Niseko Tourism
Tourism Plan ver.01

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Chapter 1: Background of Plan Development

Niseko Tourism, the DMO for regional cooperation in the Niseko region, must take the lead in addressing the tourism challenges that the region faces. These challenges cannot be solved alone; they require collaboration with tourism operators, local governments, administrations, and local residents. To engage a diverse range of stakeholders and build a cooperative framework for addressing regional challenges, it is important to first clarify and widely share the future initiatives and activity guidelines of Niseko Tourism, along with the overall direction for the region.

This Tourism Plan provides a comprehensive analysis of the current situation in the Niseko region, and, based on the findings, outlines the Niseko Tourism's activities and projects for the region from a sustainability perspective. In particular, Niseko Tourism aims to revitalize the local economy by attracting a diverse range of tourists through marketing activities that share tourism-related information in multiple languages. On the other hand, it is also necessary to consider the negative impacts that tourism can have on a region. While enhancing tourist satisfaction, we aim to promote tourism that respects Niseko's rich natural environment and improves local residents' living conditions.

Based on these ideas, Niseko Tourism has developed this Tourism Plan as a guideline for activities and projects aimed at creating a destination where tourists and new residents from Japan and abroad, as well as local community members, can pursue the diverse lifestyles they desire. Using this Plan as a guide, we aim to develop the Niseko region into a sustainable tourist destination that is loved by everyone around the world who has ties to it. We will do our utmost to create a region that people can be proud of and sincerely wish to visit, live in, and continue to call home.
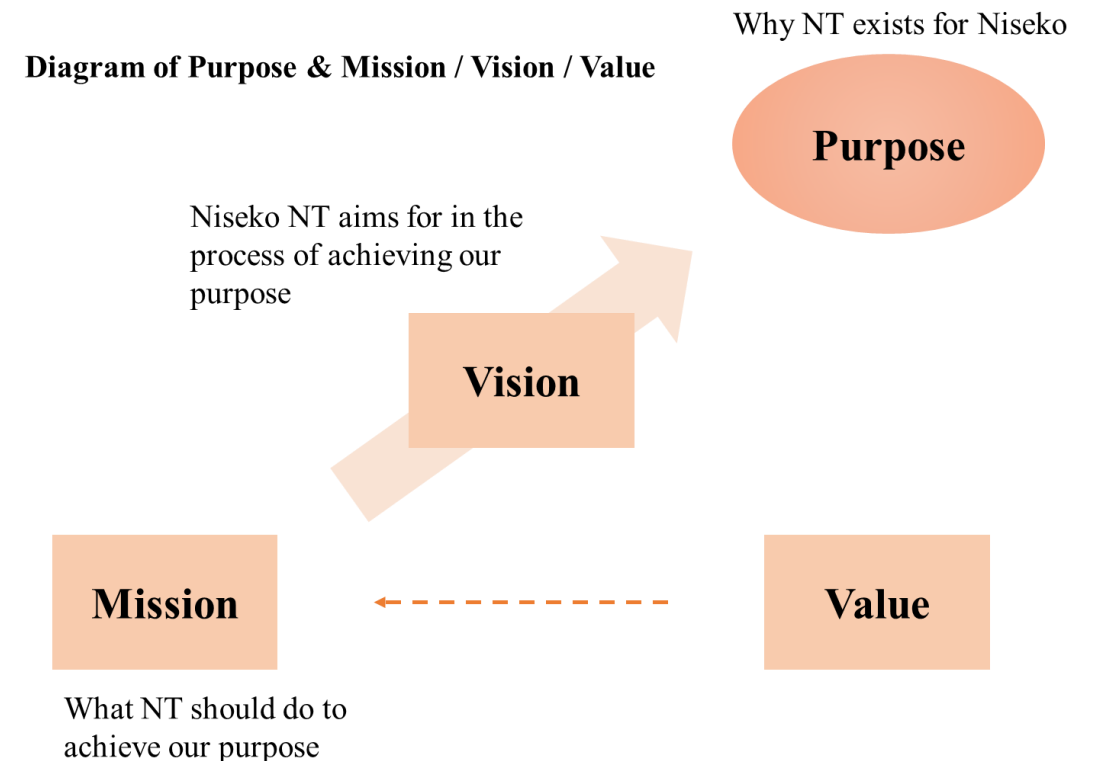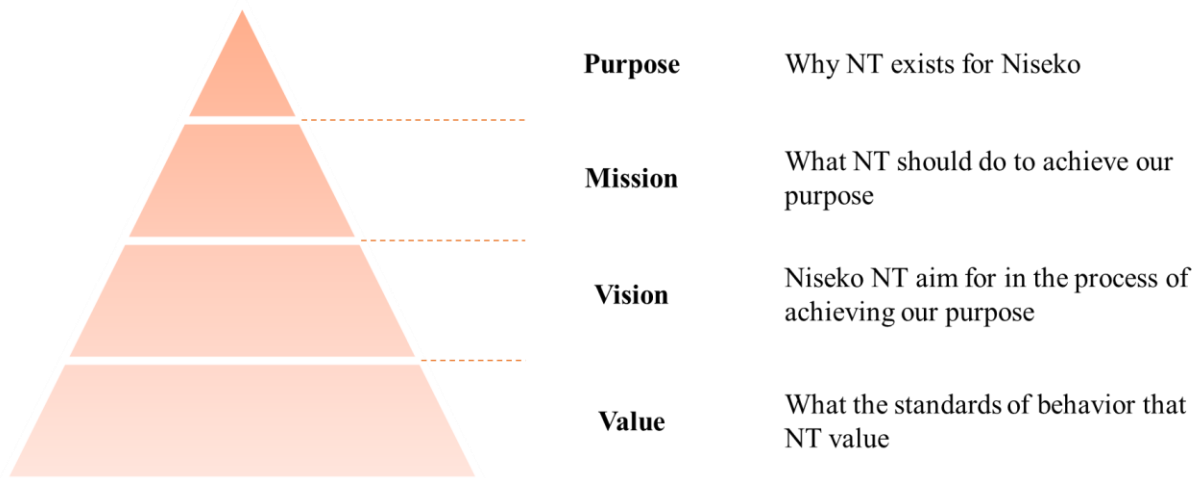
【Structure of the Tourism Plan】

