# Marketing Strategies to Attract Japanese Tourists to the UNESCO World Natural Heritage Site: Xianny Mountain in Chongqing, China

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#### **Abstract**

This paper is designed to make recommendations to the Chongqing Municipal government to attract Japanese tourists to the UNESCO World Natural Heritage site; Xiannv Mountain in Chongqing, China.

It applied the Travel Life Cycle theory to identify Japanese outbound travelers' segmentation and to identify target and potential tourist segments for Xiannv Mountain. The identified key tourist segments are Companies trips in the form of rewards, relaxation, and bonding and the silver travelers who love the beauty of nature and enjoy the benefits of annual tax rebates. In addition, two potential tourist segments were also identified for future development: family trips and school excursions.

This paper presents six recommendations for the Chongqing Municipal government to attract the Japanese tourists to the Xiannv Mountain. These include: (1) Improving the image of the destination, (2) Designing tour packages to fit the different needs of each segments, (3) Strategic location of tourist offices, (4) Improving souvenir strategy, (5) Bridging Chongqing's travel agencies to Japanese travel wholesalers. (6) Promoting Xiannv Mountain as a convention destination. These recommendations will enable Xiannv Mountain to become an international tourist choice destination, especially for the targeted Japanese tourist segments. It will also serve as a reference for the Chongqing hospitality industry with the intention of attracting Japanese tourists.

# **Table of Contents**

			Pages	\$
Ac	knowledgem	ent		ii
Ab	stract			iii
Chapter 1:	Introduction	n		
1.1	Background	d of the Study		1 - 2
1.2	Questions			2
1.3	Significanc	e of the Study		2
1.4	Methodolog	gy		2 - 3
1.5	Structure of	f the Paper		4 - 5
Chapter 2:	Scenic Spo	t Analysis		
2.1	Tourism in	Chongqing		5 - 6
2.2	Attractions	of Xiannv Mountain		7
2.3	Present Situ	uation of Xiannv Mountain		8
Chapter 3:	Feasibility	Study		
3.1	Market Ana	alysis		9
3.2	Consumer 1	Behaviours Analysis		10
	3.2.1	General Characteristics of Japanese Tourists		10
	3.2.2	Segmentation of Japanese Tourists		11 - 17
	3.2.3	Managerial Implications		17 - 19
	3.2.4	Other Considerations to Penetrate the Japanes	se	19
		Outbound Market		

## Chapter 4: Marketing Strategies 4.1 Where are we now? 20 - 21 4.2 Where do we go from here? 21 4.2.1 Vision 21 21 4.2.2 **Mission Statement** 4.2.3 22 Goals 4.2.4 Objectives 22 4.3 How do we get there? 22 4.3.1 **Market Positioning** 22 Core Competency 4.3.2 23 4.3.3 Recommendations 23 **Publicity Strategy** i 23 - 24 ii Tour Packages Strategy 24 - 30 30 - 32 iii **Location Strategy** Product Strategy 32 - 35 iv Approach Strategy 35 - 38 V 38 - 40 **Promotion Strategy** vi Chapter 5: Concluding Remarks 41 - 42 References 43

## **Chapter1: Introduction**

## 1.1 Background of the Study

Chongqing (重庆) is a major city located in south western mainland China and it is one of the five national central cities. It is administratively one of the People's Republic of China's four direct-controlled municipalities; the other three are Beijing, Shanghai, and Tianjin, and the only such municipality in western China. It has jurisdiction over 19 districts, 17 counties, and four autonomous counties which cover an area of 82,300 km<sup>2</sup>. It is possibly the world's largest municipality by area and population. Chongging is also blessed with many scenic mountain ridges (which includes a UNESCO designated World Natural Heritage Site), rich cultural heritage and local delicacy such as the Chongqing Hot Pot (重庆火锅) and Mapo Tofu (麻婆 Chongqing is a tourist choice designation for many holiday makers in mainland China and Hong Kong. The tourism industry has always been crucial to the economic development of Chongqing as it boosts local economy; creates employment opportunities and increases the income and standard of living of the local population. In 2010, the Chongqing Municipal government has set a long-term strategy to establish Xiannv Mountain in Chongqing, which is a UNESCO's designated World Natural Heritage Site in 2007, into an International tourist destination. This long-term strategy was set as broad strategy without any specific marketing strategies. In order to become an International tourist destination, as a first step, the Chongqing Municipal government needs to identify the targeted groups of tourists and customize packages which cater to their needs. In this study, the Japanese tourists is identified as the target group due to its potential large market size, power to consume, geographical proximity, love for nature, and the potential to be repeat travellers.

#### 1.2 Questions

Japanese tourists are unique and are different from the travellers of other Asian and western countries. They are discerning customers who share a philosophy of 'Consumer is King' in Japan. This leads to 2 important questions;

- (1) Which segments of the Japanese tourists group can be targeted for the tourism and hospitality industry at Xianny Mountain?
- (2) What are the most effective marketing strategies to attract potential tourists from the target segments?

#### 1.3 Significance of the study

The paper's contribution can serve as a reference document for the Chongqing Municipal Government to formulate marketing strategies to develop Xiannv Mountain as an International tourist destination. In addition, this paper also aims to inspire those in the tourism and hospitality industry who have the intention to attract Japanese tourists. They will benefit from the detail information on the travel habits of the Japanese tourists and their preferences.

#### 1.4 Methodology

This study uses the 1998 secondary data from the Japan Travel Bureau. It is based on the Travel Life Cycle theory which the data was collected according to 8

segmentations of the Japanese Travel Life Cycle. It includes family trip, school excursion trip, language study trip, graduation trip, overseas wedding trip, honeymoon trip, in-company trip, and Silver trip. The data analysis included three categories of variables; market size, portion of customer buying group tours and top three destinations. In this study, for example, the portion of customers buying group tours is used to discover the most appropriate market group, the group of people or the travel agency while the top three destinations is used to discover the possibility for Japanese travellers to choose Xiannv Mountain by comparing with its merits and characteristics of the scenic spots.

