

Hellenic Republic

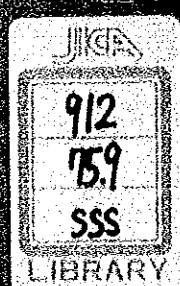
THE STUDY OF TOURISM PROMOTION

: with Special Reference to the Measures
to Increase Japanese Tourists to Greece

FINAL REPORT SUMMARY

July 1989

Japan International Cooperation Agency



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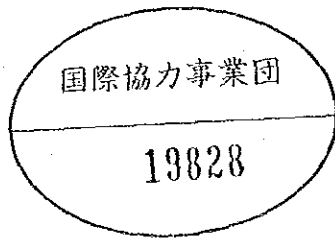
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PREFACE

In response to a request from the Government of Hellenic Republic, the Japanese Government decided to conduct a Study of Tourism Promotion and entrusted the study to Japan International Cooperation Agency (JICA).

JICA sent to Greece a survey team headed by Mr. Osamu Ohtsu, ALMEC Corporation, composed of members from ALMEC Corporation, Pacific Consultants International and the International Tourism Development Institute of Japan from September, 1988 to May, 1989.

The team held discussions with concerned officials of the Government of Greece, and conducted field surveys. After the team returned to Japan, further studies were made and the present report was prepared.

I hope that this report will contribute to the promotion of the project and to the enhancement of friendly relations between our two countries.

I wish to express my sincerest appreciation to the officials concerned of the Government of Hellenic Republic for their close cooperation extended to the team.

July, 1989



Kensuke Yanagiya

President

Japan International Cooperation Agency

July, 1989

His Excellency Mr. Kensuke Yanagiya
President
Japan International Cooperation Agency
Tokyo, Japan

Letter of Transmittal

Dear Sir,

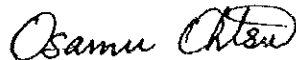
We are pleased to formally submit herewith the final report on "The Study of Tourism Promotion: with Special Reference to the Measures to Increase Japanese Tourists to Greece".

This report embodies the results of the Study which was carried out from September 1988 to July 1989 by the Japanese Study Team commissioned by the Japan International Cooperation Agency, following the request of the Government of Greece.

The Study Team, headed by Mr. Osamu Ohtsu, conducted a series of surveys on various relevant agencies throughout the country, analyzed data and prepared a tourism promotion plan for the year 1992. We hope that this Study would be of valuable assistance to the Government of Greece for the future promotion of Greek tourism.

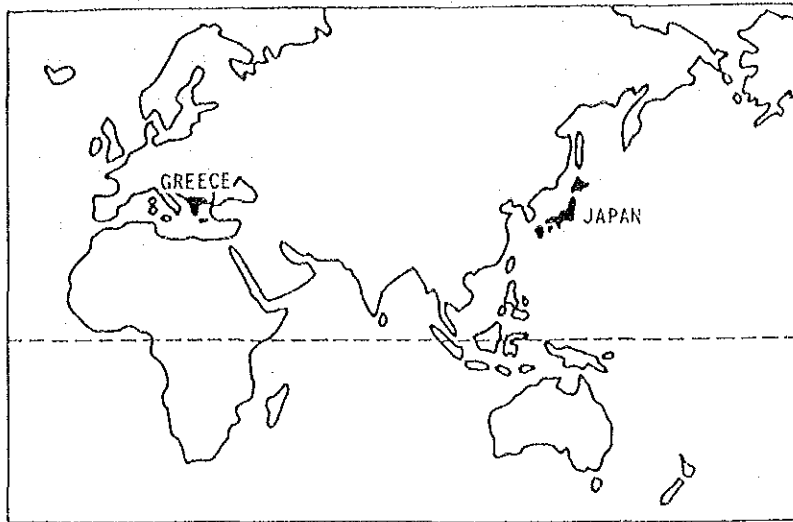
We wish to express our appreciation and sincere gratitude to the officials of your Agency, Advisory Committee, the Embassy of Japan in Greece as well as to the officials of the agencies concerned in the Government of Greece, particularly the Greek National Tourism Organization, for the assistance and cooperation extended to the Study Team.