First, this chapter provides the background on the planning process, followed by an overview of Niseko Tourism's purpose as an organization in Chapter 2. Chapter 3 then analyzes the environment surrounding the Niseko region, and based on the findings from this analysis, a marketing strategy is proposed in Chapter 4. Chapter 5 discusses specific plans for activities and projects that integrate with the marketing strategy proposed in Chapter 4, from the perspective of sustainable tourism.

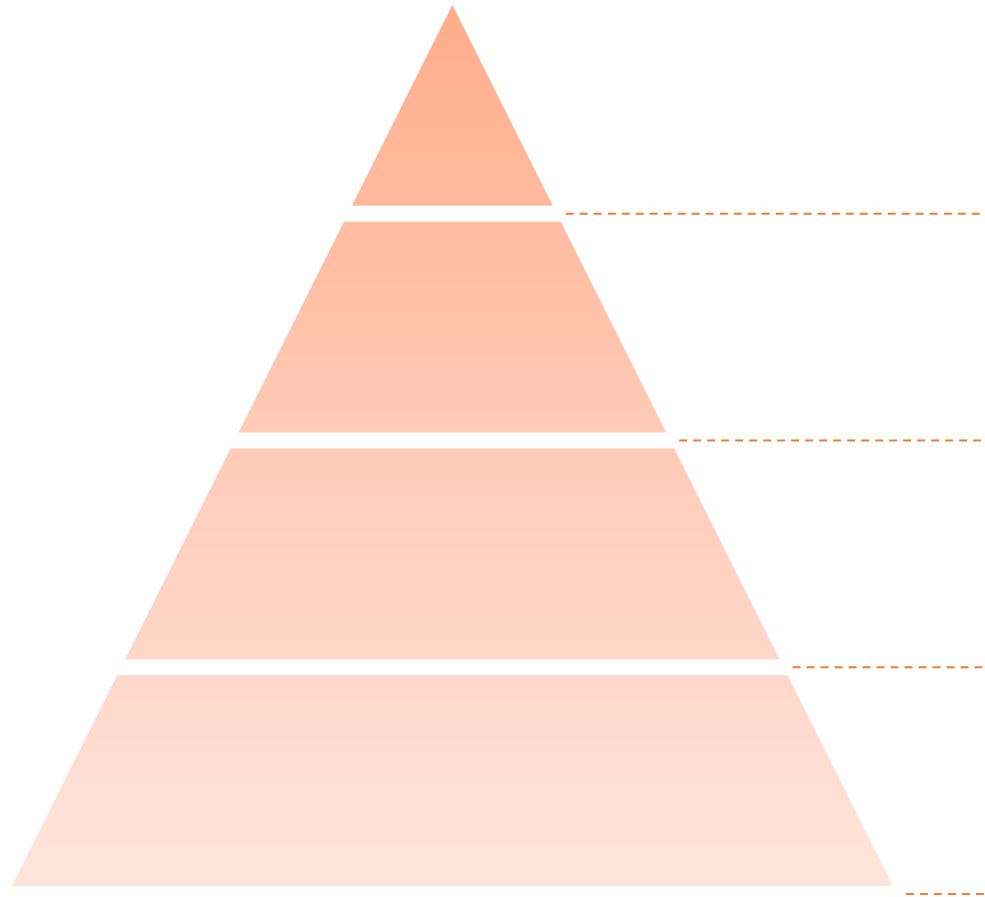# Chapter 2: Organizational Overview - Purpose of Niseko Tourism

