

Section 3

FUTURE ROLES AND CHALLENGES FOR DMOs: EXAMPLES FROM KANSAI CASE STUDIES

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1. DMOs in Japan

As mentioned in Section 2, in addition to local governments, the role of DMOs will become increasingly important for future inbound tourism strategies. Therefore, we would like to begin by describing the background and outlining the establishment of DMOs in Japan.

The first time DMOs were mentioned in official documents was in the “Comprehensive Strategy for Overcoming Population Decline and Vitalizing Local Economy in Japan” approved by the Japanese Cabinet on December 27, 2014. Following this decision, the Japan Tourism Agency began accepting candidates for DMO status in December 2015, and in November 2017, 41 applications were officially registered.¹⁾

Since then, the number of registered DMOs has increased, and as of November 2021, a total of 213 DMOs have been registered for wide-area, regional, and local cooperation. Additionally, there is a total of 90 candidates registering for regional and local DMO status (Table 4-3-1).²⁾

Table 4-3-1 Types of DMOs and number of registered DMOs

	Wide-area	Regional	Local	Total
Registered DMO	10	95	108	213
Candidate DMO		24	66	90

Source: Prepared by the author based on the “Registration List” published on the Japan Tourism Agency’s website.

- 1) For a detailed description of the establishment of DMOs, see Takahashi (2017). Note that the terminology was changed from “Japanese DMO” to “Registered DMO” on April 15, 2020, due to the revision of the registration guidelines, which led to stricter criteria in alignment with international standards.
- 2) Each type of DMO is described below.
Wide-area DMO: an organization that focuses on a unified marketing and management approach for the tourist destination development of a wider area than regional DMOs.
Regional DMO: an organization that focuses on a unified marketing and management approach for the tourist destination development of an area covering several municipalities.
Local DMO: an organization that focuses on a unified marketing and management approach for the tourist destination development on a municipality level.

In order to be registered in Japan, a DMO must fulfill a number of basic roles and functions, and meet the five requirements shown in Table 4-3-2. The guidelines of the Japan Tourism Agency also acknowledge the category of “candidate DMOs,” which refers to DMOs that have not yet met all the requirements to be considered “registered DMOs.”

Table 4-3-2 Role of DMOs

Basic roles of DMOs
(1) Build consensus on regional tourism development among various stakeholders
(2) Constantly collect and analyze various data, formulate strategies (branding) based on a clear concept and data, set KPIs and establish a PDCA cycle
(3) Promote local initiatives for destination development, such as improving tourist attractions which increase the region's overall attractiveness; transportation access, including intra-regional inter-connectivity; and the tourism infrastructure, including multilingual signage.
(4) Coordinate, develop, and promote consistent strategies for tourism-related projects implemented by related parties
Requirements for registered DMOs
(1) Play a central role in building consensus on regional tourism development among various stakeholders
(2) Collect data constantly, formulate strategies, set KPIs, establish a PDCA cycle
(3) Coordinate, develop, and promote consistent strategies for tourism-related projects implemented by related parties
(4) Acquire legal personality, clarify the responsible parties, ensure that data collection and analysis is done by experts.
(5) Ensure stable operating funds

Source: Prepared by the author based on “What is a Destination Management Organization (DMO)?” published on the Japan Tourism Agency's website.

2. Tourism policies of DMOs in Kansai

In the previous subsection, we looked at the background and outline of the establishment of DMOs in Japan. In this section, we focus on DMOs in the six prefectures of Kansai.

First, we look at the number and geographic distribution of DMOs in each prefecture. Next, we analyze their activities from several perspectives, which are summarized below based on the basic roles of DMOs shown in Table 4-3-2.

- Marketing based on objective data and indicators
- Coordination of intra-regional public-private partnerships and wide-area cooperation
- Increasing the attractiveness of tourist destinations
- Discovering new tourist attractions and advertising
- Analyzing regional issues and using available data

- Increasing brand power
- Innovation
- Human resources development

After describing the situation in each prefecture, we provide one or two examples of noteworthy DMOs. Based on the results, at the end of this section, we discuss the role and future challenges of DMOs in Kansai.

