any aid. Some hotels and inns provide a step placed on the floor before the high threshold to make stepping on it easier and more accessible.



Figure 9: Entrance Threshold (Pallaspuro 2016)

The rooms of a traditional inn are generally spacious and have only a few pieces of furniture. Traditionally in Japan you sit on the floor rather than having chairs and a high table. Sitting pillows around a low table or special chair without legs made specifically for a Japanese tatami-mat room are generally used. This chair is comfortable also to an unaccustomed visitor. In some inns, low chairs made from light material are also available. The chair is easy to sit on when reaching from the floor and is often requested by the elderly customers who have trouble being comfortable on their knees. Meals are usually served to rooms but in some inns, dining hall is used instead. In Kamesei Ryokan, newest addition to facilities is a new banquet

hall where meals can be served to guests. The space has tables and chairs that are easy to arrange to multiple settings depending on the number of customers and the nature of the occasion.



Figure 10: Banquet Room (Pallaspuro 2016)

Traditionally in a Japanese style room there are no beds, but futon mattresses that will be laid on the floor for the customer. Some traditional inns have built in beds in the rooms that futon mattresses can be set on. Often Japanese people tend to prefer the traditional way since they see it as a part of the experience staying in a traditional inn. Foreign visitors who are unaccustomed to tatami mats and futon-beds tend to choose the bed or double layer of futon mattresses. In Kamesei Ryokan, fold-down bed is available if the customer in need of one. Double laying the futon mattresses is also often used technique in case of foreign customers.



Figure 11: Guest Room (Pallaspuro 2016)

In Kamesei Ryokan, majority of the bathrooms and toilets have been renovated from squat-style toilets to modern westernized toilet seats. Majority of the other inns and hotels have also renovated their facilities, but there is a percentage of old style ones remaining. Usually, western style bathroom or both styles are available for the guest, rarely only the old-fashioned style.



Figure 12: Renovated Toilet (Pallaspuro 2016)

The rooms in Kamesei Ryokan do not have a shower, but a shared bathing area with indoor and outdoor baths, one side for male guests and the other for females. Also, a separated outdoor bath is available for reservations.



Figure 13: Bath Area (Pallaspuro 2016)

5 Secondary Study

The secondary study was conducted during the autumn of 2016 and focuses on the interview results and analytical discussion.

5.1 Interviews and results

Interview was conducted as a questionnaire thorough e-mail in October (Questionnaire) to innkeeper, Mr. Tyler Lynch, who has been active in developing Togura Kamiyamada area.

Questions asked were:

1. What is the current inbound situation and is it sufficient?
2. What are the key points to develop in the destination?
3. How do you see the future and what are the elements to change?
4. What are the difficulties and weak points of the destination?
5. What are the immediate, intermediate, and long term objectives from your position?

Mr. Tyler states that in 2016 the number of overnight guests increased from 2015. The good result was primarily because of the year-long historical television 'drama' series called "Sanada-Maru" by Japan's national broadcaster, NHK. The historic venue for the events in the drama series is in the area and attracted fans of the show to the inn. Mr. Tyler is concerned about the future of the town. The drama series have ended and a new attraction is needed. However, Nagano Prefecture and National Railway Company (JR) will promote Na-

gano during summer 2017 through a Destination Campaign, Mr- Tyler adds. In addition, starting May 2017, JR-East will introduce a new luxury train that will have only one scheduled stop in Nagano, at the Obasute Station. Mr. Tyler is positive that these will bring some greatly welcomed publicity.

According to Mr. Tyler, it is important to develop more ways to introduce the area and its elements to visitors, through interactive tour programs, themed events, etc. The Chikuma river itself is a great environment worth introducing to visitors. In addition, the surrounding mountains, with abundant hot spring mineral water, and with multiple specialty shops and unique restaurants are key elements, not to forget the geisha heritage.

Togura Kamiyamada had a peak in the tourism during 1960's and 1970's when group tours by bus were popular. At the time the hot springs and night life were the main attraction, but Japan's travel culture has evolved and is much more geared towards individual traveling. Mr. Tyler agrees to the change and states that it is essential that the town also evolves accordingly to the fashion and increases its attractiveness both domestically and internationally.

Mr. Tyler states that there are many difficulties and weak points in the town. The unused facilities and remnants from the 'bubble era' and bar girls detracts the town's potential. Mr. Tyler also notes that encouraging the new generations to become the next town leaders and continue businesses that will be inherited from their parents is a major difficulty.