This chapter provides an overview of Niseko Tourism, including its purpose, mission, vision, and values. It defines the guiding principles of the organization, addressing questions such as why Niseko Tourism exists, why it operates, what it aims to achieve, and what initiatives it undertakes.

➢ **Concept of Purpose & Mission / Vision / Values**

First, at the highest level of concept and as the ultimate goal, there is the Purpose (Why). Based on this purpose, the Mission (What) represents "What we do." Then, the Vision (Region) describes "Region we aim to reach a certain state by advancing our mission." Finally, the Values (How) serve as the guiding principles and behavioral standards that are essential for progressing toward the purpose.

Diagram of Purpose & Mission / Vision / Value

Purpose	Why NT exists for Niseko
Mission	What NT should do to achieve our purpose
Vision	Niseko NT aim for in the process of achieving our purpose
Value	What the standards of behavior that NT value

Why NT exists for Niseko

Purpose

Niseko NT aims for in the process of achieving our purpose

Vision

Mission

Value

What NT should do to achieve our purpose

➢ **Purpose & Mission / Vision / Values**

Purpose To enhance and enrich lives in collaboration with the local community in the Niseko region.

Mission To take on regional challenges and promote tourism that harmonizes the local environment, culture, and economy

Vision The only destination that embraces diverse lifestyles and values.

Value
1. Creating the regional future
2. Improving regional attractiveness and solving issues
3. Understanding and consideration for regional community and environment
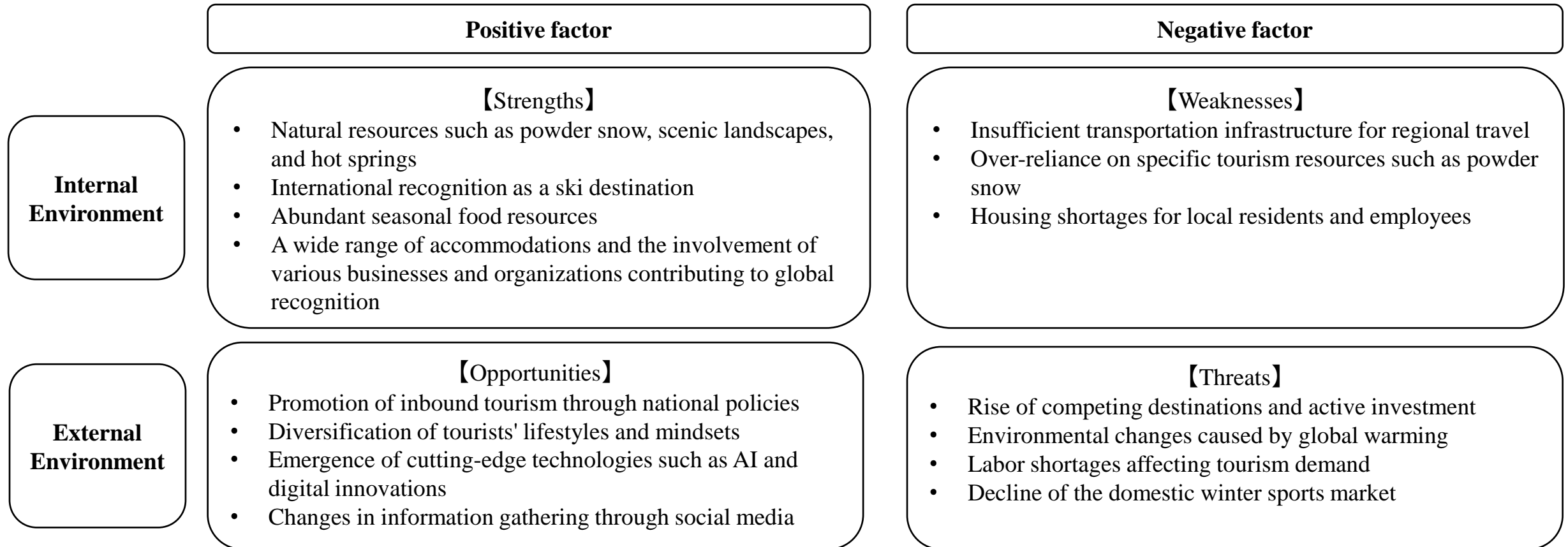4. Co-creation with diverse stakeholders