Very truly yours,

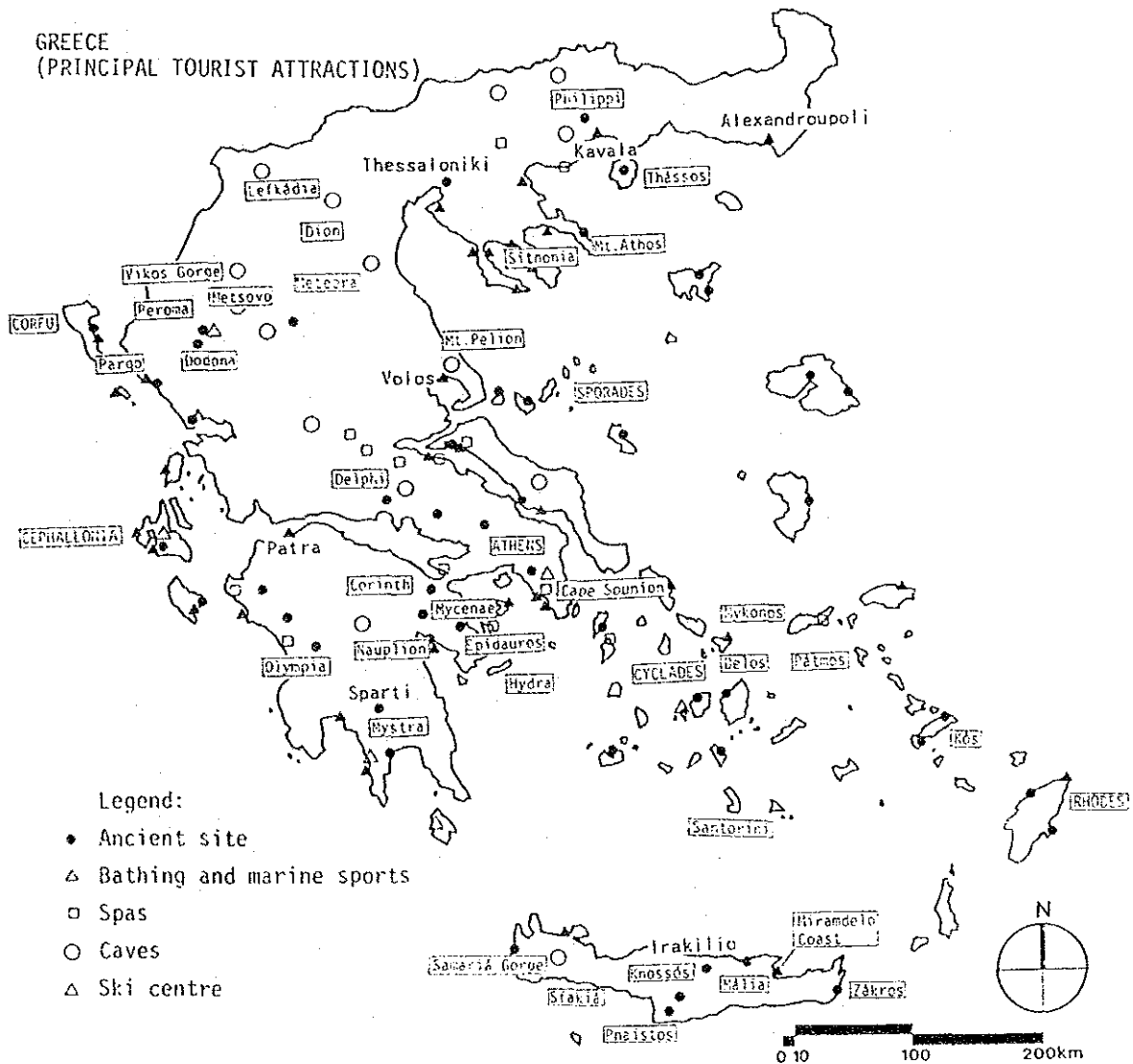


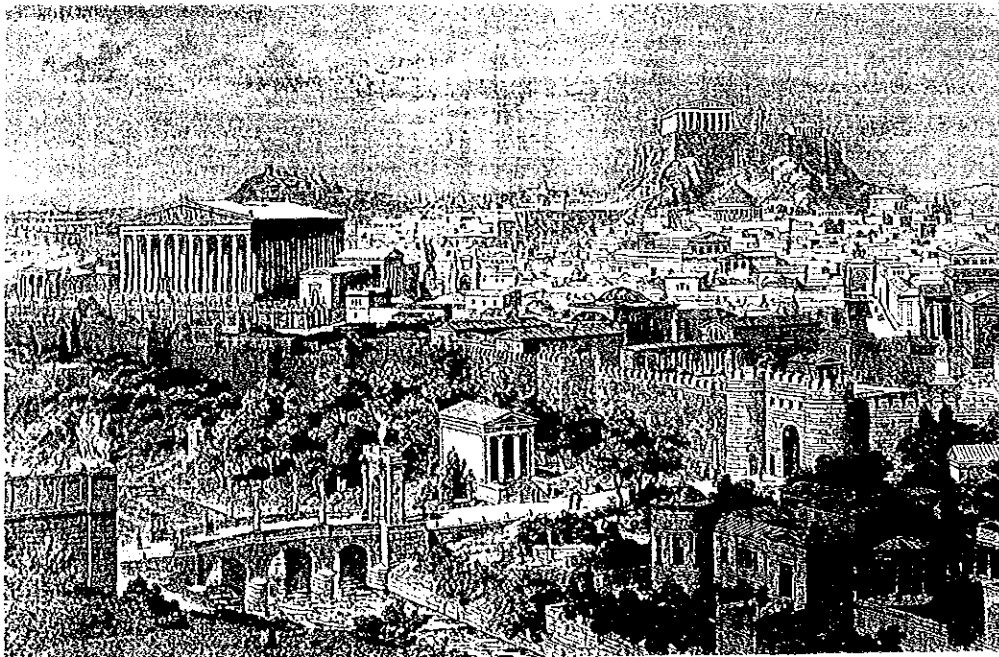
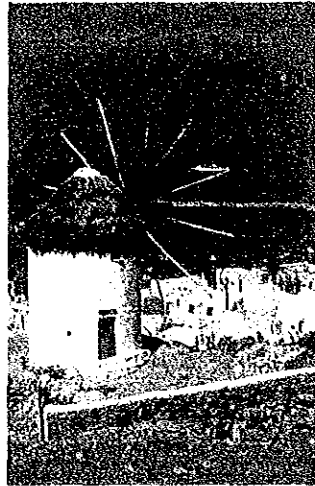
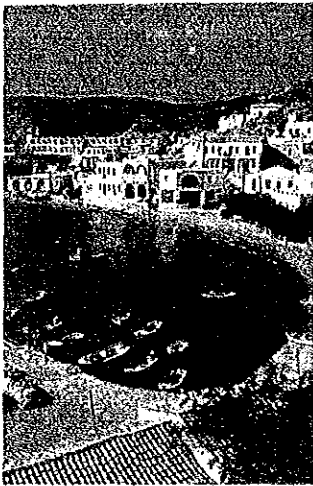
Osamu OHTSU
Team Leader
The Study of Tourism Promotion

STUDY AREA MAP



GREECE (PRINCIPAL TOURIST ATTRACTIONS)





A view of Athens from the east in Hadrian's time (restoration)

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1. INTRODUCTION

1.1 Study Background and Objectives

Greece, a world famous advanced country in the field of international tourism, with her rich archaeological sites, marine scenic beauties, mountains and picturesque towns/streets, etc., is receiving a significant number of foreign tourists from all over the world. The number of tourists has been steadily increasing these past ten years, from 5.1 million in 1978 to 8.2 million in 1988.

The tourism sector plays an important role in the Greek economy, i.e., the foreign currency income from tourism (including direct tourist receipts, credit card purchases, cruises, etc.) covers over half the amount of the trade deficit or 7.8 percent of the Gross National Product (GNP).

But in order to overcome difficulties, which the Greek economy faces, it is necessary to carry out further tourism promotion.

In this context, based on the request of the Government of Greece, the Government of Japan agreed to conduct the Study on Tourism Promotion through the Japan International Cooperation Agency (JICA). The scope of work for the Study of Tourism Promotion; with special reference to the measures to increase Japanese tourists to Greece (hereinafter referred to as the Study), was signed between the Greek National Tourist Organization (GNTO) and JICA in March 1988.

The objectives of the Study are to analyze existing constraints and problems, and to make recommendations for possible measures to increase Japanese tourists to Greece.

1.2 Study Framework

1) Study Area

The Study covers the areas specified in Greece as the destinations, and the areas in Japan as the origin of tourists.

2) Target Year

The year 1992 is defined as the target year for the forecast of future demand and recommendations.

3) Study Items

In order to achieve the objectives mentioned above, the Study covers the following items as shown in the flow-chart.