## 1.5 Structure of the paper

This paper will create the marketing strategies to attract Japanese tourists to the Xiannv Mountain which is also a UNESCO World Natural Heritage site. First, it presents the overall situation of Xiannv Mountain. Second, it targets potential segments among the Japanese tourists which match with the unique features of the Xiannv Mountain as a tourist destination. Then the effective marketing strategies targeting these key segments will be developed from an International management perspective. It will attempt to answer 3 strategic questions; where are we now? Where do we want to go? And how can we get there? The strategic plan is divided into 3 parts. Based on the principle of 'knowing yourself and knowing your enemy', the first part will examine the internal and external analysis of the situation of Xiannv Mountain. The SWOT analysis is used and it is the crucial tool for this section. Next is to define the mission, vision statement, goals, and objectives. Finally is to

emphasize on developing effective marketing strategies to attract the Japanese tourists.

**Keywords:** Japanese tourists, Marketing strategies, Xianny Mountain, tourism.

**Abbreviations:** SWOT, UNESCO, JTB, JTLC.

## **Chapter 2: Scenic Spot Analysis**

## 2.1 Tourism in Chongqing

Surrounded by mountains ridges and embraced by the *Yangtze* and *Jialing* rivers, Chongqing is known as a 'mountain city' and a 'city on rivers'. Chongqing is China's newest municipality created on 14<sup>th</sup> March 1997 and has over 3000 years in history and local culture heritage. It is also one of the four Chinese cities identified on the world map at the United Nations (UN) General Assembly Hall.

Chongqing, with its total population of over 30 million and geographical area of 82,300 km², is the biggest mega city in the world. It is situated at 105`17'-110`11' E and 28`10'-32`13' N, located at the transitional area between the *Qinghai-Tibet* Plateau and the plain on the middle and lower reaches of the *Yangtze* River in the sub-tropical climate zone swept by the moist monsoon.

Chongqing is particularly rich in cultural relics and historic sites as well as natural landscape. In 1999, the UNESCO listed the *Dazu* Stone Sculptures on its World Register of Culture Heritage. In addition, Chongqing has the unique magnificent natural scenery of mountain, rivers, forests, springs, waterfalls, gorges and caves. The best natural scenery is perhaps found in the *Yangtze* Three Gorges. High cliffs standing face to face on both sides of the *Yangtze*, forming a natural gallery of arts. In 2007, the UNESCO listed the Xiannv Mountain on its World Register of Nature Heritage due to its extraordinary beautiful natural scenery and uniqueness as part of the *Wulong* Karst landscape.

The average annual temperature is around  $18^{\circ}$ C, with the lowest winter temperature averaging between  $6^{\circ}$ C and  $8^{\circ}$ C and summer temperature averaging between  $27^{\circ}$ C and  $29^{\circ}$ C

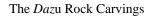




Chongqing's location in China

Chongqing's Administrative Division Map







Yangtze Three Gorges

#### 2.2 Tourism in Xianny Mountain

Xiannv Mountain is located within the *Wulong* County, southeast of Chongqing, on the later reach of *Wujiang* River.

It is approved as UNESCO World Nature Heritage site in 2007 and become one of the six UNESCO World Nature Heritage sites in China. It is a nationally rare geological wonder, which belongs to the typical Karst landform. It amazes the world with three large-scale, majestic stone arch bridges.

Xiannv Mountain, 2033 meters above sea level, consists of 2.2 million hectares of forests and 66000 hectares of natural grasslands areas. In summer it has an average temperature of 22 degrees Celsius and is a popular summer vacations locations with the domestic tourists. During winter, Xiannv Mountain has the reputation of 'Switzerland of the East' for its rare snow landscape, charming grassland, and beautiful forest.

Xiannv Mountain is situated 170 kilometres away from the Chongqing Central Business District (CBD). Upon the completion of a new highway in 2009, the actual distance has been shortens to 120 kilometres and takes only 1.5 hours by bus rides from Chongqing CBD. According to the statistics provided by the Tourism Bureau of *Wulong* County, more than 3 million visitors, both from domestic and overseas, visited Xiannv Mountain in the first 3 quarters of 2009. This is an increase of 110.2% comparing to the same period last year.



Three Natural Bridges: A typical Karst landform





Qingkou Giant Doline (Tian Keng)

National Forest Park

#### 2.3 Present Situation of Xianny Mountain

Although Xiannv Mountain is equipped with extraordinary beauty of nature it was only designated as UNESCO World Nature Heritage site until recently in 2007. There are many infrastructural facilities which are still either under construction or in the conceptualization phase. Moreover, Chongqing is not a traditional tourist destination for international tourist compared to other provinces in China such as *Yunnan* and *Sichuan*. This is partly due to its previous ambiguous positioning and ineffective publicity activities and poor accessibility prior to the completion of a new highway which has significantly shorten travelling time to only 1.5 hours.

## **Chapter 3: Feasibility Study**

#### 3.1 Market Analysis

The U.S. Department of Commerce reported the total number of outbound travellers from Japan reached a record annual high of 16.8 million in 1997 (Imai, 1998). The strong Japanese Yen has also increased the number of Japanese overseas travellers. Japan is one of the few countries that have aggressively encouraged its people to travel abroad, evidenced by its renowned Ten Million Programs which geared the growth of outbound tourism as an 'export substitution' strategy for allaying criticisms about Japan's growing trade imbalance with the rest of the world while at the same time on the domestic front allowing the government to be seen to be doing something about the quality of life for its citizens. The target for the program had long been exceeded but this strategy to use the outbound travel to balance its foreign trade deficits is unlikely to change (Burns, 1996).

The Japanese tourism market is highly competitive. Its current market trends include: (1) A trend towards 'cheaper, closer, and shorter', due to the prolong recession of the Japanese economy, shown in the consumption pattern of the Japanese consumers; (2) Mainstream demand by more senior travellers have also shifted to other 'alternative choice' destinations which is less costly (Narisawa, 1995).