Chapter 3: Environmental Analysis—Environment Surrounding the Niseko region

In this chapter, we will focus on the Niseko region and analyze the various aspects of the region from multiple perspectives, including its political, economic, and natural environments. To develop an effective strategy, it is essential to properly organize the current situation in the region, as well as its competing tourist destinations, from both macro and micro viewpoints. The results and insights gained from this analysis will be applied to the next chapter, Chapter 5: Marketing Strategy.

3.1 SWOT Analysis

The SWOT analysis examines the internal environment of the Niseko region by identifying its strengths and weaknesses, while also assessing the external environment by exploring potential opportunities and threats from the perspective of society as a whole. Following this, a cross-SWOT analysis will be conducted to determine strategic direction by combining these positive and negative factors.

	Positive factor	Negative factor
Internal Environment	【Strengths】 • Natural resources such as powder snow, scenic landscapes, and hot springs • International recognition as a ski destination • Abundant seasonal food resources • A wide range of accommodations and the involvement of various businesses and organizations contributing to global recognition	【Weaknesses】 • Insufficient transportation infrastructure for regional travel • Over-reliance on specific tourism resources such as powder snow • Housing shortages for local residents and employees
External Environment	【Opportunities】 • Promotion of inbound tourism through national policies • Diversification of tourists' lifestyles and mindsets • Emergence of cutting-edge technologies such as AI and digital innovations • Changes in information gathering through social media	【Threats】 • Rise of competing destinations and active investment • Environmental changes caused by global warming • Labor shortages affecting tourism demand • Decline of the domestic winter sports market