Table 4-3-3 shows the main DMOs in Kansai's six prefectures. The number and types of DMOs located in each prefecture are different. Kyoto Prefecture is unique in that it does not have a DMO that manages the entire prefecture. In addition, there are DMOs that collaborate with other prefectures in the case of common themes such as historical and cultural heritage, and cuisine.

Table 4-3-3 List of DMOs in Kansai

Prefecture	Registered DMO		Candidate DMO		Existence of DMOs covering the whole prefecture
	Regional	Local	Regional	Local	
Shiga	2	1			○
Kyoto	3	2			×
Osaka	2	2	1		○
Hyogo	3(+1)	2		1	○
Nara	1	2			○
Wakayama	1	6	2	1	○

Note: The numbers in this table are as of November 4, 2021. For DMOs that cover multiple prefectures, the count is based on the prefecture where the headquarters are located. The "+1" note in the case of Hyogo Prefecture refers to the "Kirin-no-machi Tourism Bureau" which is located in Tottori Prefecture.

Source: Prepared by the author based on "List of Organizations for Destination Development" published on the Japan Tourism Agency's website.

Next, Figure 4-3-1 shows the geographic distribution of DMOs in each of the Kansai prefectures. The DMOs in each prefecture can be summarized as follows.

The regional DMOs in Shiga Prefecture are the Biwako Visitors Bureau, which covers the entire prefecture, and the Omi Tourism Board. Also, the Omi Hachiman Tourism and Products Association is a local DMO.

The regional DMOs in Kyoto Prefecture are the Northern Kyoto Company for Regional Cooperation and Urban Development, the Woodland Kyoto Regional Promotion Company, and the Kyoto Yamashiro Regional Promotion Company. In addition, the Kyoto City Tourism Association and the Nantan City Miyama Tourism Town Development Association³⁾ can be given as of local DMOs.

3) The Nantan City Miyama Tourism Town Development Association, which covers the town of Miyama in Nantan City, is also a member of the regional DMO "Woodland Kyoto."

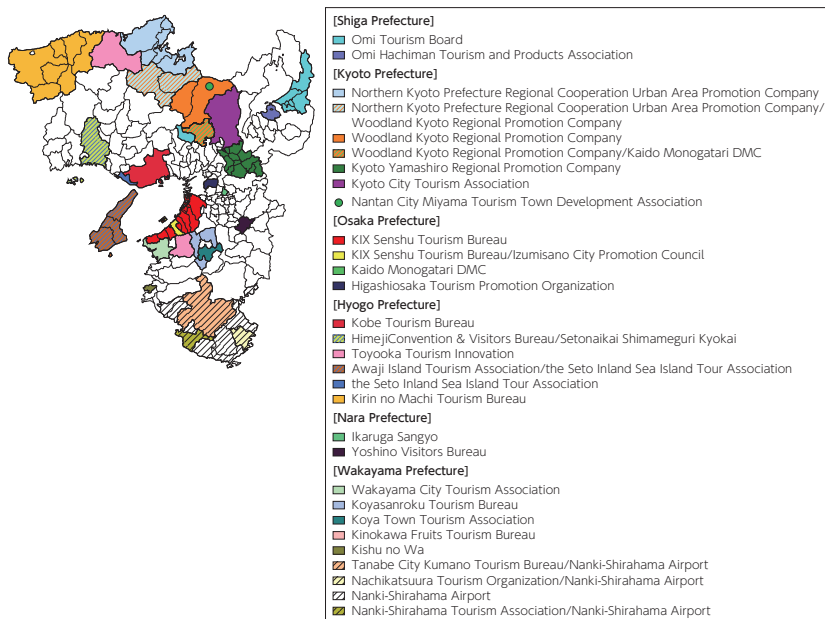


Figure 4-3-1

Geographical distribution of Kansai DMOs

Note: In addition to the DMOs listed above, there are regional DMOs that manage the entire prefecture: Biwako Visitors Bureau in Shiga Prefecture, Osaka Convention & Visitors Bureau in Osaka Prefecture, Hyogo Tourism Headquarters in Hyogo Prefecture, Nara Visitors Bureau in Nara Prefecture, and Wakayama Tourism Federation in Wakayama Prefecture.

Source: Prepared by the author based on "List of Organizations for Destination Development" published on the Japan Tourism Agency's website.