As personal immediate goal for the town Mr Tyler mentions to make the new Zukudashi Eco Tours a viable program for visitors to experience the rich life of the Japanese countryside that can be had here. He also states that He would also like to assist in further developing the Sunday Morning Farmers Market which is in high demand with today's visitors. As Intermediate objective is to establish a more permanent market ('michi no eki') to highlight the area's products. Long term goal is to develop Togura-Kamiyamada into Japan's preeminent Onsen Town.

5.2 Analysis

SWOT Analysis is a useful technique for understanding Strengths and Weaknesses, and for identifying both the Opportunities and Threats. (Mindtools, 2016)



Figure 14: SWOT Analysis

Strengths of Togura Kamiyamada are the unique environment with many activities provided by the Chikuma river and the surrounding mountains throughout the year. Also, the hot springs mineral water consistency is unique and high in popularity among customers interested in bathing. The active community is constantly developing the area and inventing new ways to promote the town. Many active members ensure continuity in the development. Central location of Nagano is important to the towns and the area is accessible all-around with short distances to larger cities by train or car. Also, bullet train stops at nearby stations of Ueda and Nagano City.

Weaknesses of Togura Kamiyamada are the difficulty to differentiate from other destinations. There are multiple destinations with hot springs in the area and it is difficult to be viewed differently from them. In addition, the outdated facilities of abandoned buildings and not maintained facilities have negative impact to the town. Old-fashioned interior gives bad impression to the outside. This causes problems with the accessibility, since old-fashioned buildings were not built to compensate today's needs and they need more attention.

The town has many opportunities. In future years, young generations will be taking the lead in the town. Passing down to new generations brings also new ideas to the community. Young also have the energy to develop new ideas. Also, the area has potential to grow in the future and new activities will bring more visitors to the town. The new era of tourism can be viewed

in a positive light. Individual travelling will bring new customers and new possibilities to develop the area.

Threats of the area are the risk that is presented by the outdated facilities: If not taken care of, the facilities have the possibility to become dangerous. In addition, the tourism field is competitive and being overshadowed by bigger destinations with larger marketing budgets is a threat.

6 Conclusive discussion

The study was concluded mostly successfully and conclusions can be made from the results. Togura Kamiyamda Town is an area of potential, the town has had development in recent years and with the active community it has, development will be made in the future. There are areas of concern and in need of immediate attention, but generally it can be concluded that the direction of development is right.

To be able to continue the development, it is essential to pursue planning projects and seek for new ideas. The new generation of innkeepers has potential and it is important to utilise it. All the parties of tourism industry individually are competing against each other to win the highest number of visitors, but working together and combining strengths is vital for surviving in the changing tourism field.

It can be also concluded that the image of the Nagano area in general is known to many, but to distinguish themselves as Togura Kamiyamada needs more development. With the competition in the field and neighbouring bigger and more known tourism destinations, it is difficult to do so, but with time and continuous marketing and developing it can be achieved.

The study was conducted in a small scale and from a general perspective, thus it leaves room for future research. Considering that this thesis is first to research and analyse a small Japanese tourism destination and since there was no previous research done from the area, the study has multiple areas that can be researched more in detail. In the future, aspects such as customer profile, accessibility of travellers with disability and eco-tourism are potential research topics.

To receive views from different sides of the tourism industry, the questionnaire could have been provided to multiple actors in the town. Due to schedule differences and difficulties, only one set of answers was analysed. For the future, conducting the questionnaire on a larger scale is more valuable.

Overall, the thesis process was useful to the professional development of the author. The internship and thesis processes were valuable and irreplaceable experiences in the tourism field. Also, translation work of some of the statistics were a challenging experience. Theoretical and statistical views opposing to the qualitative experience proved to support each other, which was a greatly valued observation. As a first thesis work, the outcome of the study is satisfactory and it is recognised that there are multiple aspects to be developed personally and professionally.

Although the thesis was not directly assigned by any related parties, the author is hopeful the results and the topic will be useful to future development of Togura Kamiyamada and also inspire following study on Japanese tourism industry.

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Appendix

Questionnaire

11.2016

1. What is the current situation of tourism in Togura Kamiyamada Onsen Town?
2. What are the most important points to develop in the area?
3. How do you see the future and what are the elements to change?
4. What are the difficulties and weak points of Togura Kamiyamada Onsen?
5. What are the immediate, intermediate and long term objectives from your position?