(1) Analysis of Existing Conditions

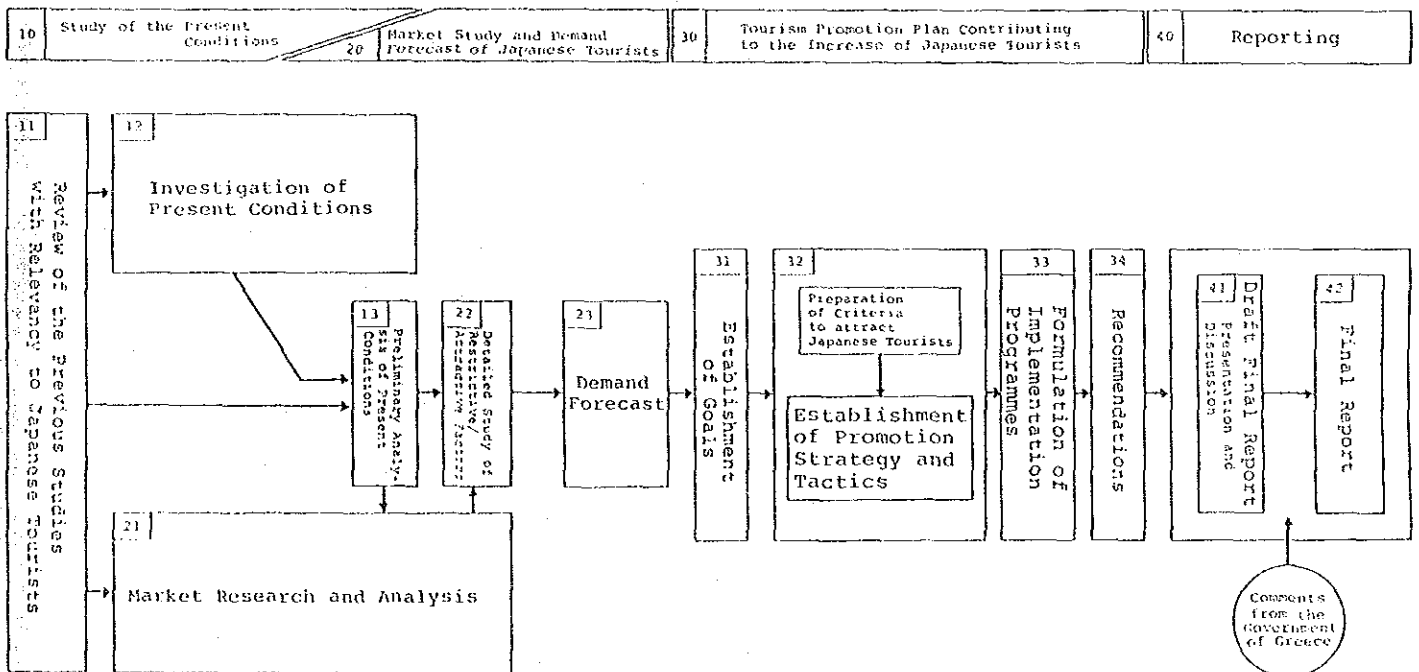
(2) Market Research and Demand Forecast of the Japanese Market

(a) Evaluation of resources and infrastructure

(b) Market research and analysis

- (c) Assessment of internal/external factors affecting future demand.
 - (d) Forecast of tourism demand.
- (3) Formulation of a Plan for Tourism Promotion to Increase Japanese Tourists
- (a) Establishment of goals and objectives.
 - (b) Identification of criteria for the attraction of Japanese tourists
 - (c) Establishment of promotion strategy and tactics.
 - (d) Formulation of implementation programmes.
- (4) Recommendations

General Flow-chart



4) Study Schedule

The Study was commenced in the middle of September 1988 and completed in July 1989.

2. CHARACTERISTICS OF JAPANESE TOURISTS TO GREECE

Japanese tourists to Greece include a very large number of women in their 20s who account for about 1/3 of all tourists visiting the country. The data of seasonal fluctuations of Japanese tourists to Greece indicates that they show a tendency differing from the general trend of Japanese overseas travelers, with their number increasing in February and March and honeymooners and students (female college students) holding a large share in total number of tourists. In fact, many of them state that they visited Greece for the honeymoon, and this may be the reason why not many of tourists to Greece have experience of overseas travel or European travel.

It is probable that Greece will continue to be a destination of Japanese honeymooners for some time to come, but it is necessary to develop new customers to attract more Japanese tourists to Greece.

The core target customers to be approached in the future with positive promotional endeavors will be; young female office workers who already constitute the core of Japanese overseas travelers, and married couples in the middle and higher age brackets among whom are found quite a few who, though still rather small in number, state that they chose Greek tour course because "Greece was included in the itinerary", and thus evince a strong inclination to travel to Greece.

As for the season suitable for attracting Japanese tourists, June and July for female office workers and September for married couples in the middle and higher age brackets, because the number of Japanese tourists is relatively small in these months and the "blue Aegean Sea" can be enjoyed to the full with all its attractions envisaged from its image.

Not all tourists to Greece visit the country because they actually wanted to. There are many who come to Greece because it was combined with other countries to visit or included in the itinerary. The principal reason for not having studied Greek tour is the lack of knowledge and tourist information about Greece, and this suggests that Greece is a forgotten country in Europe to most Japanese travelers. As a matter of fact, the survey disclosed that virtually all respondents were unaware of the promotion of Greek tour. It is therefore necessary to strengthen advertising campaigns designed to communicate the attractions of Greek tour to Japanese people.