The regional DMOs in Osaka Prefecture are the Osaka Convention & Visitors Bureau, which covers the entire prefecture, and the KIX Senshu Tourism Bureau. Local DMOs include the Higashiosaka Tourism Promotion Organization, the Izumisano City Promotion Council, and the Kaido Monogatari DMC.

The regional DMOs in Hyogo Prefecture are the Hyogo Tourism Head Office, which covers the entire prefecture, Toyooka Tourism Innovation, the Kirin no Machi Tourism Bureau, and Awaji Island Tourism Association. The local DMOs are the Kobe Tourism Bureau, the Seto Inland Sea Island Tour Association and the Himeji Convention & Visitors Bureau.

In Nara Prefecture, the Nara Prefecture Visitors Bureau is the regional DMO which covers the entire prefecture. The local DMOs are Ikaruga Sangyo and Yoshino Visitors Bureau.

The regional DMOs in Wakayama Prefecture are the Wakayama Tourism Federation, which covers the entire prefecture, Koyasanroku Tourism Bureau,

and the Nanki-Shirahama Airport. Local DMOs include the Wakayama City Tourism Association, Tanabe City Kumano Tourism Bureau, Kinokawa Fruits Tourism Bureau, Koya Town Tourism Association, Nanki-Shirahama Tourism Association, Kishu no Wa, and Nachikatsuura Tourism Organization.

In the following, we will take a detailed look at the status of DMOs, their regional characteristics, and tourism policies in each prefecture.⁴⁾

(1) Shiga Prefecture

Main Activities

Based on its mid-term plan titled “Healthy Shiga Tourism Vision 2022—Tourism as a Bridge to a Connected and Enduring Shiga,” Biwako Visitors Bureau is reviewing tourism resources by capitalizing on Shiga’s uniqueness and building a system for sustainable tourism and product promotion. The Omi Tourism Board is developing tours that allow visitors to experience history and nature through a sustainable form of tourism which respects “nature, culture, tradition and humanity.” The Omi Hachiman Tourism and Products Association works with citizens’ groups and various companies to improve local attractiveness based on the concept of “a town you want to visit, revisit and live in.”

Examples of tourism product development, promotion, etc.

The Omi Tourism Board is investigating the potential of local products through its “Omi—Gastronomic City” project.

Measures to increase brand power

The Omi Tourism Board is developing nature tours based on activities such as cycling and trekking, targeting wealthy tourists in the US and Australia. For affluent people in the UK and France, the Omi Tourism Board is developing premium cultural experience tours which include tea ceremony, traditional meals, and accommodation at temples and shrines. For affluent people in Asian countries such as Singapore, Thailand, and Malaysia, it is also creating tours centered on scenery and food, such as enjoying cherry blossoms or autumn foliage in the precincts of temples and shrines, and outdoor dining.

Regional synergy: public-private partnerships within the region and wide-area cooperation initiatives

The Biwako Visitors Bureau promotes tourism in close cooperation with the

4) This section deals with DMOs registered with the Japan Tourism Agency as of November 4, 2021. The same applies henceforth.

prefectural authorities, municipalities and local DMOs. In addition, the “Formation and Development Plan for Local Tourism Service Providers” of the Biwako Visitors Bureau is based on the principle of “Tourism During the Coronavirus Pandemic,” and will strengthen cooperation with municipalities and tourism related businesses in the prefecture.

Innovation

The websites are available in multiple languages, and the Biwako Free Wi-Fi access points are being expanded and upgraded to support cashless payment.

Human Resource Development

The Biwako Visitors Bureau has been fostering human resources to lead the development of tourism under the three-year “Tourism Human Resource Development and Regional Support Program” since FY 2019.

The path to self-sustainability

The Biwako Visitors Bureau and the Omi Tourism Board are considering acquiring travel agency licenses and monetizing them. In addition, the Omi Tourism Board is working to generate revenue through the rental of food trucks that use local produce and the development of inbound tourism products.

Marketing and management initiatives using objective data and indicators

Key Performance Indicators (KPIs) have been established based on website traffic data obtained through Google Analytics, and surveys of visitors to Shiga Prefecture. Target groups specific to each region have also been determined.

