



Contents lists available at ScienceDirect

Journal of Destination Marketing & Management

journal homepage: www.elsevier.com/locate/jdmm

Regional Spotlight

The emergence of the DMO concept in Japan: Confusion, contestation and acceptance

Hayato Nagai^{a,*}, Adam Doering^b, Yuji Yashima^a^a Faculty of Tourism, Wakayama University, Wakayama, Japan^b Center for Tourism Research, Wakayama University, Wakayama, Japan

ARTICLE INFO

Keywords:

DMO
Governance
Japan
Strategic planning
Marketing
Management

ABSTRACT

Destination marketing and/or management organizations (DMOs) have been acknowledged as an essential component of the tourism system. However, the ability of DMOs to manage and coordinate destination development in contemporary society is now being questioned by scholars. The focus of this regional spotlight is Japan, a country that has recently turned to tourism as the tool to facilitate economic growth. The paper examines the early emergence of the registered DMO program introduced by the Japanese government in 2015, with a particular focus on how the concept of DMO is being adopted and understood by tourism practitioners at local tourism destinations across the country. Offering insights into the ways the concept of DMO is understood, experienced and employed in Japan, a non-Western context, the paper contributes to the international debate concerning the future role of DMOs globally.

1. Introduction

For over 100 years, destination marketing and/or management organizations (DMOs) have been implemented by tourism practitioners at local, state, regional, and national levels, and are considered an integral component of tourism research and practice (Hall & Veer, 2016; Pike, 2008). DMOs are now regarded as an essential marketing and management tool for tourism destinations responding to increases in demand, global competition, and fragmentation within the industry. Although diverse, DMOs share similar core activities including the coordination of brand positioning and the development of sustained destination competitiveness (Pike & Page, 2014). However, the legitimacy and effectiveness of DMOs in contemporary society, a historical moment characterized by economic uncertainty, fluidity, mobility, and the rapid growth of online media technologies and collaborative cultures, is now under debate (Dredge, 2016a, 2016b; Hall & Veer, 2016; Munar, 2016; Reinhold, Laesser, & Beritelli, 2015). In reality, traditional forms of DMOs in countries such as New Zealand and the United Kingdom have been subsumed into broader economic development agencies (Pearce, 2015; Pike, 2016). This raises the question, have DMOs been made redundant (Dredge, 2016a) or, as Hall and Veer (2016) provocatively ask us to consider, is the DMO dead?

While the future purpose and legitimacy of DMOs are being debated amongst scholars in the West, the concept of the DMO is just starting to emerge in many non-Western contexts, with one notable example being

Japan. In 2015, the Japanese government launched the new DMO program called *Nihon-ban DMO Kouho Houjin Touroku Seido*, which can be translated as 'Registered DMO Candidate Program in Japan', to address the rapid increase in inbound tourism and the lack of coordinated tourism infrastructure needed to respond (Japan Tourism Agency [JTA], 2015). It is important to note that the English abbreviation DMO has been adopted as the official term used for this national government program. English loan-words, referred to as *gairaigo*, are commonly employed by government agencies to emphasize the 'modern', 'international' and 'new' nature of the proposed concept, but research also indicates that such language may also lead to low levels of comprehension and confusion surrounding the idea (Tomoda, 1999). It is from within this socio-cultural background that the term DMO has been co-opted as a Western idea to be employed within the rapidly changing Japanese tourism industry.

The purpose of this regional spotlight is to outline the emergence of the DMO concept within Japan. The paper begins with an overview of the current state of Japanese tourism, especially international inbound tourism, followed by an introduction of the new registered DMO program. It then discusses how the newly introduced term DMO is viewed and interpreted by local tourism practitioners in Japan. By examining the early emergence of the DMO concept in Japan, this regional spotlight contributes to the international debate concerning how, where and why DMOs continue to exist, evolve, and expand in non-Western contexts.

* Corresponding author.

E-mail addresses: hnagai@center.wakayama-u.ac.jp (H. Nagai), adoering@center.wakayama-u.ac.jp (A. Doering), yashima@center.wakayama-u.ac.jp (Y. Yashima).<https://doi.org/10.1016/j.jdmm.2018.02.001>Received 3 September 2017; Received in revised form 29 January 2018; Accepted 4 February 2018
2212-571X/© 2018 Elsevier Ltd. All rights reserved.

2. Inbound tourism and emergence of the DMO concept in Japan

Tourism was not considered a core driver of the nation's economic growth by the Japanese government during most of the twentieth century (Ota, 2016). However, after the launch of the Visit Japan Campaign (VJC) in 2003, which aimed to attract 10 million international tourists annually by 2010, greater effort was made to stimulate tourism demand, particularly inbound tourism, to advance broader economic growth strategies in Japan. As a result, tourism is now recognized as a major pillar of the economic growth strategy and a critical industry for facilitating rural and regional revitalization (Prime Minister of Japan & His Cabinet, 2016). In 2016, more than 24 million international tourists visited Japan, representing the highest number of international tourists in the nation's history (Japan National Tourism Organization [JNTO], 2017). This marks a four-fold increase in the number of international tourists who visited Japan since the launch of the VJC just over a decade ago (JNTO, 2017). As a result, the Japanese government subsequently revised their targets and now aims to receive 40 million international tourists by 2020 (the year that Tokyo hosts the Olympic Games) and 60 million international tourists by 2030 (JTA, 2016).