Japanese tourists visit Greece not as the only destination of their travel but as one of the destinations included in the itinerary of their European excursion tour. It may be added that their average tour duration is 10.5 days and the average number of countries they visit is 3.3.

France places first among all countries visited by tourists to Greece. However, there are many who choose to visit France instead of Greece because "France is more attractive than Greece." Thus, France is both complementary and competitive relations with Greece.

Japanese tourists to Greece include less business travelers than do tourists to European countries, and their package tour usership is high. For this reason, their activities in Greece follow a certain fixed pattern. Specifically, they arrive at Athens early afternoon from various cities in other European countries, do the three-hour

city-sightseeing and stay overnight in the city (first night). On the next day, they enjoy the one-day cruise of the Saronic Gulf, go to Piraeus to relish sea food and stay overnight in the city (second night), and leave for another destination on the morning of the third day. This pattern of activities is substantiated by the average length of their stay in Greece which is 2.17 days as disclosed in the survey. Their expectations for tourist activities in Greece are centered on "viewing natural beauty," i.e., the Aegean Sea, and "visiting ruins of ancient times." Such ruins of ancient times, represented by the Acropolis, were once the most important of all Greek tourist resources. But today, the Aegean Sea is gaining growing popularity among Japanese tourists by conveying an image of "blue sky and blue sea," and is given the same importance as the ruins of ancient times.

To fulfill such expectations, they do the city-sightseeing and the one-day cruise of the Saronic Gulf mentioned above. Shopping is one of the most exciting attractions to any overseas traveler, but Japanese tourists to Greece do not have time to enjoy it because their itinerary is as tight as mentioned above.

How do Japanese tourists evaluate Greece? Generally speaking, they give high scores to "sight spots" and low scores to "meals." Meals are given very low evaluations regardless of where they are served, at hotels or restaurants, and the group interview disclosed that the lunch served on the cruise ship of the Saronic Gulf was found to be very unsavory by Japanese tourists. There may be many reasons to explain this, of which the principal ones would be the following.

- (1) Olive oil does not suit the palate of Japanese
- (2) Meat is roasted to excess and hard
- (3) Dishing is not appetizing

As for souvenirs, price is accepted as reasonable, but most tourists are dissatisfied with their quality and assortment.

Airport facilities are also given low evaluations. The itinerary of many Japanese tourists makes Athens the first destination in Europe, but as the entrance to the long longed-for Europe, the Airport would be open to the criticism of being a little too poor in appearance and functions. In particular, the West Terminal which is used for departures and arrivals of Olympic Airlines' planes is needful of improvement in the international telephone service facilities and other aspects.

Sight spots are given fairly high scores, but the Aegean cruise is given low evaluations despite of its being the prime attraction of Greek tour. This may be ascribed to the following reasons.

- (1) The Aegean Sea evokes an image of "blue sky and blue sea," but in the autumn to winter season when many Japanese tourists visit Greece, cloudy weather continues for days, making the sea look lead-colored quite contrary to its image.
- (2) The cruise ship is often jampacked, making it impossible for the tourists aboard to find a seat.
- (3) The lunch served on the cruise ship is unsavory, and the show given on the way back to the port is poor.

As for the sources of tour-motivating information, travel agency pamphlets are useful to those making overseas travel for the first time, and word-of-communication to those having experience of overseas travel. Since many of Japanese tourists to Greece have no experience of overseas travel, travel agency pamphlets serve as a source of useful information for them. Many tourists cite travel agency pamphlets and travel guidebooks as the principal sources of information they collected to plan their tours. Thus, travel agency pamphlets play an important role in attracting Japanese tourists.

Amount spent for souvenirs in Greece averages 60,000 Yen per person, which is considerably lower than the average of 88,000 Yen spent per person in each country visited by tourists to European countries. If Paris is combined with Athens in the itinerary, there would be many who purchase high-class products in Paris and buy lots of cheap souvenirs in Athens.

Of all improvements desired for Greek tour, "improvement of service/ amusement on the cruise ship," "meals suiting the palate of Japanese" and "souvenirs which are Greek specialities" scored the highest, thus indicating that Japanese tourists want, above all other things, improved quality and service of the Aegean cruise.

3. FUTURE PROSPECT OF THE JAPANESE TOURISTS DEMAND

It is quite difficult to forecast the future prospect of Japanese tourists demand to Greece. Because various factors - such as population, per capita income growth, leisure time, travel condition, tourism resources, service quality, tourist's inclinations, etc. - affect future tourism demand.