Examples of DMOs

We will focus on the Omi Tourism Board as a notable DMO in Shiga Prefecture. The Omi Tourism Board aims to provide sustainable tourism products that respect the local environment, culture, and people. In order to do so, it takes advantage of the geographical features of the region, its relaxed atmosphere and generous space, and the spirit of the local merchants.

In addition, the organization’s efforts to become self-sustaining include obtaining income from the rental of food trucks using local produce, and royalty income from the development of specialty products (local brand products).

(2) Kyoto Prefecture

Main Activities

In 2021, the Kyoto City Tourism Association promoted the Kyoto Tourism Code of Conduct, which aims to “harmonize the lives of citizens and tourism.” On the other hand, the three regional DMOs will continue to act as the main drivers of tourism development, create regional brands, and stimulate tourism consumption in order to increase the region’s revenue.

Examples of tourism product development, promotion, etc.

The area covered by the Kyoto by the Sea DMO has prospered since ancient times as a place for cultural exchange with the Asian mainland, and has a deep connection with the imperial family, making it a place imbued with ancient history and myths. On the other hand, the area covered by the Kyoto Tea Country DMO is a region representative of Japanese tea, and has been well-known for the production of different types of teas such as matcha, sencha, and gyokuro, ever since tea culture was introduced to Japan from China. In addition, the region is also known for its leading role in the development of Japanese tea culture.

Measures to increase brand power

As part of its efforts to enhance the Kyoto brand, the Kyoto City Tourism Association is working to decentralize tourist by visualizing the degree of congestion at tourist sites in addition to raising awareness of good manners. On the other hand, the three regional DMOs are working on the creation of regional tourism areas through Agritourism.

Regional synergy: public-private partnerships within region and wide-area regional cooperation initiatives

The three regional DMOs have assigned specialists to transform traditional buildings such as old private houses into facilities that can provide a genuine local experience through accommodations and food.

Innovation

In areas covered by the Kyoto by the Sea and Woodland Kyoto DMOs, e-bikes are deployed in areas where intermodal passenger transport is insufficient for touring the region.

Human Resource Development

The Kyoto City Tourism Association is working to train Kyoto City-certified interpreter guides. The Kyoto by the Sea DMO is holding regular training courses

for local guides in anticipation of a recovery in inbound tourism.

The path to self-sustainability

The three regional DMOs are registered as travel agencies and earn revenue by selling their own travel products.

However, there is still a high degree of dependence on contributions and subsidies from the national and local governments.

Marketing and management initiatives using objective data and indicators

The Kyoto City Tourism Association and the three regional DMOs will provide information and benefits according to the individual needs of tourists based on the data obtained through the reservation system. This is expected to encourage tourists to revisit and extend their stays.

Examples of DMOs

The three regional DMOs promote the “Alternative Kyoto” both in Japan and abroad by updating their multilingual websites and conducting campaigns that target the residents of neighboring prefectures.

(3) Osaka Prefecture

Main Activities

The Osaka Tourism Bureau is promoting tourism in cooperation with 43 municipalities in the prefecture. Kaido Monogatari DMC is trying to attract visitors to the Nose Road region, while the Higashiosaka Tourism Promotion Organization is doing the same for Higashiosaka city, by promoting experience-based tourism. KIX Senshu Tourism Bureau tries to attract visitors by promoting its numerous attractions such as hot springs, and Izumisano City Promotion Council focuses on culinary tourism.

Examples of tourism product development, promotion, etc.

In order to build the Osaka brand, the Osaka Convention & Visitors Bureau focuses on the Semba area, which is the birthplace of Osaka’s culture and is expected to become an important transportation node once the Naniwasuji rail line is finished.

Regional synergy: public-private partnerships within the region and wide-area regional cooperation initiatives

The Osaka Convention & Visitors Bureau is working to rediscover and refine

the tourism sites of the 43 municipalities within Osaka Prefecture. It is also proactively promoting micro tourism and lodging campaigns for prefectural residents.

Innovation

The Osaka Convention and Visitors Bureau launched a new QR-code travel pass in January 2021. The bureau will also work to promote the implementation of cashless payment systems.

Human Resource Development

The Osaka Convention & Visitors Bureau works to train interpreter guides and to establish a platform (Osaka Global Student Support Association) to support and train international students. Its aim is to help them to gain a deeper understanding of Osaka Prefecture and Japan.