#### 3.2 Consumer behaviours analysis

- 3.2.1 General characteristics of Japanese tourists (Narisawa, 1995).
  - a. Japanese as a man of curiosity.

Japan is geographically isolated island, and had closed its doors for over 250 years till 1868. And overseas travel was actually prohibited after World War Two till 1964. That's why everyone is eager to know overseas places and things.

b. Japanese as a group-doer.

Japanese people rarely travel alone since most of them do not have enough confidence to communicate in foreign languages and they are not used to reason about possible disputes.

c. Japanese as a defenceless tourist.

Life in Japan is basically safe because society is of single nationality. So people are not ready for theft.

d. Japanese as a man of cleanliness.

'Safe and clean' has always been a Japanese way of life. This can be observed from the general living environment in Japan.

e. Japanese as a pacifist.

Japanese has a preference for harmony over conflicts.

#### 3.2.2 Segmentation of Japanese tourists.

An effective way to gain competitive advantage is to divide the market and target one or more specific market segments that are unique and more viable than others. In order to better analyse and target the Japanese travellers, this paper identifies and segments eight stages of the Japanese Travel Life Cycle (JTLC). They are family trip, school excursion, language trip, graduation holiday, honeymoon, overseas wedding, in-company trip, and Silver trip. The eight stages of the JTLC comprise various institutionalized forms of overseas travel that a Japanese individual is likely to undertake through his or her lifetime. Why have these segments been chosen? According to Roger March (2000): firstly, Japan is a group-oriented society in which travel, no less than other forms of social interaction, has traditionally been undertaken in groups rather than individually. Second, Japanese people are related to the notion of group; many aspects of social behaviour are institutionalized.

The following section is the stages of the Japan Travel Life Cycle and the possibility of visiting Xiannv Mountain. This section will briefly explain the eight stages of the Japanese Travel Life Cycle (JTLC). This is done by comparing it with Xiannv Mountain's merits and characters and allows the segregation of key customers and potential customers. The following Table 1 summarizes the main indicators of each stage.

Segment	Size (% of total market)	Proportion of customers buying group tours <sup>4</sup>	First	Top three destinations Second	Third
Family trip <sup>1</sup>	25%	75-80%	Hawaii	Guam	Australia
School excursion <sup>2</sup>	0.8%	90-100%	Korea	China	Australia
Language study	1.5%	75-85%	U.S. Mainland	U.K.	Australia
Graduation trip <sup>3</sup>	0.4%	50-70%	U.S. Mainland	Hawaii	Asia
Overseas wedding	0.5%	90-100%	Hawaii	Guam	Australia
Honeymoon	2.6%	75-80%	Hawaii	U.S. Mainland	Australia
In-company trip	12%	80-90%	Hawaii	Hong Kong	S.E. Asia
Silvers	16%	60-70%	Hawaii	Italy	Hong Kong
Overall market (1997)	16,803,000	70%	U.S. Mainland	Hawaii	Korea

Source: JTB Report '98, unless stated otherwise.

Notes: 1. Includes family and relatives as travel companions. 2. "Kaigai Shugaku Ryokô no Jisshi Jôkyô" [Situation of overseas school excursions] 3. 1995 figures (Travel Journal, Feb. 10, 1997) 4. Industry estimates based on interviews.

Table 1: Summary of Japanese Travel Life Cycle

## **Stages of the Japanese Travel Life Cycle**

## Segmentation 1: Family trip (kazoku ryokô)

The family trip segment which consists of parents and at least a child (usually under the age of 12 years old) represents about more than 20 percent of total outbound travel. There is an increase on overseas family travel and has become an integral part of many Japanese families. The parents with toddlers or very young children consider short-haul destinations such as Guam and Saipan are the preferred choice. There is an emerging trend in the multi-generation family trip to include grandparents joining the family trips. The two major reasons cited for family trips abroad were the low cost of these trips and the opportunity for their children to experience things outside Japan. The analysis of this segment to choose the Xiannv Mountain for their trips is as follows: (1) Xiannv Mountain with its rich nature scenic and historical sites is bipolar from the top three choices

for family trip destinations, such as Hawaii, Guam, and Australia. Especially for families with toddlers or very young children, the Xiannv Mountain is less likely to be chosen since it requires some walking and relatively far distance can be regarded as inconvenience. (2) Families with teenagers will prefer to travel further and perhaps to destinations with cultural and historical sightseeing spots and such perception will be good for Xiannv Mountain. They will be able to enjoy the wonderful view of nature wonders as well as a good opportunity to access to more historical knowledge. In addition, the lower pricing as compared to destinations such as Hawaii, Guam, and Australia will be another value factor for family trips with teenagers.

## Segmentation 2: School excursion (shugaku ryokô)

School excursions refer to organized school travel by junior and senior high school students to places of historical and cultural interest. 95 percent of students were from senior high schools. Currently, while the domestic *shugaku ryokô* are still more prevalent, increasingly schools are opting for an overseas school excursion so as to allow students to experience things out of Japan. The analysis of this segment to choose the Xiannv Mountain for their trips is as follows: (1) As shown in Table1, China is one of the top three destinations for this segmentation and in fact ranked No. 2. This is no doubt encouraging news for Xiannv Mountain. However, its rather remote location and lack of reputation as a tourist destination must be overcome to attract this segment of Japanese tourists.

## Segmentation 3: Graduation trip (sotsugyo ryokô)

Graduation travel, or *sotsugyo ryokô*, refers to overseas travel taken by university students after completing their final year studies and before beginning full-time employment. They will usually travel in early March and U.S. mainland, Hawaii and Asian are the top three destinations. The analysis of this is as follows: this segment is unlikely to choose Xiannv Mountain since the best time to visit Xiannv Mountain is during summer to enjoy the cool weather. The early march period may be too cold to visit and deem unsuitable for this segment.