But, the future growth of Japanese tourist arrivals in Greece is certainly foreseeable based on the following backgrounds:

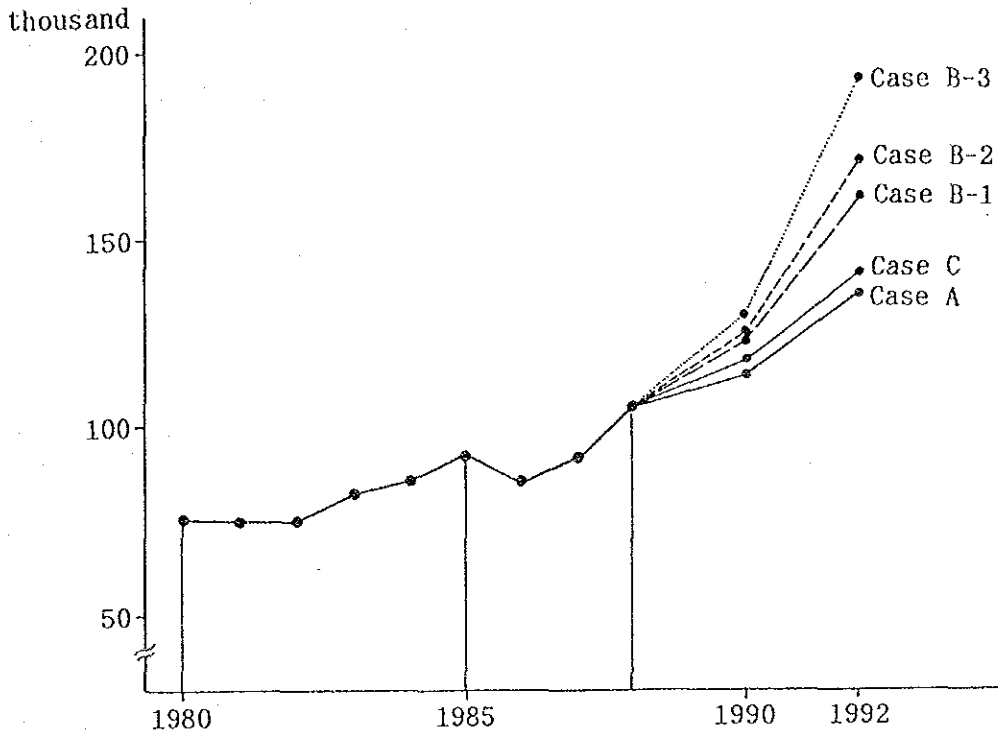
- (1) The basic trend of the high Japanese yen value is considered to continue for the years to come.
- (2) The growth of Japanese economy and per capita income growth has been high recently and is considered to be high.
- (3) The tourism promotion efforts by Greek side have been steadily getting popularity among the Japanese tourism market, and it is believed that such efforts will continue.

Taking into account these conditions three (3) alternative cases of demand forecast were examined.

One is the case based on the historical trend of demand, and the result is 131 thousand in 1992 with an annual growth rate of 5.7% from 1988. (A little bit higher than that of the last 4 years, because of Greek economy's high growth forecast.) Other two are reflecting the degree of the Greek possible efforts on tourism promotion, and their results are the range between 161 and 193 thousand with annual growth of 11.3% and 16.4%, respectively.

The actual achievement of forecasted demand will depend upon the promotional efforts by Greek side. It is believed that more than 10% growth will be easily achievable by Greek Government's efforts. But one of the most critical points for such growth are seemed to be the shortage of Japanese speaking tour guides.

Future Prospect of the Demand



(000)

	1990	1991	1992
<u>Japanese Tourist Arrivals to Greece</u>			
Case A	114.2 (124)	122.7 (133)	135.7 (147)
Case B-1	122.4 (133)	137.6 (150)	161.0 (175)
B-2	124.7 (136)	143.0 (155)	171.4 (186)
B-3	129.7 (141)	154.8 (168)	193.3 (210)
Case C	118.0 (128)	124.4 (135)	131.2 (143)
<u>Japanese Tourist Arrivals to 8 European Countries</u>			
	3,159 (130)	3,492 (144)	3,998 (164)
<u>Total Japanese Overseas-bound Tourists</u>			
	9,274 (136)	10,310 (151)	11,976 (175)

Note: Figures in parentheses indicate the index figure to 1987.

4. TOURISM PROMOTION PLAN

4.1 Goals

At the beginning stage of the promotion planning, the following four (4) primary goals are set up.

- 1) The primary target market segment is 'young females' as examined in market survey.

Taking into account that the number of middle-aged and older generation travelling abroad is increasing and their interests cover the cultural and historical aspects of Greek tourism, these group should be considered as the secondary target market.