The path to self-sustainability

About 60–70% of the budget of the Osaka Convention & Visitors Bureau is covered by subsidies from the Osaka prefectural and municipal governments, while its own financial resources include sponsorship from about 600 organizations and commission fees from the Osaka Loop Pass. However, considering that the number of tickets sold for the Osaka Loop Pass has fallen sharply along with the number of foreign visitors due to the COVID-19 pandemic, the lack of business expenses has become an issue.

Marketing and management initiatives using objective data and indicators

The Osaka Convention & Visitors Bureau is constructing a data management platform (DMP) to integrate its data on tourism facilities, data on approximately 60 million tourists from Taiwan, Hong Kong, China and other Asian countries, and third-party data. The DMP will enable the bureau to visualize the current situation for each KPI by implementing the PDCA method from the stage of tourism policy planning to the development of tourism products. The DMP also facilitates the development of tourism policies for each municipality by revealing the profile of potential visitors.

Examples of DMOs

We will focus on the KIX Senshu Tourism Bureau as a notable DMO in Osaka Prefecture.

The bureau is developing its business based on the strategic pillars of

“food,” “activities,” and “industrial tourism,” and is promoting the construction of cycle routes. In addition to the Senshu Cycling Route, the Kumano Kaido Road leading to the World Heritage site Kumano Sanzan (Wakayama Prefecture), and places where visitors can fully experience nature such as marine sports are being developed. The bureau is also working to improve the appeal of industrial tourism to inbound and individual tourists, by advertising traditional industries and night views of factories, and by establishing tourist centers that can offer information in multiple languages.

(4) Hyogo Prefecture

Main Activities

The Hyogo Tourism Head Office has set up the “Hyogo Tourism Strategy (FY2020–2022)” to attract more tourists and encourage them to travel around the prefecture by focusing on improving the attractiveness of tourist spots and their capacity to welcome tourists. The Kobe Tourism Bureau promotes tourism in Kobe City and its neighboring municipalities. Himeji Convention & Visitors Bureau is working to build up the Himeji City brand centered around Himeji Castle. Toyooka Tourism Innovation is working to improve the attractiveness of the region by focusing on Kinosaki hot springs. The Awaji Island Tourist Association is promoting the island by advertising the myth according to which it was the first island among the Japanese archipelago to be created by the gods. The Kirin no Machi Tourism Bureau is conducting efforts to raise the profile of the traditional Kirin Lion Dance specific to adjacent areas in Tottori and Hyogo prefectures. Finally, the Seto Inland Sea Island Tour Association plans to develop a maritime passenger transportation business centered on Awaji Island.

Examples of tourism product development, promotion, etc.

In order to attract tourists from around the world, the Awaji Island Tourist Association is promoting the unique character of Awaji Island among European and American tourists who are particularly interested in history and culture. In doing so, the association is emphasizing the island as the “birthplace of Japan,” as already mentioned.

Measures to increase brand power

While Himeji Castle is a well-known World Heritage site, other tourist attractions in Himeji City do not enjoy the same level of public recognition. For this reason, the Himeji Convention & Visitors Bureau is working to build the “Himeji brand” through its “Himeji Plus One” strategy, in order to encourage visitors to stay longer in the area.

Regional synergy: public-private partnerships within the region and wide-area regional cooperation initiatives

Half of the visitors to Kobe City are day-trippers. Therefore, the Kobe Tourism Bureau, along with neighboring municipalities and tourist associations that share common tourist attractions with Kobe City, is working to encourage tourists to prolong their stay in the area.

Innovation

The Hyogo Tourism Head Office is working to develop story-based tour routes for existing experience-type and tour-stay-type contents. In addition, it is working to establish a system for selling these products through OTAs (online travel agencies).

On the other hand, Toyooka Tourism Innovation is developing a reservation website in English and French to promote the region world-wide and to expand its business opportunities.

Human Resource Development

In cooperation with the College of Arts, Culture and Tourism (Toyooka City), which opened in April 2021, the Hyogo Tourism Head Office will hold seminars for businesses and young people who aim to work in the tourism industry.