## **Segmentation 4: Overseas weddings**

One of the fastest growing new market segments in recent years is overseas wedding market. According to a research by industry provider Watanabe Wedding Company, approximately 40,000 couples had their weddings overseas. The top three destinations for this segment are Hawaii, Guan and Australia. Hawaii captures over 60 percent of the overseas wedding market followed by Australia with 14 percent. (Asahi Shimbun Newspaper, 1997) The advantages of an overseas wedding are the relatively lower cost, easier arrangements, and a more intimate and relaxed atmosphere which heightened the mood for romance. The analysis of this segment to choose the Xiannv Mountain for their trips is as follows: weddings are usually seen as a 'once-in-a-lifetime' event and younger couples will prefer to choose destinations with ambience of romance and better with view of the sea, thus Xiannv Mountain may not fit for this segment.

#### **Segmentation 5: Honeymoon trip**

In Japan, approximately 750,000 couples tie-the-knot annually out of which 60 - 80 percent opted for an overseas honeymoon trip. These couples do not place budget as the utmost priority and are willing to spend more on accommodations, meals, tours and shopping compared to the other market segments. The analysis of this segment to choose the Xiannv Mountain for their trips is as follows: Honeymoon trip is the most lucrative and sought after segment, similar to the overseas weddings segment, but Xiannv Mountain does not fit this segment.

## Segment 6: In-Company trip (shokuba ryokô)

A custom in Japanese corporate life is for company workers to take a vacation with their co-workers once a year, called *shokuba ryokô*. The trip lasts between a few days to a week. The most popular traveling months are in the autumn months of October, November and followed by June. Japan's economic downturn during the 1990s sparked a decline in *shokuba ryokô* in both domestic and overseas markets. In 1996, according to a survey by the Sanro Research Institute, firms sponsored company trips have been down from 90 percent to 74 percent (Nikkei Weekly, 1997). In addition, only about a third of Japanese companies offer their employees overseas trips. Despite such decline, about 7 - 10 percent of overseas travellers each year reportedly travel with company colleagues. The top overseas destinations in 1996 were Hawaii, Hong Kong/Macau and Southeast Asia, followed by Guam/Saipan, Korea and Australia. The majority of such overseas trip lasted between 2 - 3 nights. The analysis of

this segment to choose the Xiannv Mountain for their trips is as follows: (1) the best season to visit Xiannv Mountain is in summer. June may not be the most ideal period for this segment, but it is an alternative choice. Xiannv Mountain with its scenic sightseeing spots and various fun activities such as golf, grass skating, and team spirit building activities will be quite attractive to this segment.

(2) Xiannv Mountain with the merit of reasonable pricing will be popular with organizers who are concerned about budget constraint.

#### **Segment 7: Language study trip**

This segment is almost unlikely to choose, as part of their language study trip, Xiannv Mountain as a destination. In Japan, English has always been their first priority to learn a foreign language. The rise of China in international trade may shift some of this focus in the future. However it is unlikely to form a substantial market segment for Xiannv Mountain.

#### **Segment 8: Silver market**

The Silver market refers to travellers over the age of sixty. Japan has a most rapidly ageing society in the world, with 25 percent of the population expected to be over the age of sixty by 2020. In 1995, 1.75 million Japanese over the age of 60 had travelled abroad, an increase of 14.2 percent over the previous year, accounting for 11.5 percent of total outbound travellers. This figure increases to 26.8 percent, representing one in four of all Japanese travellers, when considering those of 50 years old and above. According to a JTB (1998) research, almost 4 out of 10 silver travellers are accompanied by their spouses, 24 percent travel

with family members and 20 percent with friends and acquaintances. The most popular destinations for Silver travellers are the U.S., followed by South Korea, mainland China, Taiwan, and Hong Kong. Recent trends show that Silver travellers are staying longer duration in overseas destinations and this explains the strong interest of the travel industry in this segment. Longer stays are growing because Silver travellers have more disposable income and time. The greater propensity to spend may be the result of the mandatory high inheritance taxes of between 20 - 25 percent. Many elderly prefer to spend on overseas trip and enjoy their retirement days rather than having their wealth diminished through inheritance taxes. The analysis of this segment to choose the Xiannv Mountain for their trips is as follows: (1) Xianny Mountain is an ideal destination for this segment of tourists. The tranquil scenery, serene atmosphere, and cool temperature become an ideal place for them to enjoy hot summer in Japan. (2) The reasonable pricing and strong Yen are deciding points for the Silver travellers to extent their stay longer.

#### 3.2.3 Managerial implications

The analysis of the aforementioned eight segments of Japanese outbound travellers had provided some answers to at least two important marketing questions: (1) Which are the target segments? (2) Which are the potential segments?

	Market Growth				
		High	Low		
Market Share		Silver (Stars)	Family trip with teenagers In-Company trips (Cash Cows)		
Mar	Low	School excursions (Question Marks)	Overseas weddings Honeymoons Language study trip Graduation trip (Dogs)		

The Silver segment, with the merits of large market share, accounts for 16 percent of the total Japanese outbound travellers in 1997. Since then, there has been a growing trend in this segment due to the rapid ageing society in Japan and will be the Stars and definitely our target segment. School excursion trips have a small market share of only 0.8 percent. This segment can be nurtured through mutual cultural exchanges between schools of both countries which will be illustrated later. School excursions will be our potential customers where we can make efforts to this market.

The Family trip accounts for a significant 25 percent of the market share which has less possibility for steadily growth and will be the Cash Cows. The families with teenagers deserve our particular attention.

The In-Company trip is another attractive segment in Japan. It accounts for 12 percent of the total market share while Xiannv Mountain may be suitable as their alternative choice for In-Company trip that is organized for June. Although the market size of this segment is not as large as Family trip, they tend to spend more on accommodations, food and entertainment. This is categorized under Cash Cows and will be our potential segment for further nurturing.