- 2) 'Package tours' will remain as the most preferred Japanese travelling style to Europe in years to come, then
 - travel agents (both in Greece and Japan) should be encouraged to increase the package tours which include Greece in their itineraries.
 - distinct tourist attractions of Greece as compared to other European countries should be highlighted.
- 3) As for travel season, it is recommendable to motivate Japanese tourists to visit Greece during 'shoulder season'; late spring and early autumn. Avoiding the high congested summer season.
- 4) Based on the Japanese preference to Greece - Athens, blue sea and islands, and ancient relics - and their travel patterns, Athens and its environs, one-day excursion from Athens (including one-day cruise), 3-day cruise and visits to islands are set up as the main targets (target areas) for the near future.

4.2 Basic Strategies

Basic promotion planning directions and strategies are as follows:

- 1) To increase the publicity of Greece among Japanese
 - GNTO and GNTO Tokyo Office are the central functional bodies to promote the above. In addition, joint and coordination efforts of all Greek Government authorities and the private sector are essential. And for enhancing such efforts, support from Japanese enterprises and Japanese enterprises and Japanese, which have interests in Greece, should be also requested.
 - First step towards enhancement of the publicity of Greece is to increase the quantity of information, then their quality. Incorrect and inaccurate information which has been sometimes observed should be properly corrected through providing adequate information.
 - An effective and prompt measure is considered to undertake promotion activities toward young women as main target group.

- 2) To make full use of Greek tourism potential and its uniqueness

The most important factors of Greek tourism which have a strong appeal to Japanese are the blue sea represented by the Aegean Sea and the ancient relics.

Greek tourism promotion should be based on the important and unique factors. There should be no way to follow the same way which other countries succeeded in and to pursue the way in identity and uniqueness are the most important.

In this respect, the promotion of indigenous industries is also important.

- 3) To properly meet the market needs

The mistakes of low pricing policy is now in the course of adjustment. It is important;

- To understand the market needs and trend precisely, and
- To develop mechanism which can meet the change in market needs promptly.

- 4) To identify market characteristics and undertake relevant marketing activities

As package tour is the dominant pattern of Japanese travel which is expected to continue without significant change, it is essential to strengthen the promotion activities for travel agents.

- 5) To improve tourism facilities and services in Greece

It is essential that improvement on facilities, services and related tourism environment is made based on full understanding of behavioral characteristics of Japanese tourists in addition to 2) and 3) above.

4.3 Recommendations

Though many ideas and plans for Greek tourism promotion are examined, some representatives/significant ones are summarized in 'promotional activities' and 'promotion plans' as follows:

- 1) Promotional Activities

Everybody knows that it is quite important to conduct promotional activities such as public relations (publicity), advertising and sales assistance, etc., in Japanese market.

And basic directions of promotional activities are summarized into followings:

- (i) Activities focused on the target areas with the certain concrete image concepts by area.

- (ii) Activities effective to the target market segments
- (iii) Activities through travel agents such as young females both in Greece and Japan since Travel Agent plays a big role in Japanese Market
- (iv) Activities in corporation with GNTO, the concerned government sectors and also the private sectors
- (v) Activities integrated by various effective measures available from broad aspects of tourism promotion

As the detail measures are proposed in the Main Report, the only a few important ones are explained as follows:

It is quite important to conduct promotional activities such as public relations and advertising, through various mass media in Japan. While, the cost for advertising is very expensive and seems not so feasible; because for example,

- 1 million drachmas for 15 seconds on TV advertising
- 1 page ad of nationwide female magazine costs more or less 2.5 million drachmas
- 6 million drachmas for full page ad at nationwide newspaper

Therefore, it is desirable to focus on public relation activities through these mass media, and necessary cooperation with magazine/T.V. companies should be done both by Greek Government sector and by private sector.

- GNTO/private sector should offer adequate information or materials on Greece.
- Press tours should be organized with related sectors.
- Cooperation for T.V. shooting on such as drama programme, quiz programs and production of commercial message film.

Public relation through exhibitions and fairs shows significant affects to overseas travel, even indirect. Since Greece has very rich archaeological treasury, the realization of various exhibitions should be carefully considered from the viewpoint of attracting Japanese to Greece.

- Exhibitions both at Museum and at Department store
- Food fairs at hotels

The promotional materials, such as brochures, posters, video-tapes and photo-library etc., of target areas should be produced at least in English, preferably in Japanese language, in larger size and in more bright colours to attract the attention by both travel agents and prospective visitors.

Since the travel guidebooks are considered to play a significant role in forming the image of the concerned destination before and after overseas travel, attention should be paid to the major guidebooks on Greece whether any mistakes, unfavourable descriptions or unattractive photographs are included or not. Appropriate and adequate information and photographs have to be provided.

