

Electronic Internal Marketing for Tourism

A New Tourism Marketing Approach

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Abstract: The tourism industry has been becoming the main business in Japan. In tourism industry, public relations from tourist areas is important to attract tourists, however, it has not been sufficiently performed in Japanese tourism industry. It is also common knowledge that tourism information systems with ICT (Information and Communication Technologies) are effective for such the activities. Therefore, we have proposed a tourism marketing technique utilizing ICT based on the concepts of service marketing. In the service marketing field, it is said that internal marketing to employees will be possible to provide high-quality services. Thus our tourism marketing technique electronically approaches local residents and local firms, which are the employees in the case of tourism.

1 INTRODUCTION

The whole Japan country has been trying to liven up the tourism industry, because even though Japan has 17 World Heritage sites and attractive culture such as Japanese animation, Japanese idol and Samurai, it was ranked 39th in the world based on the number of foreign tourists accepted (Japan Tourism Agency, 2013). Japanese government has regarded not only the domestic tourism but the international tourism as important for the economic revival of Japan. The Tourism Nation Promotion Basic Plan, which Japanese government announced in 2012, describes specific measures such the objective (Table 1). The majority of these measures have aimed at the international tourism. Figure 1 shows the result of the satisfaction survey to foreign visitors in Japan. The ratio of “Very satisfied” has hardly increased from 2011, and the ratio of respondents who answer “Definitely want to visit again” has decreased slightly after 2011 year by year. In a word, Japanese tourism industry has never improved the satisfaction of foreign visitors to Japan, has never achieved the measures shown in Table 1. Against this problem, tourism organizations must implement appropriate public relations after understanding genuine requirements of the foreign visitors. However, the current marketing activities of

Table 1: The tourism nation promotion basic plan.

Targets	Details
Domestic travel consumption	30 trillion yen by 2016.
Number of foreign visitors to Japan	Increase to 25 million by the begging of 2020.
Satisfaction of foreign visitors to Japan	Seek to increase, by 2016, the ratio of respondents who answer “Very satisfied” to 45% and the ratio of respondents who answer “Definitely want to visit again” to 60%.
Number of international conferences held	Target a 50% or higher increase, by 2016.
Number of Japanese travellers going over sea	Increase to 20 million by 2016.
Number of nights per person spent for domestic travels by Japanese people	Increase to 2.5 nights per year by 2016.
Traveller satisfaction of tourist areas	Increase, by 2016, the ratio of respondents who select “Very satisfied” to 25% and the ratio of respondents who select “Strongly agree” to 25%.

Japanese tourism organizations have centered only on the external promotion, neglected the internal promotion to service providers.

Meanwhile, ICT (Information and Communication Technology) has been usually

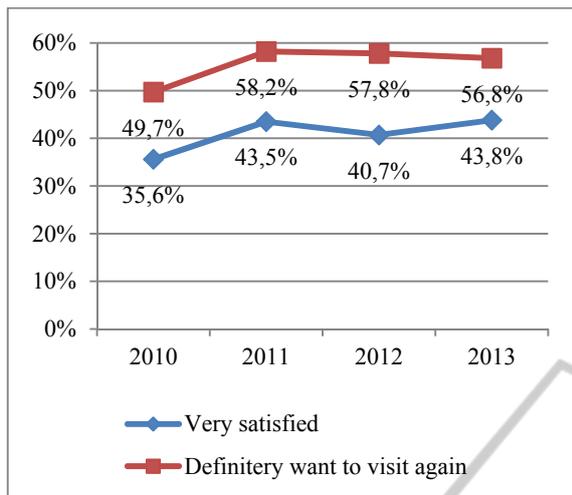


Figure 1: Satisfaction of foreign visitors to Japan.

utilized in all scenes of tourism. Especially, the spread of the Internet enable tourists to search various kinds of tourism information and to simplify reservation of the means of transportation and the accommodations. Moreover, smart devices, such as tablet computers or smartphones, enable tourists to acquire the information which much further enjoys and enhances their trip. Such the changes established a new research area “Tourism Informatics.” Although the majority of Tourism Informatics studies have targeted the marketing activities utilizing ICT for tourists, there are no studies which target the marketing activities for tourism service providers. Therefore, we have elucidated marketing activities which tourism organizations should implement for tourism service providers and have proposed a technique for such the activities utilizing ICT. The technique can help activities of tourism organizations and contribute to development of the tourism industry of Japan.