## 3.2.4 Other considerations to penetrate the Japanese outbound market

In addition to the analysis on the Japanese travellers' habit, the other important factor is that Japanese travel market is very much controlled by a small number of large travel agencies. It is of paramount importance to co-operate with these agencies and jointly develop effective channel strategies by harnessing their knowledge on domestic distribution.

## **Chapter 4: Marketing Strategies**

The previous chapter had identified the target and potential Japanese travellers for Xiannv Mountain. This chapter aims to apply those results and to develop marketing strategies to enhance the attractiveness of the Xiannv Mountain to Japanese tourists. This plan is developed for the Chongqing Municipal government and the scope of the plan will be guided by the following three marketing questions: (1) Where are we now? (2) Where do we want to go? (3) How can we get there?

To answer the aforementioned questions, this marketing plan is divided into three major parts. First, is to analyse the situation internally and externally. The SWOT (Strength, Weakness, Opportunities, and Threats) analysis is the tool used for this part of the study, and it will focus on how to turn the Threats into Opportunities. Second, it is to define the mission statement, goals and objectives of this initiative. Finally, it will focus on developing marketing strategies to assist the Chongqing Municipal government in developing a clear goal and workable action plan to promote Xiannv Mountain to the target and potential Japanese travellers.

#### 4.1 Where are we now?

To the Japanese tourists, Chongqing may not be as appealing as compared to Shanghai as 'The Pearl of the Orient' nor Hong Kong as 'Shopping Paradise'. The unique tranquillity and closeness to nature experiences offered by Xiannv Mountain is above what Shanghai and Hong Kong have to offer. Sun Tzu said, 'know yourself

and know your enemy, a hundred battles fought and a hundred battles won. This understanding is the start of the study.

## SWOT analysis for Xiannv Mountain to attract Japanese Tourists

Internal	<ul> <li>UNESCO's accreditation.</li> <li>Rich nature &amp; culture heritage.</li> <li>Friendly local people.</li> <li>Delicious and healthy cuisine.</li> <li>Supportive government policies.</li> <li>Low cost services; foot and body massages by professionals masseurs.</li> <li>International annual outdoor activities.</li> </ul>	<ul> <li>Unfamiliarity.</li> <li>No clearly defined and strong umbrella brand.</li> <li>Accessibility.</li> <li>No marketing plan.</li> <li>No differential souvenir.</li> <li>Lack of clear and strong identity.</li> </ul>
External	<ul> <li>UNWTO's forecast on increasing demand to visit China.</li> <li>Japanese travellers' preference for 'cheaper, closer, and shorter' trips.</li> <li>Japan 's aging society.</li> <li>Governmental will to promote mutual friendships between China and Japan.</li> </ul>	Competition from other parts of China.

## 4.2 Where do we want to go?

The marketing plan will be created in accordance with the policy of Chongqing Municipal government. The plan is developed to fulfil the aim to increase Japanese outbound tourists to Xianny Mountain.

#### **4.2.1 Vision**

To develop Xianny Mountain into a world class tourist destination.

#### 4.2.2 Mission Statement

Xiannv Mountain will become the first choice holiday destination and through the delivery of world class services and competitive pricing.

#### 4.2.3 Goals

The middle term goal is to increase the number of Japanese tourists visit to Xiannv Mountain by at least 15 percent annually for the next five years from the implementation of the marketing strategy.

#### 4.2.4 Objectives

The following objectives will assist Xiannv Mountain to achieve the mission and goals stated above.

- To ensure that tourism programs and initiatives are highly market-focused,
   developing specific tour packages for each segment.
- To build infrastructures to facilitate accessibility and amenities to increase the convenience and comfort level for tourists.
- To provide training for all service staff to enable them to provide a high level of service quality.
- To improve hygiene and sanitary level and amenities.
- To foster a positive perception among key visitors and potential visitors
   by improving quality standards and offering greater convenience.
- To establish partnership relationship with Japan's key travel wholesalers

## 4.3 And how can we get there?

#### 4.3.1 Market positioning

Xiannv Mountain aims to position itself to Japanese outbound travellers as a specialty destination with natural wonder, culture uniqueness and a leisure destination for a revitalizing holiday.

#### 4.3.2 Core competency

Two products core competencies are prominent, they are:

- Priority focus on the closeness to the miracle of nature.
- Value-add to the rich nature heritage with various kinds of annual
   International outdoor activities and professional foot and body massages
   to provide both leisure and entertainment activities.

#### 4.3.3 Recommendations

i. Improving the image of the destination.

Consumers' image of the destination is vital to their choice. Consumers' images are considered a crucial part of the product or the brand and the foundation for marketing efforts (Aaker, 1991). However, consumers' of the destination not only come from their own travel experiences, but also are influenced by other people's experiences and evaluation, general information and promotional campaigns. This knowledge will help us to understand the importance of branding and marketing Xianny Mountain in Chongqing.

For the relative distant and unknown destination like Xiannv Mountain, the key question is whether its geographical names is meaningful to people that have not visited the place before and, further, whether there are any other types of attributes that should be used for creating positive images to increase meaningful activities to attract customers in the future.

Based on this understanding, the government should conduct a marketing research of Japanese visitors' knowledge of Xianny Mountain, both common

and unique. We can perform an empirical study of Japanese tourists' images of Chongqing Xiannv Mountain. We focused on the diversity of images that Japanese tourists had of Xianny Mountain, such as the mountains, water, landscapes and coldness seem to be common images of Chongging Xianny Mountain. These findings can provide additional information to marketers in developing marketing branding and communication strategies. Branding the destination where cognitive images such as 'mountain' and 'coldness' are central images which are challenging to change people's perception. However, in association with positive attitudes (e.g. warm people, fresh air, beautiful nature) and positive associated many interesting outdoor activities (e.g. camping, cycling etc.), a strong and unique brand image can be developed towards a certain customer niche. There seems to be a challenge in combining the unique and harsh conditions with a warm and hearty atmosphere. It is important to acknowledge these challenges to order to better the image of the destination.

ii. Designing various tour packages to fit different needs of each segment.