The path to self-sustainability

Several DMOs are registered as travel agencies and earn revenue through lodging fees and selling travel products, but they are still highly dependent on subsidies from the national and local governments.

Marketing and management initiatives using objective data and indicators

Toyooka Tourism Innovation has been developing its marketing strategy based on visitor data collected from an early stage and attract visitors to its tourist sites.

Examples of DMOs

We will focus on the Toyooka Tourism Innovation DMO, which is attracting foreign visitors mainly to the Kinosaki hot springs.

Toyooka Tourism Innovation collects and analyzes data through “Visit Kinosaki,” a multilingual website for foreign visitors that not only provides information about the region’s attractions, but also provides a number of integrated services for booking activities and accommodation.

A constant percentage of the foreign visitors who use the above website

booked accommodation in Toyooka City after arriving in Japan.⁵⁾ The reason for this is that they learned about Toyooka while traveling in Kyoto, Osaka, etc. and decided to extend their trip. In March 2020, the company distributed an advertising video (Air Travel) on Facebook and other social media networks. The reactions to the video were particularly positive in traditional Chinese, and the number of Facebook followers increased by about 17,000 from the previous year. As a result, according to a survey of the number of hashtags used by Instagram users conducted by the UK-based company Parkdean Resorts in 2020, Kinohara hot springs were ranked eighth in the world and first in Japan among the top 25 most Instagrammable hot springs in the world.

(5) Nara Prefecture

Main Activities

The Nara Visitors Bureau promotes the famous tourist attractions in the prefecture, such as Nara Park, and creates and sells custom-made tours for foreign visitors, promoting the prefecture as “The Birthplace of Japan.” Ikaruga Sangyo aims to become the “tourist’s gateway to Nara” by creating tourism products centered on historical and cultural heritage such as the Horyuji Temple, the world’s oldest wooden structure. Finally, the Yoshino Visitors Bureau is developing activities centered around history and nature, aiming to “transform Yoshino into a year-round tourist destination that people want to visit again and again.”

Examples of tourism product development, promotion, etc.

All three DMOs are working to discover, refine and promote tourism attractions in their respective areas under the themes of history, culture, and nature. The Nara Visitors Bureau operates and manages the Nara Prefecture Tourism official website, which collects and disseminates information on tourism throughout the prefecture from municipalities and tourism businesses.

Measures to increase brand power

As already mentioned, the Nara Prefecture Visitors Bureau has been working with local businesses to discover and refine tourism attractions in the prefecture. After creating the tourism products, the bureau advertises and sells them on its website.

5) For more details, see “Smart Resort Handbook,” published by the Ministry of Economy, Trade and Industry in March 2020: https://www.meti.go.jp/policy/mono_info_service/mono/creative/downloadfiles/fy31/handbook2.pdf

Regional synergy: public-private partnerships within the region and wide-area regional cooperation initiatives

Among its staff, the Nara Prefecture Visitors Bureau has representatives from a wide range of related fields, such as government, commerce and industry, working as directors and councilors. In addition, Ikaruga Sangyo is working to enhance collaboration with local tourism businesses, universities, and many other industries.

Innovation

The Nara Prefecture Visitors Bureau has been developing multilingual mobile applications for cultural properties such as Kasuga Taisha Shrine and the Garden of the former Daijo-in Temple as part of a project to improve the accessibility to information regarding cultural properties. It has also installed multilingual signboards and digital signage at Horyuji Temple, a World Heritage site.

The path to self-sustainability

All three DMOs have acquired travel agency licenses and are aiming to become self-sustaining by developing and selling tourism products. Ikaruga Sangyo is also working with its own departments to utilize idle assets such as vacant houses, land, and tenant shops owned by local residents. The Yoshino Visitors Bureau sells local products at tourist information centers and on its website.

Marketing and management initiatives using objective data and indicators

All three DMOs have established KPIs based on the traffic data on their websites and statistical surveys conducted by tourist information centers, and are working to understand the weaknesses of each region.

Examples of DMOs

We will focus on the Ikaruga Sangyo as a notable DMO in Nara prefecture. Taking advantage of its role as a private-sector company, Ikaruga Sangyo is promoting its business in close cooperation with industry, academia, the government and the finance. It has also established the West Nara Regional Tourism Promotion Council to promote wide-area cooperation with neighboring municipalities.