2 TOURISM MARKETING IN JAPAN

There are two actors in the tourism marketing. Service providers, e.g., accommodations, restaurants or transportation companies in tourist areas, have implemented marketing activities for their own profits. The other actor, a tourism organization, has implemented marketing activities to attract tourists at the tourist area. Our research focuses on the promotion of the whole tourist area, thus, we have researched on the marketing technique for the latter.

Tourism has the characteristics of a service unlike a product, which are inseparability, intangibility, heterogeneity and perishability. They are basic or generic characteristics common to all services. In addition to them, the services in tourism have at least three further characteristics as follows (Middleton et al., 2009).

- Seasonality: peaks and troughs in demand.
- High fixed costs of service operations.
- Interdependence of tourism products.

In the service industry, it is essential that the three marketing activities among Company, Employee and Customer in Figure 2 should be implemented. In order to implement effective tourism marketing, the marketer should carefully consider the foregoing characteristics.

However, Japanese tourism has serious problems in the marketing. Generally, tourism marketing is implemented by DMO (Destination Management Organization). DMO also implement the following activities (UNWTO, 2007).

- Planning and infrastructure;
- Human resources development;
- Product development;
- Technology and systems development;
- Related industries and procurement;
- Destination coordination and management for visitor ‘quality of experience’, especially the public realm;
- Product “start-ups”;
- Events development and management;
- Attractions development and management;
- Training and education;
- Business advice;
- Strategy, research and development.

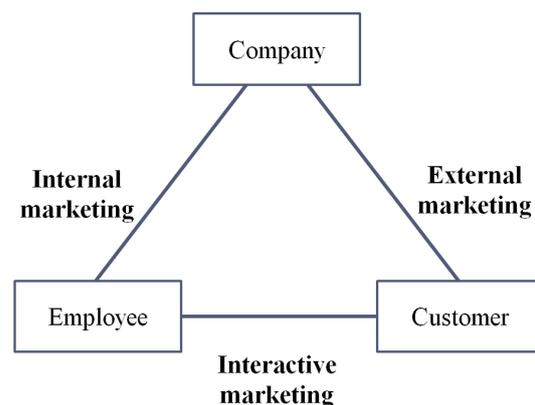


Figure 2: The marketing triangle.

Table 2: Sources that foreign visitors felt were helpful.

Sources	Number of responses
Internet (smartphone)	7,385
Internet (PC)	7,120
Family/friends in Japan	3,924
None in particular	3,733
Tourist info desk (not in airport)	3,098
Accommodation facilities	2,755
Airport information desk	2,731
Travel guide books (non-free)	1,704
Free papers	1,363
Other	892

In the case of Japan, national, regional or local tourism organizations in the national or a local government correspond to the DMO, however, they have not sufficiently played the role. This problem is caused by lack of funds, human resources, and know-hows.

3 TOURISM INFORMATION SYSTEMS IN JAPAN

In this chapter, we will describe crucial relevance between ICT and tourism and the problem in this field. Tourists need many kinds of tourism information in tourism activities. Therefore, in order to facilitate tourist behaviour, tourism information systems can be helpful. Table 2 is the result of the questionnaire survey by Japan Tourism Agency, about information sources that foreign visitors felt were helpful to acquire tourism information during their stay in Japan. In the result, the most used source is the Internet. This result supports the fact that ICT and tourism are related closely. In fact, various tourism information systems utilizing ICT have been developed in Japan. In order to propose marketing activities which tourism organizations should implement with ICT, we have surveyed problems of the existing systems. The follows are the examples of the actual tourism information systems in Japan.