3.2 Cross SWOT Analysis

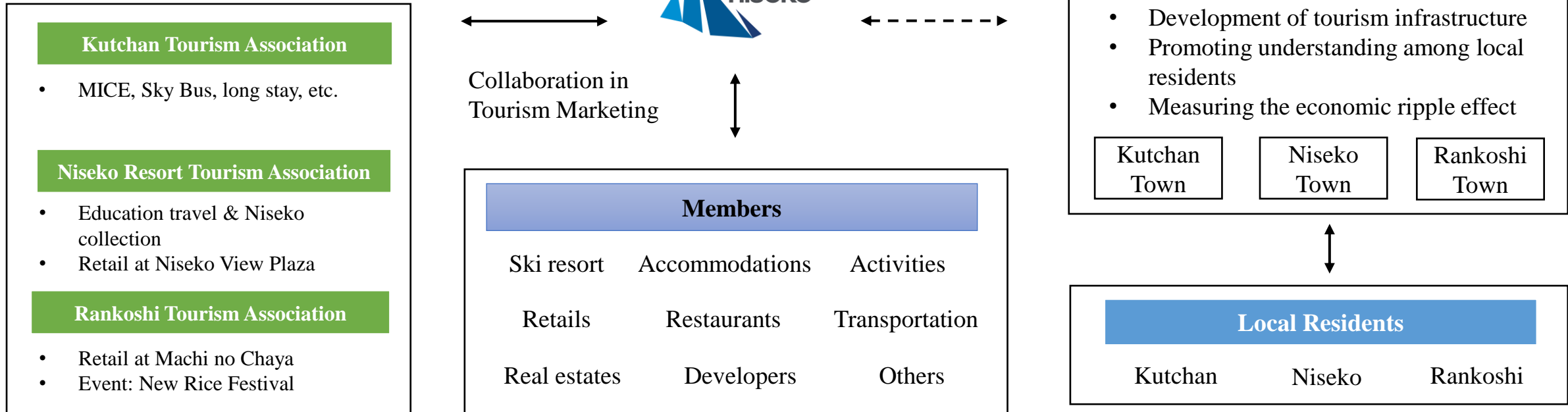|		Internal Environment	
		Strengths	**Weaknesses**
External Environment	**Opportunities**	**Strengths x Opportunities (SO Strategy)** ✓ Strengthen efforts to expand inbound tourism by leveraging international recognition and multicultural appeal. In particular, utilize social media and digital technology to conduct one-to-one marketing for each target group. ✓ Combine various tourism content and facilities while providing information in multiple languages to meet the diversified needs of tourists. ✓ Support local events and the tourism content creation of content utilizing seasonal local food culture and cultural content as resources for tourism.	**Weaknesses x Opportunities (WO Strategy)** ✓ Utilize AI and digital technology to organize and share transportation information for a wider area, enhancing tourists' convenience for regional travel. ✓ Organize tourism content based on seasonal nature and culture and share information tailored to the diversifying needs of tourists to reduce dependence on specific tourism resources. ✓ Promote migration and settlement in the Niseko region by utilizing social media and digital platforms to showcase the attractive and diverse lifestyles that the Niseko region offers.
	Threats	**Strengths x Threats (ST Strategy)** ✓ Accelerate the promotion of year-round tourism to eliminate the risk of dependence on winter due to environmental changes. Actively share information and promote tourism content centered on nature experiences and food during the summer months. ✓ Establish Niseko's position in Japan by maximizing its strengths, such as its multicultural appeal and English-speaking environment, in order to differentiate it from competing tourist destinations. ✓ Promote summer tourism by leveraging Niseko's high international recognition as a ski destination.	**Weaknesses x Threats (WT Strategy)** ✓ Continue to approach existing markets outside Japan and strengthen efforts to develop new markets to address the shrinking domestic winter sports market. ✓ Gather and share employment information, improve operational efficiency using the latest technologies such as AI, and collaborate with human resource agencies to address labor shortages. ✓ Promote settlement and migration by sharing information about living and working in the Niseko region for those interested.

3.3 PEST Analysis

The PEST analysis examines the environment surrounding the Niseko region from a macro perspective. Conducting a PEST analysis helps organize the regional context and provides a better understanding of the current situation in the region. This involves identifying political, economic, social, and technological trends, both domestically and internationally.

Political	• The Japanese government's positioning of tourism as a pillar of economic growth. • National policy to promote inbound tourism. Promotion of sustainable tourism by the Japan Tourism Agency. • The Japan Tourism Agency's various support policies, such as for digital transformation and creation of tourism content.
Economic	• Shrinking trend of travel spending by domestic tourists. • Expansion of the inbound tourism market due to yen depreciation. • Economic development of Asian countries and regions such as ASEAN. • Economic disparity between summer and winter due to seasonality in the Niseko region. • Active entry of capital from outside the region.
Social	• Shortage of labor force and changes in social structure in rural areas due to the declining population and an aging society. • Changes in tourist awareness, such as health consciousness and environmental consciousness. • Sharing and collecting information through digital means, such as social media.
Technological	• Rise of AI and other new technologies. • Marketing methods utilizing digital data collection and big data. • Provision of tourism information using digital technology. • Consideration of new mobility concepts utilizing the sky.

The stakeholder map identifies key players in the Niseko region, organizing and analyzing their roles. This analysis helps understand the relationships and positions of stakeholders, facilitating relationship-building to ensure smooth implementation of Niseko Tourism's future projects and activities.

Tourists

Market Reach

Niseko Tourism is a **Catalyst** that promotes cooperation and collaboration between various stakeholders.

Cooperation in Tourism Management

JNTO

Japan Tourism Agency

Hokkaido Tourism Organization

Hokkaido Gov.

- Gathering market information
- Promotion cooperation

Niseko Tourism Zone

- Development of tourism infrastructure
- Promoting understanding among local residents
- Measuring the economic ripple effect

Kutchan Town

Niseko Town

Rankoshi Town

Kutchan Tourism Association

- MICE, Sky Bus, long stay, etc.