In December 2020 and January 2021, it conducted a “workation” demonstration experiment in cooperation with the Nara prefectural government, and it is working to uncover new markets and to build a new strategy fit for times of pandemic. As a regional DMO, it is focusing on creating and refining tourism products in cooperation with neighboring municipalities.

(6) Wakayama Prefecture

Main Activities

Each DMO in the prefecture has its own characteristics and its activities are strongly connected to the local background.

The Wakayama City Tourism Association, a DMO closely linked to the tourism associations of local governments, is headed by the mayor of Wakayama City and aims to promote the tourist attractions of the city. Similarly, the Nanki-Shirahama Tourism Association and the Nachikatsuura Tourism Organization, represented by the deputy mayor of Shirahama Town and the mayor of Nachikatsuura Town, respectively, aim to become a year-round destination by utilizing the numerous accommodation facilities in the area.

The Kinokawa Fruits Tourism Bureau, Kishu no Wa, represented by people from local agricultural and fishing cooperatives and Koyasanroku Tourism Bureau, represented by people from commerce and industry associations, are DMOs with strong ties to local industries. The Tanabe City Kumano Tourism Bureau is headed by business owners and focuses on the promotion of the Kumano Kodo Pilgrimage Routes, which cover a large portion of the area. The same is true for the Koya Town Tourism Association, which is represented by people from the Koya Town Chamber of Commerce and Industry and pilgrim accommodation facilities.

The Nanki-Shirahama Airport DMO is a joint-stock company established for the privatization of Nanki-Shirahama Airport. In addition to its activities as a DMO, it is working to increase the number of operated flights, including international ones, and to improve airport facilities.

As mentioned above, Wakayama Tourism Federation was registered as a candidate DMO in November 2021.

Examples of tourism product development, promotion, etc.

The Nachikatsuura Tourism Organization organized an online tour, “Tour to Enjoy Nachikatsuura’s Tuna to the Fullest,” to promote the town’s specialties, “fresh tuna,” “soy sauce,” and “salt,” which was well received.

Measures to increase brand power

DMOs with well-known tourist attractions such as Mount Kōya, the Shirahama hot springs, and Kumano Kodo Pilgrimage Routes, are cooperating with each other for promotion.

Regional synergy: public-private partnerships within the region and wide-area regional cooperation initiatives

There are numerous examples of mutual cooperation, which is also the result of the fact that many of the tourist attractions span across the jurisdiction of several DMOs. For example, the Koyasanroku Tourism Bureau has collaborated with the Tanabe City Kumano Tourism Bureau, the Kinokawa Fruits Tourism Bureau, the Wakayama City Tourism Association, the Higashiosaka Tourism Promotion Organization (Osaka Prefecture), and the Izumisano City Promotion Council (Osaka Prefecture).

Initiatives to increase the attractiveness of the area as a tourist destination

Each DMO is working to deepen the local residents' understanding of inbound tourism by holding roundtable discussions, opinion exchange meetings, and workshops. The Wakayama City Tourism Association and the Koya Town Tourism Association have set KPIs to measure the level of satisfaction of local residents and the ripple effect of tourism on the local economy, respectively.

Innovation

The initiatives organized by the Nanki-Shirahama Airport DMO are noteworthy. In 2020, it conducted a demonstration experiment with Japan Airlines and NEC Corporation to measure the wait time for baggage claim using face recognition technology. It envisions the creation of a cashless payment system based on face recognition, which would cover airport procedures upon arrival, hotel check-in, and accommodation fee payments.

Human Resource Development

The Tanabe City Kumano Tourism Bureau is an example of recognizing the importance of a foreigner's perspective, as proved by its decision to hire foreign employees. On the other hand, the Nanki-Shirahama Airport DMO is also committed to offer job opportunities to the local community. Specifically, it is hiring in cooperation with local companies and offering internships to local university students. In order to promote regional revitalization through industry-academia collaboration, including in the field of local human resources development, it also concluded a comprehensive cooperation agreement with Wakayama University in 2018.