Arukumachi KYOTO is an application of the smartphone which provides the information about means of transportation. In the Kyoto area, the bus is the most popular means of transportation, but tourists cannot make a tour round only by bus caused of traffic congestion. Additionally, the traffic

network of Kyoto is very complex; hence the tourists who are not the Kyoto residents have a hard time to arrive at their destination. Thus, Arukumachi KYOTO has been developed by the advanced scientific technology and management research institute of Kyoto (Figure 3). The users can search the route, fare, and required time from their present location to destination. Moreover, the application provides various information; how to buy tickets of the buses or railways, how to get on the vehicles, information of the tourist facilities, and information of the events.

Secondly, "TOTTRIP" in Figure 4 displays not only the map and the traffic information but also recommended model courses for a tour round the Tottori area. In addition, TOTTRIP provides the information of hospitals with English-speaking staff on duty, foreign money exchange counters and banks, essential phrases and conversation flashcards.

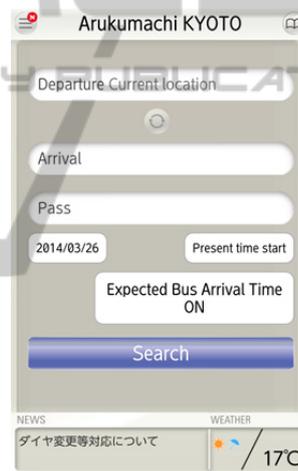


Figure 3: Arukumachi KYOTO.



Figure 4: TOTTRIP.

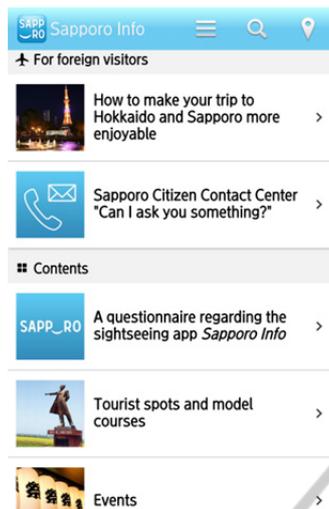


Figure 5: Sapporo Info.



Figure 6: Enoshima kikitabi.

The third example is “Sapporo Info,” which provides video contents in addition to the same information of the other tourism information systems (Figure 5). The users can view the introduction videos of each tourist spot in the Sapporo area. The users can also use discount coupons and tickets via the application.

The fourth example “Enoshima kikitabi” is a portable device with GPS (Global Positioning System) only for sightseeing. When the users visit tourist spots, they can hear the appropriate sound guides automatically detecting the location information by GPS. Thus, tourists can walk while watching tourist spots with their hands free. Moreover, all ages can be fair in using Enoshima kikitabi without complex operations (cf. Figure 6).

As described above, various tourism information systems utilizing ICT have been developed in Japan,

but the systems produce services only for tourists. Tourism information systems for service providers, the important role in tourism that is a local firm or a local resident, have never been developed and studied. For the public relations of tourism, internal marketing toward the service providers that are local firms or local residents is essential to liven up tourist areas from the viewpoint of service marketing.

4 INTERNAL MARKETING IN TOURISM

In the current situation, Japanese tourism industry has implemented only the marketing activities toward tourists, i.e., external marketing. Therefore, we argue that a tourist area have to implement the internal marketing toward local residents or firms as service providers.

Internal marketing give motivation to employees and achieve customer satisfaction by implementing effective education to employees. Internal marketing should be implemented before external marketing, because internal marketing can produce employee satisfaction, and consequently the employee satisfaction can produce customer satisfaction. Figure 7 shows the service profit chain, which is the circulation of the satisfaction in a service.

Internal marketing is the activities which is workplace design, training, reward and recognition from company for employees (Kotler et al., 2002). We have applied this concept to tourism. In the marketing triangle in Figure 2, company corresponds to tourism organization and employees correspond to local firms and local residents, that is, service providers. Therefore, we have instantiated internal marketing from tourism organization to local firms and local residents (Figure 8).