Niseko Resort Tourism Association

- Education travel & Niseko collection
- Retail at Niseko View Plaza

Rankoshi Tourism Association

- Retail at Machi no Chaya
- Event: New Rice Festival

Collaboration in Tourism Marketing

Members

Ski resort

Accommodations

Activities

Retails

Restaurants

Transportation

Real estates

Developers

Others

Local Residents

Kutchan

Niseko

Rankoshi

Chapter 4 Marketing Strategy

In this chapter, we conduct an STP and 4P analysis to establish the marketing strategy and direction, integrating insights and perspectives gained from the previous chapter, Chapter 3: Environmental Analysis.

4.1 STP Analysis
The STP analysis involves the segmentation of Niseko's market, targeting, and positioning of the value the region offers. The following section, 4.2 4P Analysis, will be based on the findings of this analysis.

➢ **Segmentation:**

		Summer Season	Winter Season
Major Market	Countries/regions with stable inflows	Japan, Hong Kong, Singapore, Taiwan, China	Australia, Hong Kong, Singapore
Potential Market	Countries/regions with growth potential but not fully developed	Korea, Thailand, Indonesia, Malaysia, Philippines, U.S.A.	Japan, Taiwan, Thailand, China, Indonesia, Malaysia, Philippines, U.S.A.
New Markets	New countries/regions not previously targeted	Europe, Australia	Europe, Middle East and Central Asia

➢ **Targeting**

	Summer Season	Winter Season
Major Markets	Aim to continuously raise awareness and attract both new and repeat tourists by promoting tourism content, including the new attractions and nature experiences in the Niseko region.	Aim to extend the length of stays to mid- to long-term by promoting tourism activities beyond skiing. Enhance tourists' satisfaction during their stay and attract repeat tourists by sharing useful information.
Potential Markets	Raise awareness of Niseko during the summer season. Conduct promotional activities in cooperation with JNTO and the Hokkaido Tourism Organization. Continue to accumulate tourist data by surveying market information.	Attract new and repeat tourists. Improve recognition and provide information tailored to tourists' needs by sharing information through media, influencers, and social platforms.
New Markets	Study tourists' tastes and preferences, points of appeal, and methods of approach to explore tourists' needs by collecting market information in collaboration with JNTO.	Explore the possibility of attracting tourists to the Niseko region during the winter season, their travel motivations, and ways to approach them by gathering market information in collaboration with JNTO.

➢ **Positioning**

Niseko's positioning can be clearly defined by comparing the Niseko region with other competing tourist destinations. Niseko's strength is its **wide variety of tourism resources**, which include not only powder snow, but also accommodations, activities, food resources, hot springs, and natural scenery. In short, the Niseko region offers a more diverse array of tourist attractions compared to other destinations. In addition, **it is relatively easy to explore the surrounding region from the region,** as areas such as Otaru, Yoichi, Shakotan, and Lake Toya are only about an hour's drive away.

With an understanding of Niseko's appeal, promotions and information will convey a concise brand message that clearly defines the region's characteristics.

4.2 4P Analysis

In the 4P analysis, we will organize the tourism content and services that the Niseko region offers. This includes clarifying the product, pricing, place of distribution, and promotion strategies for Niseko's tourism products and services. (4P= Product, Price, Place, Promotion)

	Summer Season	Winter
Product	Onsen (hot springs), gourmet food using seasonal ingredients, a variety of accommodations, nature experience activities, festivals, natural scenery, the Niseko mountain range and Mt. Yotei, educational and school trips, MICE, long stays, local art, and campsites	Skiing and snowboarding, snow activities, Onsen (hot springs), backcountry, and a wide variety of Japanese and Western restaurants
Price	Tourism services at relatively affordable prices	Expensive luxury hotels, private villas, and fine-dining restaurants
Place	Direct bookings, travel agencies, and OTAs	
Promotion	Social media, owned media, paid media, travel magazines and newspapers, media and influencers, and EXPO	

4.3 Goal（KGI／KSF／KPI）

To clarify Niseko Tourism's goals, we establish KGI, KSF, and KPI metrics, allowing us to assess effectiveness while advancing our initiatives.