The strategic steps of attracting Japanese visitors should be as follows: (1) study the visitors traveling behaviour; and then find the basic dimension. We found that there are mainly eight purposes of traveling for most of Japanese people. According to this, we segmented Japanese visitors into eight groups. (2) We should describe our key customers and potential customers in order to meet their demand, and offer what they exactly need. (3) We can

implement our findings and strategies. Now we come to the most challenging part of designing tour packages to their expectations. In this process, the organizers should adopt customer oriented concepts, and always ask themselves two questions: what motivates drive these segments to travel and how can we meet their needs?

Nowadays, tourists are becoming more and more sophisticated. Their expectations regarding the quality and variety of tourism services have increased tremendously. From a tourist's perspective, tourist satisfaction can be achieved only if the core offering can meet or exceed the expectations of the customer; peripheral offerings thus assist the organizer in providing added value to the core offering. Morrison (1996) points out those packages are part of an organization's product/service mix and thus define the epitome of the marketing concept; they are tailored offerings - made to meet specific customer needs and wants. As a result, understanding the preferences and travel-related behaviour of tourists is vital to tourism organizers. To win customers requires an understanding of their preferences; the organizer should differentiate the tour packages to satisfy them.

Norman (1984) suggests that most service offerings consist of a 'core service' (the primary need or main reason for choosing a service), and the 'peripheral services' (the little things, or added bonuses that support and complement the primary need). Thus in a tour package for example, the core service includes a choice of the destination, number of days at the

tourist destination, type of the accommodation and food, while the peripheral service includes the additional facilities such as courtesy buses to and from the airport, travel insurance, etc.

There are five relevant holiday package dimensions: Choice of destination; type of the accommodation; number of nights at the destination; total cost per day of the trip and the kind of vacation considered.

A typical Xiannv Mountain program may comprise the following: (1) sightseeing in the world wonder of karst landscapes *Qingkou* Giant Doline and Three Natural Bridges, (2) sightseeing in the Xiannv Mountain and grassland, (3) roasting of mutton with local people (4) exploring the *Fu Rong* Caves by river rafting.

To the customer, the organizer should offer distinctly different holiday packages: budget plan, moderate plan and deluxe plan, which customers can associate readily with their expectations and wants. Within these categories they offer the packages primarily to:

- Families trip segment.
- School excursions segment.
- In-Company trip segment.
- Silvers segment.

The family package incorporates a sub package selected by parents for their children according to their children's ages:

- Teenagers club and this is also our main focus sub segment.
- Kids club.

A typical package includes: (1) transportation (round-way flights, complimentary airport transfers and transportation to all sightseeing spot by tour bus), (2) accommodation with choices of hotels, (3) all meals included with the inclusion of local speciality dishes, (4) Choice of leisure activities including sightseeing, hiking, snow skiing, grass skiing, and river rafting.



Attractions in Xianny Mountain

# • The family segment with teenagers:

	Customers' Wants & Needs	What's we offer		
Dimensions		Core service	Peripheral service	
Choice of destination	Relax as well as provide teenagers an opportunity to have more knowledge in the	Classic tour, grass skiing, exploring the <i>Fu Rong</i> Caves, and		
	process of historical sightseeing or exploring the	river rafting.		
Accommodations	cultural.	Dual program (budget plan or moderate plan).	Wake-up calls, morning coffee, and laundry.	
<b>Duration of stay</b>		5 days 4 nights.		
Transportation		Round trip air tickets.	Complimentary airport transfers and transportation to all sightseeing spot by tour bus.	
Others		Japanese tour guide.	Complimentary travel insurance.	

# • School excursions;

D: :	Customers' Wants & Needs	What's we offer		
Dimensions		Core service	Peripheral service	
Choice of	Similar to first segment.	Classic tour, grass		
destination	an opportunity to explore	skiing, exploring the		
	nature and have fun	Fu Rong Caves, river		
		rafting.		
Accommodations		Budget plan.	Wake-up calls.	
<b>Duration of stay</b>		5 days 4 nights		
Transportation		Round trip air tickets	Complimentary	
			airport transfers and	
			transportation to all	
			sightseeing spot by	
			tour bus.	
Othors		Ionanasa taun avid-	Complimentary	
Others		Japanese tour guide.	travel insurance.	

# • In-Company trip;

	Customers' Wants & Needs	What's we offer		
Dimensions		Core service	Peripheral service	
Choice of	Relax and promote	Classic tour.		
destination	relationship among colleagues			
Accommodations		Dual program	Wake-up calls,	
		(moderate plan and	morning coffee and	
		deluxe plan).	newspapers,	
			laundry and	
			shoe-shining	
			service.	
Duration of stay		5 days 4 nights		
Transportation		Round trip air tickets	Complimentary	
			airport transfers and	
			transportation to all	
			sightseeing spot by	
			tour bus.	
Others		Foot reflexology and	Complimentary	
		Japanese tour guide	travel insurance.	

## • Silvers travellers;

	Customers' Wants & Needs	What's we offer		
Dimensions		Core service	Peripheral service	
Choice of	Be access to health & cool	Classic tour, golf,		
destination	environment; ideal place to	river rafting, grass		
	spend Summer; longer time on	skating, and snow		
	overseas travel; reasonable	skiing.		
	price; deduce the possible			
Accommodations	crippling burden of	Dual program	Morning coffee and	
	inheritance taxes–20-25	(budget plan or	newspapers,	
	percent	moderate plan).	laundry.	
		24 hours Clinic		
		service.		
<b>Duration of stay</b>		Dual programs:		
		5 days 4 nights.		
		or		
		1 month extended		
		stay.		
Transportation		Round trip air tickets.	Complimentary	

		airport transfers and transportation to all
		sightseeing spot by
		tour bus.
Others	Foot reflexology and	Complimentary
	Japanese tour guide	travel insurance.