Kotler described the following steps for the internal marketing (Kotler et al., 2002).

1. Establishment of service culture
2. Development of a marketing approach to human resource management
3. Dissemination of marketing information to employees
4. Implementation of a reward and recognition system

In the steps, there are two essential activities to success in the internal marketing. First, service provider’s opinion collecting system for the organization is required. Secondly, the system must sufficiently communicate the information from the organization to service providers, such as economic

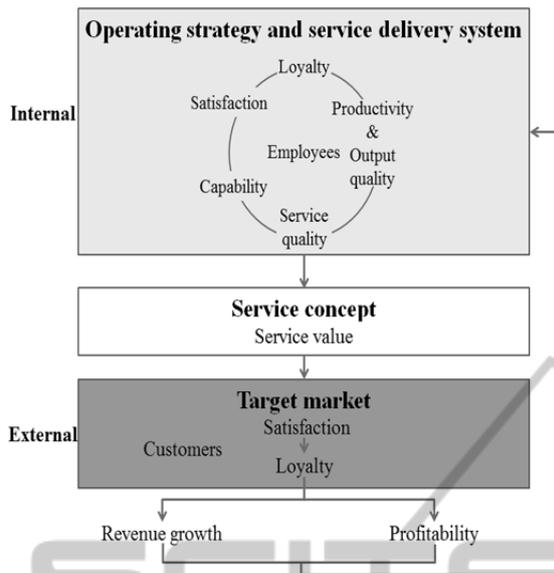


Figure 7: The Service Profit Chain.

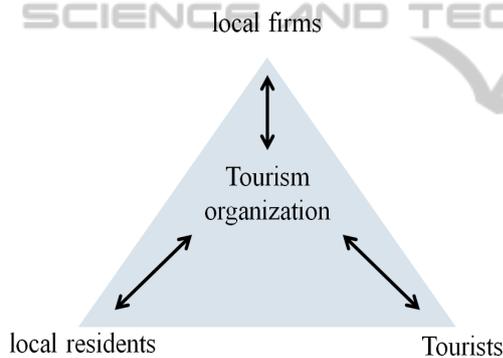


Figure 8: The marketing triangle in tourism.

effect by tourism, aim as the destination and tourism policies. That is, in the case of tourism, the system must collect the opinions of the local firms and local residents and communicate the information from the tourism organization to them. Such the circulation of the information can be lubricated by ICT. However, conventional web sites can distribute information in one direction only, from a tourism organization to local firms and local residents. For instance, SNS (Social Networking Service), which can transeive such information easily, is one of the solutions against the problem.

The service called “Local SNS” has already been developed in some area of Japan, but its purpose is promoting exchange or cooperation among local residents. It cannot connect tourism organization, local firms and local residents. Moreover, because it is tricky and its functions are very poor; local SNS

can be easily replaced by the excellent substitute services such as Facebook and Twitter. If the problems are solved and usable local SNS is developed, it will be a new means of the internal marketing of tourism.

5 CONCLUDING REMARKS

In this paper, we have proposed introduction of the internal marketing utilizing ICT from the viewpoint of service marketing. First, we have surveyed the problems in Japanese tourism industry. As a result, we have found out the absence of DMO and the indifference to the marketing toward the tourism service providers.

Therefore, because a tourism industry is one of the service industries, we have applied the concepts of service marketing to tourism marketing. In Japanese tourism industry, hitherto external marketing has been valued and internal marketing has been unvalued. Hence, we have discussed a concrete measure of internal marketing for tourism. This paper has shown an idea of electronic internal marketing; utilizing local SNS which can facilitate the information circulation among tourism organization, local firms, and local residents.

We are now defining and developing processes and activities of the electronic internal marketing. We will elicit and discuss the requirements and the user interface for all generations by interview. Finally, we will evaluate effectiveness of the electronic internal marketing system in cooperation with the tourism organizations.

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