			FY 2023	FY 2029
KGI	Gap between summer and winter (Number of Overnight Guests)	Summer：Winter	3:7	4:6
	Repeat Rate		78%	80%
KPI	Number of Overnight Guest		1,529,000	1,800,000
	SNS follower	Instagram	7,398	20,000
		Facebook	20,617	30,000
	Travel Spending (Per Person)		41,274 yen	45,000 yen
	Tourist Satisfaction		78.8%	80%

Measurement Methods: Niseko Tourism Zone Tourist Satisfaction Survey, Accommodation Surveys by Local Governments

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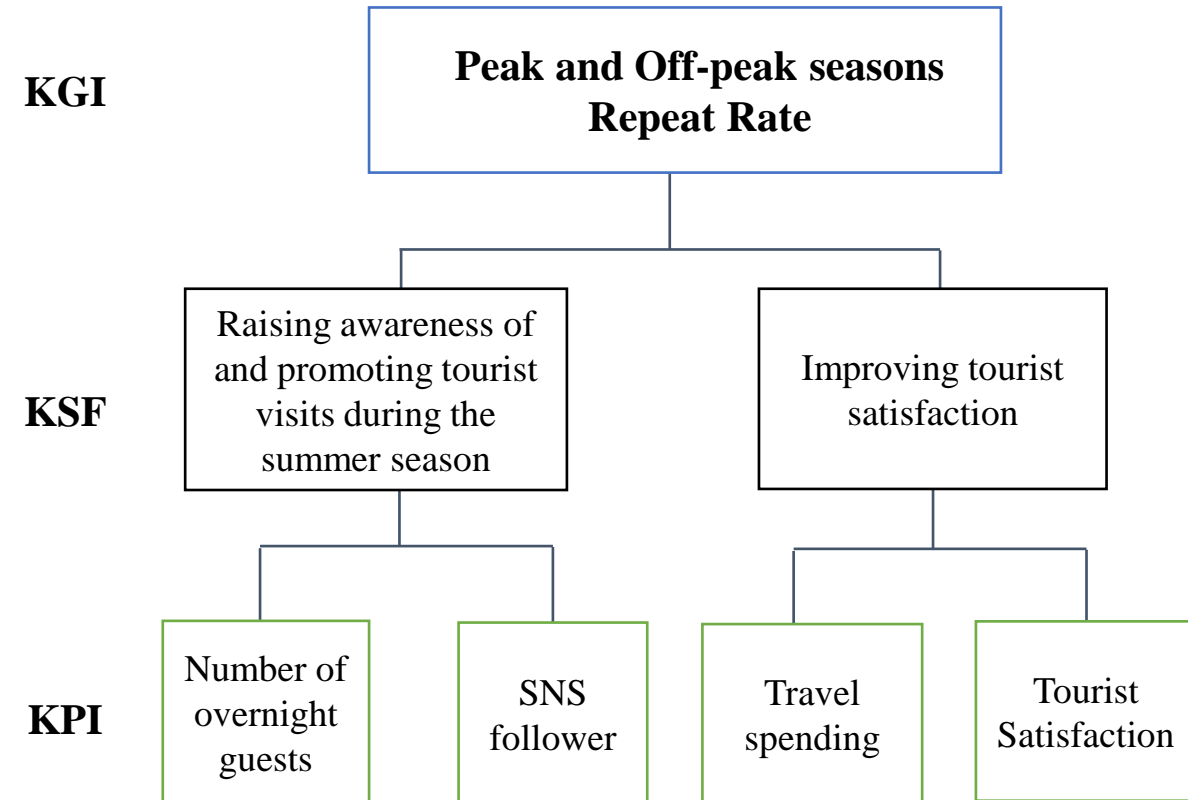
Chapter 5: Sustainable Tourism Initiative

Sustainable tourism is based on four key perspectives: sustainable management, socio-economy, culture, and environment. We will establish guidelines for each of these perspectives.

5.1 Initiatives Toward Sustainable Management

When implementing and evaluating policies and plans, measurement is the first crucial step. To achieve the goals outlined in the previous chapter, we first assess key tourism-related metrics in the Niseko region. In addition to tracking visitor data, we also communicate information on sustainable tourism to Niseko Tourism's internal organization and local businesses.

Sustainable Management

❖ To promote sustainable tourism, we will consider establishing a management organization and framework, fostering stakeholder engagement, and measuring and managing the impacts and changes caused by tourism.