## iii. Strategically locating tourists' offices.

To set up tourists' offices in Japan is another broadly acts to better publicity and strength the connection with our target customers. Location decision is crucial in strategic planning decisions. It will have long-lasting effects, impacting numerous operational decisions. Whether a retail chain choosing a new site, a manufacturer locating a factory, or government is selecting locations for repetitive offices, the strategic planners are often challenged by the difficulty to find right locations. Since the population shifts, new market trends evolve and other factitious factors change, the need to relocate and expand is costly and time consuming.

Determining the best locations for new facilities is thus an important strategic challenge. Thus the organizer should think 3 times before a tourists' office is rented or purchased. The tourists' offices which are located today are expected to remain good position for an extended time.

In order to select a strategic location the following three factors must be considered;

#### Market trend

We can draw the conclusion from Boston Matrix that, in terms of market growth and market share, the silvers segment is no doubt our stars. In this case, we should prioritize to seize this segment. Following this logic, we will first focus on those areas Japanese senior citizens value most. Thus, Beppu city, in Oita prefecture, with the merit of famous hot springs and nice weather, will be the best choice to be sited to establish the first tourists' offices. In addition, in organizers' perspective, Beppu city has lower cost in office renting or purchasing, comparing to Tokyo or Osaka. What's more, we can set tourists' offices in Beppu as the pioneer site to gain experiences of communicating with Japanese customers.

#### • Distance and accessibility.

The effectiveness of the tourists' offices is determined by the average distance travelled by those who visit it. Travelling time and distance will represent the cost of commuting from one location to another. As average travel distance increases, facility accessibility decreases, and thus the location's effectiveness decrease. This relationship informs us the proximity is desirable. Like Matsumoto Kiyoshi, it sets its

principle to open their chain store always near the busiest railway station.

However, unlike retail stores or emergency agencies, the proximity is not our first concern, not to say it will dramatically increase our operation cost. Thus when we consider about the location, minimize the average distance to the customer is not that urgent.

## • Area of Coverage.

Since we have limited resources, both in human power and finance, we have to strive to achieve our tourists' offices largest presence to those target segments. In this case, the key issue of selecting location is 'coverage'. As stated, apart from the sliver segment, we need appeal to our potential customers like the in-company segment, family segment and school excursions segment. Thus, Tokyo, Osaka, the most vibrant cities, with its large population, will be our second and third tourists' offices locations.

### iv. Improving souvenir strategy.

Souvenir development is crucial to tourism development in terms of creating good travel experience for the visitors and increasing attractiveness of the destination.

Recently, the souvenirs from the shops in Xiannv Mountain only focus on sculptured handicrafts, beverages and some local food. In addition, shops in the area often sell mass-produced merchandises from coastal areas. As a

result, the souvenirs in the area are generally the same with those elsewhere in China. These souvenirs lack of local culture characterizes and distinguished features, giving no help in the promotion of the unique cultural identity of the Xianny Mountain.

In such a highly competitive and market-orientated business, we must attach greater importance to the demand of our customers. Product development and promotion strategies may be devised in accordance with such wants and needs.

The following are expectations of the Japanese tourists, which have been pointed out by major travel agencies in Japan,. Four of such 'wants' will be elaborated here for the future promotion of the souvenir of Xiannv Mountain to Japanese tourists.

#### • Language solver.

Language barrier is a major concern to Japanese travellers. This is the main reason why 79% of Japanese travellers join group tours.

### • Good shopping.

Most Japanese spend much money for shopping. Favourite items are:

Cosmetics, Cigarettes, Whisky, Clothes, Candy, and folk handicrafts.

Items with high-quality should be prepared.

### • Attractive dining.

Japanese are fond of tasty dishes and are interested especially in local cuisine. Suppliers have to understand that they want cuisine with quite high quality.

## • Unspoiled Scenery.

Data shows, 74% of Japanese gave top priority to unspoiled nature and scenery. Those destinations should be kept with natural beauty.

The following are specific steps to improve the souvenir strategy to attract Japanese tourists.

- First of all, as for souvenir planning, healthy and nature food are prior to develop, for example, *Dajiao* mushroom souvenir. *Dajiao* mushroom is a kind of locally found wild mushroom with high nutrition value and delicious taste. It makes a good cooking ingredient especially for soup based dishes. It makes a perfect *omiyage* (souvenir) for its exclusiveness, light weight and non-perishable.
- The souvenir must be high quality products which meet international standard and aesthetically packaged to cater to the taste of Japanese consumers.

 To purchasing create environment and experience, the product as be exposed to the customers prior to selling them. An example is to include the Dajiao mushroom in one of the meal

to be well lighted and comfortably

to the Japanese.



Dajiao mushroom cuisine



Song Rong (松茸)

air-conditioned. The displays must be tourists friendly with displayed in Japanese and with Japanese speaking staff available.

The shops have

- Set up sales supporting service system to provide delivery service to either hotel or airport. Japanese people love prior information on whatever they buy and will like to have a guide book prior to their arrival at Xiannv Mountain. The book will provide sufficient information on the bestselling *omiyage*, location information and local culture and delicacies.
- v. Bridging Chongqing's travel agencies to Japanese travel wholesalers.

Japan is a group-oriented society, and according to the data, 79% of Japanese travellers join group tours. As a result, instead of marketing individual, marketing travel agencies become the most crucial matter. In order to market Xianny Mountain, we must develop efficient channel strategies. However, Japanese travel market is highly competitive and enormous countries attach their importance on it. In addition, Japanese companies are hard to approach since they very much rely on old relationships and prefer to do business on the basis of personal relationships. For example, being introduced or recommended by someone who already has a good relationship with the company is extremely helpful.

A crucial step is to bridge Chongqing travel agencies with Japanese travel wholesalers. The following program is proposed for the Chongqing Municipal government and Japanese Consulate in Chongqing to jointly promote a youth culture exchanges between Japanese youth and youth in Chongqing and to involve travel agencies from both countries.