The path to self-sustainability

Although, like each DMO, it relies on commission fees and subsidies from the

local government, the Tanabe City Kumano Tourism Bureau is particularly unique in terms of financial independence. This DMO, which covers Tanabe City, is registered as a Type 2 travel agency, is in charge of tour planning in its jurisdiction, and acts as a local tour operator for its overseas business partners. Before the COVID-19 pandemic, travel business income accounted for 80% of the organization's total income, and it has become a model for other DMOs aiming for similar growth.

Marketing and management initiatives using objective data and indicators

In cooperation with Wakayama Prefecture, the Wakayama City Tourism Association conducts surveys to determine the level of travel consumption and the rate of repeat visitors. In addition, Nanki-Shirahama Tourism Association and Tanabe City Kumano Tourism Bureau use Google Analytics to analyze their websites' traffic data. The Tanabe City Kumano Tourism Bureau analyzes visitor data, and effectively uses a CRM (customer relationship management) system by sending automatic e-mails to request post-trip feedback.

Examples of DMOs

The Tanabe City Kumano Tourism Bureau mentioned above is a notable success story of self-sustainability in the travel industry. The Nanki-Shirahama Airport DMO, which covers the southern half of Wakayama Prefecture, has created a new business model in which it generates its own travel demand by acquiring a travel agency license, and by playing an active role in local revitalization, while managing the regional airport as its main business.

3. Conclusion

In this section, we examined the activities of DMOs in each of the Kansai's six prefectures, and clarified their differences.

- (1) In Shiga Prefecture, DMOs play a leading role in developing the entire region's tourism potential while focusing on Lake Biwa, and in creating a new direction while having the post-pandemic trends in mind.
- (2) Kyoto Prefecture has established three regional DMOs along its main north-south axis and is promoting nature, tradition, and local products.
- (3) In Osaka Prefecture, under the leadership of the Osaka Convention & Visitors Bureau, which covers the entire prefecture, and the regional DMOs in the southern, eastern, and northern parts of the prefecture work to further promote the attractions of each region.

- (4) In Hyogo Prefecture, while the prefectural DMO is responsible for overall PR campaigns and encourage tourist to travel around the prefecture, the cities of Kobe and Himeji, as well as regions where popular tourist attractions are located, have their own DMOs.
- (5) In Nara Prefecture, prefectural DMOs are developing content for north-south tour of the prefecture, while local DMOs specializing in each region are also active.
- (6) In Wakayama Prefecture, while the government takes a leading role on a prefectural level, DMOs are active in each region in accordance with the local circumstances.

As we have seen, DMOs have a multilayered scope of activities that differs from the three categories of wide-area cooperation, regional cooperation, and local. In addition, DMOs are active in regional units that share a common background, and in some cases, the scope of their activities exceeds that of the prefecture, and their boundaries are not necessarily consistent with administrative divisions. This characteristic of DMOs is related to the fact that the “value” of tourist attractions is in large part given by “invisible” factors such as history and culture. The DMOs of the post-pandemic era will have to create “stories” that are based on the regional culture and history and to develop their marketing strategies around them. This is a topic we would like to explore in depth in the future.

In the first half of Chapter 4, we have examined the state of tourism in Kansai while focusing on inbound tourism. Let us briefly review each section.

In Section 1, we examined the impact of the COVID-19 pandemic on tourism and inbound tourism demand.

In Section 2, we focused on each of Kansai’s six prefectures to assess the situation of inbound tourism, the structure of public institutions in charge of tourism and their policies. We also emphasized the importance of the role of DMOs as a complementary entity to ensure a better understanding of local circumstances.

The contents of Section 3 are outlined above.

Two years have passed since the COVID-19 outbreak, and vaccination campaigns are now underway worldwide. Although it will take some time for inbound tourism to fully recover, and for border controls to be relaxed, APIR has stressed the importance of using this opportunity to discuss sustainable inbound tourism strategies. As a result of our discussions, it became clear how important the role of DMOs is in developing solutions for local problems.

The resumption of inbound travel largely depends on the progress of vacci-

nation. Needless to say, ensuring the safety and security of visitors is of utmost importance, but as shown in Chapter 4, Section 1, offering a sense of comfort will play a vital role in future inbound tourism strategies. The DMOs listed here are expected to play an even more active role when the government promptly promotes inbound promotion measures again.

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