➤ **Principle 1：Monitoring and Data Utilization**
- Conducting Traveler Satisfaction Surveys
- In collaboration with the Niseko Tourism Zone, we measure and publish data on the economic impact of tourism, its effects on the region, and local resident satisfaction.

➤ **Principle 2：Promotion of Sustainable Tourism**
- Enhancing Visitor Awareness of the Region (Environment, Culture, Rules, etc.)
- Sharing Sustainable Tourism Information: Hosting Seminars and Workshops
- Building a Framework for Sustainable Tourism in Collaboration with Local Businesses
- Education and Training on Sustainable Tourism for DMO Staff

5.2 Initiatives Toward Socio-Economic Impact

By promoting tourism content that leverages local products and unique characteristics of the Niseko region, we aim to enhance the economic impact of tourism consumption on the local economy. As outlined in the KGI set in the previous chapter, we seek to reduce the seasonal disparity between summer and winter, encouraging year-round tourism spending while also working to create stable employment opportunities throughout the year.

<table>
<tr><td rowspan="2">Socio Economics</td><td colspan="2">❖ Aims to contribute to the local economy through tourism.</td></tr>
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<td>

➢ **Principle 1：Economic Revitalization of the Niseko Region**
- <u>Promoting Niseko's summer to attract more tourists with the aim of becoming a year-round destination."</u>
- Raising Awareness of Local Production and Consumption Among Tourists and Local Businesses: Promotional Campaigns and Local Product Consumption Initiatives
- Supporting Sustainable Business Practices, Including Fair Trade, for Local Businesses in Collaboration with Specialized Organizations and Associations

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<td>

➢ **Principle 2：Job Creation and Enhancement of the Work Environment**
- Enhancing Employee Satisfaction in the Niseko Region in Collaboration with the Niseko Tourism Zone: Providing Information on Living Conditions, Staff Training, and More
- Job Creation Through the Promotion of Summer Tourism Demand
- Encouraging Settlement: Promoting Niseko's Attractive Lifestyle to Visitors Through Marketing Initiatives

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➢ **Principle 3：Improving Safety Within the Community**
- Providing Emergency Response Information for Tourists and Businesses in Collaboration with Local Governments: Centralizing Information and Hosting Educational Seminars
- Awareness Initiatives to Promote Responsible Behavior Among Tourists: Organizing and Communicating Local Rules, and Fostering Cross-Cultural Understanding

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5.3   Cultural Initiatives

By sharing information about Niseko's history as a ski destination and its traditional agricultural industry, we aim to highlight the region's unique appeal while fostering visitor understanding and consideration for the local community. Given the diverse international visitor base, we provide information in multiple languages.

Culture

❖ Consider the preservation, transmission, and respect for local culture through tourism.

➢ **Principle 1：Preservation and Promotion of Local Culture**
- Preserve Niseko's ski culture and history within the local community and beyond: Share info. on ski culture and history with tourists and local residents
- Foster the food culture scene by collaborating with farmers: Support commercialization and branding of hands-on agricultural experiences.

➢ **Principle 2：Education and Awareness**
- Provide tourists with information in multiple languages about local customs and rules, while also educating them on proper etiquette.
- Organize seminars on multicultural coexistence for local residents and seasonal workers in collaboration with universities and other educational institutions. Topics include language, cultural lifestyles, and opportunities for cross-cultural interaction.

5.4 Environmental Initiatives

By sharing the unique natural environment story of the Niseko region, we aim to attract environmentally conscious tourists and promote a deeper understanding of the local ecosystem. Additionally, we will explore eco-friendly initiatives, such as reducing paper use through digitalization and promoting cycle tourism to minimize environmental impact.

Environment

❖ Explore strategies to minimize the environmental impact of tourism on the local area.

➢ **Principle 1：Promoting Sustainable Tourist Inflows**

● <u>Promote the inflow of sustainability-conscious tourists:</u> Creating and sharing Niseko's natural story to enhance their awareness.
● <u>Reducing Paper Use Through Digitalization</u>
● Promoting a reusable bottle culture by showcasing local spring water spots
● Promotion of cycle tourism：Providing information on bike rentals, cycling routes, and rest areas

➢ **Principle 2：Sharing Information About Wild and Local Plant and Animal Life**
● Provide basic information on plants and animals in multiple languages
● Create and communicate a story of coexistence of nature and humans