The Japanese government aims to establish itself as a 'tourism-oriented developed nation' and has introduced several strategies to manage this increase in tourism demand (JTA, 2016). The registered DMO program is a key initiative proposed by the Japanese government with a view to establish 100 principal DMOs across the nation by 2020 (JTA, 2016). Most prefectures and municipalities already have *Kanko Kyokai* (Tourism Associations), which are often semi-public organizations that commonly rely on government funding. They represent the destinations and their primary function is to coordinate and conduct marketing activities. The Japanese government's primary concern with these existent organizations is that they have not invested in productive marketing activities and have not sufficiently engaged in multi-stakeholder collaborative management (JTA, 2015). The government designed the DMO program expecting that it could help address these issues. Registered organizations are given the opportunity to receive support to advance their organizations' destination marketing and management portfolios (JTA, 2015).

In addition to existing organizations such as *Kanko Kyokai*, newly established organizations are also eligible to initially apply for registration as a DMO candidate in one of three categories: inter-prefectural (*Koiki Renkei*), inter-municipal (*Chiiki Renkei*), and municipal (*Chiiki*) levels. Successful candidate organizations will then be registered as DMOs upon meeting five criteria: establishing a vision, developing marketing analysis and performance management programs, coordinating stakeholders, meeting specific human resource requirements, and demonstrating sustainable funding (JTA, 2017a). The candidate organizations were first announced in February 2016, and notices of the newly selected organizations are updated on an ongoing basis. By August 2017, 157 organizations had been selected as candidates. Within these numbers, 41 candidate organizations (five inter-prefectural, 23 inter-municipal, and 13 municipal levels) were officially upgraded to DMOs in November 2017 following their performance reviews (JTA, 2017b). Growth in the number of registered organizations is depicted in Fig. 1.

3. Local tourism practitioners' perceptions of the DMO concept: A snapshot

The rapid increase in inbound tourism and growing interest in the registered DMO candidate program raises some important questions. How do local tourism practitioners perceive the DMO concept? How is DMO understood and interpreted by these organizations? To gain initial insight into these questions, in-depth interviews were conducted with the directors and other representatives of eight destination organizations (two prefectural and six municipal levels) across Japan between

late 2016 and mid-2017. The interviews were open-ended, exploratory and guided by a series of questions relating to the organizations' understanding of the DMO concept and program, how their organizations are currently structured, financed and managed, how they viewed the new DMO program, and what influence they perceive it may have on their organizations. The participating organizations were eager to talk about their views of the new DMO program with the interviews ranging in duration from one to three-and-a-half hours. The interviews took place in the organizations' offices and comprised one of the prefectural-level organizations (inter-municipal level) and three municipal-level organizations (municipal level) that were already listed as candidate organizations. The remaining four destination organizations had not applied for registration with the program.

Common challenges encountered by the destination representatives and stakeholders were identified during the interviews. The most common issue raised was with a basic understanding and interpretation of the DMO concept. When using broadly applicable definitions from the tourism literature (Hsu, Killion, Brown, Gross, & Huang, 2008; Pike, 2008; Wang, 2011), the existing *Kanko Kyokai* (Tourism Associations) in Japan could already be considered as DMOs. However, a commonly held perception by practitioners was that existing organizations and the new DMO candidates are distinct in structure. In other words, they did not consider their organizations to be a DMO unless they were registered with the national program. Many organizations had difficulties understanding and describing the basic DMO concept and related objectives. More fundamentally, confusion was also expressed about what the abbreviation DMO even means. Although many of the interviewees were able to understand basic English words, and were therefore able to translate the individual meaning of each word represented by each initial in DMO, understanding the overall relevance and meaning of the concept proved challenging.

A representative of a municipal-level organization that did not apply to participate in the program claimed that neither he nor his team had heard the term DMO prior to introduction of the program. Although he was potentially interested in becoming involved, he thought that a clear understanding of the term and the concept needed to be established within the organization first. Another municipal-level destination representative, who also did not apply for registration in the program, recounted how his organization was frequently identified as a model example of a DMO in Japan by industry professionals owing to its active commitment to destination branding activities and stakeholder collaboration. However, although he was aware of the JTA's DMO program, he was unsure what DMO meant and what constituted a successful DMO, both in Japan and internationally.

On the other hand, the new DMO program was described by some participants to be a necessary step in Japan's tourism development and planning. One representative of a prefectural-level organization that had been registered as a candidate organization at the time of the interviews explained that although his understanding of the DMO concept was unclear, he believed the program represented a 'new wave' in the development of tourism in Japan. He continued to explain that 'riding the wave' (i.e. participating in the program) was an essential step to ensuring a successful review and enhancement of an organization's activities, and importantly to continue receiving funding from the government. It should be noted that many organizations currently relying on government funding also depend on the provision of human resources sourced through the government. This is achieved through the temporary transfer of staff from the municipal or prefectural governments to the destination organizations. These personnel are not necessarily proficient in tourism and stay only a few years. This labor practice was identified as being a key barrier to better management and development of the tourism industry: a barrier which the new DMO program does not offer a solution and may even further exasperate these problems.

Overall the preliminary interviews revealed that the concept of DMO has received both positive and negative attention from

Download English Version:

<https://daneshyari.com/en/article/7419438>

Download Persian Version:

<https://daneshyari.com/article/7419438>

[Daneshyari.com](https://daneshyari.com)