Name of program: Youth culture exchanges between Japan and China Feasibility: (1) According to Article 6, promotion of people-to-people and cultural exchange as well as sentiments of friendship between the people of Japan and China, especially to promote youth exchange on a continuing basis. It is from Joint Statement between the Government of Japan and the Government of the People's Republic of China on Comprehensive Promotion of a 'Mutually Beneficial Relationship Based on Common Strategic Interests' between Prime Minister of Japan and President of the People's Republic of China, issued in Tokyo on May 7, 2008. (2) China and Japan has been establishing youth co-visit program for many years and it has played an essential role in promoting understanding and friendship. However,

Chongqing has not yet implemented such programs in city level. And

Japanese Consulate in Chongqing intends to promote mutual understanding

and its location provides greater convenience. Thus if Chongqing Municipal

Government propose such culture exchange program, Japanese part is highly

probable to accept it, since it will benefit both.

Purpose: This program aims to enhance young people's intercultural

understanding and promote friendship.

Form: Japanese youths visit Chongqing during summer vocation; and

Chinese youths visit one city of Japan during winter vocation; one year two

visits.

Content: Activities include work camp projects organized together with

local community partners in the field of cultural heritage, as well as language

courses and cultural studies.

**Period of time**: 12 days to 15 days.

**Executive committee:** 

China: Foreign Affairs Bureau of Chongqing

Japan: Japanese Consulate in Chongqing

Each executive organization selects one travel agency to be responsible for

the accommodation and communication.

**Merits of the program:** 

Besides promote mutual understanding of China and Japan;

37

- To bridge Chongqing travel agencies to Japanese travel wholesalers
  as a good start for future cooperation (afterwards Chongqing side
  can introduce more tourism packages to Japanese travel agencies).
- To increase market share of school exclusions to Chongqing.

vi. Promoting Xiannv Mountain as a convention destination.

Traditionally, tourist destinations appeal to tourists by promoting the variety of attractions, delightful cuisine. Nowadays, tourism becomes a highly competitive and market-orientated business. To keep the loyalty of customers, it is crucial to differentiate itself from other parts of China and foreign tourist destinations. It should provide new attributes or attributes with constant attractiveness for customers.

Our top three target Japanese segments are the Silvers, the In-Company trip and the Family trip. Their demand in common is to seek leisure and fun. Thus we can promote the authentic Chongqing foot and body massages programs and to hold various International outdoor activities annually to cater to their common needs.

• Leisure and physical wellness through authentic Chongqing foot reflexology and body massage programs.

Massages can enhance the relaxation of the body and promote both mental and physical well-being. Presently, traditional Chinese massage has increasingly become popular in many Southeast Asia and East Asia countries especially in Japan. Massage services are known

for its relaxing and revitalizing effects and are the selling point offered by beach resorts in Bali, Phuket, Langkawi, and Maldives. There are two types of traditional Chinese massaging method and both are based on the principles adopted from Traditional Chinese Medicine. The two types of traditional Chinese massaging method are: (1) *Tui Na* (推拿) which focuses on pushing, stretching and kneading the muscle which is the foundation of *Nihon Kaifuku Anma*, which is a type of Japanese restoration massage. (2) *Zhi Ya* (指壓) which focuses on pinching and pressing at acupressure points.

Foot reflexology is one form of *Zhi Ya* which is known to have originated from Chongqing. Foot reflexology focus on the acupressure points on the soles of our foot features and pressure are applied to these reflex points to cure or prevent sickness. Foot reflexology is one of the most effective relaxing treats that is enjoyed by many.

The foot reflexology and body massage services will be attractive to Japanese tourists for two reasons. The practices of foot reflexology which originated in Chongqing are practised by professional masseurs. The Japanese tourist will be able to enjoy authentic Chongqing foot reflexology and body massages performed by trained professional treatment at a price much lower than other parts of China and Japan. The price gap is especially wide when comparing with those offered in

Japan. A typical foot reflexology in Japan will cost 3150 Yen for a 30 minutes course. In Chongqing, a 90 minutes course will cost only an equivalent of only 1000 Yen. Hence, the Slivers and In-Company trip tourists are able to enjoy revitalizing and healthy massages performed by professional masseurs at a much lower price. This is an especially push factor to attract the Japanese Silvers who care about health and Japanese In-Company trip who want to relieve the previous year's work pressure and revitalize for the next financial year, rewarding the employees, and renew bonding between employees. This will encourage them to return as repeat visitors to Xiannv Mountain to another mental and physical wellness holiday break from the hustle and bustle of urban lifestyle.

• Cater to the needs of fun and outdoor activities through different theme of outdoor activities each year will keep fresh and more fun for people visit there before.





International Outdoor Sports Game, Wulong, Chongqing, China

# **Chapter 5: Concluding Remarks**

I suggest Chongqing Municipal government consider adopting the aforementioned strategies while developing the tourism plan for Xiannv Mountain. Although this report is not comprehensive, but it provides specific long term strategies, such as setting up representative offices in Japan as well as developing concrete short term plans, such as improving the souvenir strategies. This paper also creatively applied the Japanese Travel Life Cycle theory to analyse the case of Xiannv Mountain and precisely identified both the target and potential Japanese tourist segments and customized fitting tour packages to cater the different needs of each segment. Upon successful implementation, an annual increase of 15 percent increase of Japanese tourists is to be achieved over the next five years.

The Municipal government should involve various stakeholders such as the travel agencies, souvenir shop owners, local communities, hotel operators, and bus companies during the conceptualization phase, reviewing periodically during the implementation phase to track the progress of the campaign of promoting Xiannv Mountain to the targeted tourists segments.

The *Wulong* Local government must administer the progress of the campaign and provide incentives, such as tax concession, to boost tourism. The concession is provided to the businesses which will be able to provide services and products at competitive prices.

The Municipal government must utilize information technology to publicize Xiannv Mountain to the rest of the world in the most effective manner. Lastly, a holistic plan must include a crisis management plan be prepared for all eventualities.

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