2) Promotion Plans

In accordance with the basic planning directions, various promotion plans are examined by target area, facility and service etc. Major ones are explained briefly.

(i) Within Athens

Properly designed guide signposts are to be installed in the tourist area; Acropolis, Agora, Plaka, Omonia, Sintagma, etc.

Acropolis-Agora-Plaka route should be formulated as an integrated tourist spot with some improvements, such as;

- Extension of opening hours of Agora,
- Introduction of common entrance ticket system for Acropolis and Agora with necessary information on the back of the ticket,
- Parking facility and footpath improvement, etc.

National Archaeological Museum will be more attractive, by introducing some improvement measures;

- Easily understandable guide pamphlet on noteworthy items,
- Rest area and repository of souvenir,
- Audio visual presentation, and so on.

(ii) One-day cruise

This is most popular for Japanese tourists, but some improvements are required;

- Necessary information services on ports of call: What to see, eat and shop on each island.
- On-board events: dance, bingo games, etc. especially on the way back.
- On-board food service: quality of food, way of service, etc.
- Development of new cruises: such as with less islands and longer free time at ports of call, new land and sea course, luxury cruise by speed boat, etc.

One of these ideas, a half-day cruise, has been already implemented by the initiative of some Japanese travel agent. This trial is considered quite encouraging the new attractiveness of Japanese.

(iii) Tour to Delphi

The problems lie only in time and distance between Athens and Delphi as well as the scarcity of touring places between these two points. The village Arahova as a place to take lunch/rest, and the factory of beverage on the route can be taken into consideration as a visiting place.

(iv) Rhodes

Since Rhodes is well-known among Japanese and the evaluation by Japanese visitors is high, Rhodes is one of the most favoured place as it is.

- Various public relations/advertising of the island are expected both to Japanese tourists and to Japanese travel agents.
- Publicity of local products, such as ceramics, precious metals and stones, etc., should be encouraged.
- Rehabilitation of scenery by such as planting rose is considered appropriate, particularly along the trunk road from the airport to Rhodes town.

(v) Mykonos

Mykonos is also one of the most favoured places by Japanese.

For betterment of attractiveness to Japanese, followings will be useful:

- Supply of hotel rooms for Japanese tour group through a systematized group reservation system,
- Development of Mykonos style cuisines,
- Promotion of knitted wool goods as special local products, etc.

As for the improvement of tourist facilities and services, the followings are pointed out:

(i) Accommodations

Though the shortage in capacity, especially in the summer peak season, is noticed in general, the expansion of hotel capacity cannot be recommended from the viewpoint of the increasing Japanese tourists, because they occupy not a large amount of share.

Our recommendations are mainly composed of various

improvement aspects of services. Hoteliers/managers can select appropriate measures from the following aspects:

- Prompt and reliable services welcomed by Japanese,
- Information services in Japanese,
- Hospitality mind of services, etc.

(ii) Restaurant

Many Japanese tourists complain to meals, especially to Greek dishes. Regarding the palate of meal, it is not necessary to follow Japanese taste blindly, but useful to lean for some adjustments.

The efforts should be focused on the improvement of service such as cleanliness, decoration, tablewares, visual menu, serving food right after cooking, etc.

(iii) Shopping

As shopping is the one of most important purposes for Japanese tourists, every efforts should be done. For instance,

- Development of new souvenir goods with regional identity,
- Sales promotion efforts at every shops, etc.

In addition, improvements of Duty Free Shops both at airport and in the city centre are also proposed.

(iv) Tourist information centre

(v) Japanese speaking tour guides

In order to cope with the increasing Japanese tourists, Japanese speaking tour guides are improved from the following viewpoints:

- Increase in number,
- Training Japanese language
- Scenarios for Japanese, adequate by tourist segment.

3) Transport Services

Improvement of transport services is also important for tourism promotion, followings are proposed in the study.

- (i) Olympic Airways' operation to Japan
- (ii) Better transfer connection to Athens via northern air route
- (iii) Quick, easy and convenient access by air to domestic tourist destinations

- (iv) Improvement of OA's services and equipment
- (v) Betterment of airport facilities and concerning services at Ellinikon Airport
- (vi) Necessary means to make taxi reliable to foreign tourists

4) Others

In addition to the abovementioned various plans, the following proposals should be also further examined.

- (i) Inter-agency committee for improving tourists receiving conditions
- (ii) Preparation of reliable tourist statistics
- (iii) Enhancement of business relations between Greek and Japanese travel agents
- (iv) Mission of tourism promotion to Japan
- (v) Provision of pamphlet of daily Greek-Japanese conversation

JICA