

# Challenges Facing Kyoto City From International Tourism and COVID-19: A Case Study

Zane Ritchie

Josai University

Richard Miller

Osaka Jogakuin University

Michael Parrish

Kwansei Gakuin University

## 要 旨

本研究は外国人旅行者と新型コロナウイルスによる京都市への影響と今後の観光の在り方について考察する。歴史的に日本は外国人旅行者にとっては然程人気のある観光地ではなく、本格的に外国人へ向けて大々的に宣伝をし始めたのはバブル経済が崩壊した 1990 年代初頭の頃であった。その効果で 2012 年から 2019 年に渡って外国人旅行者数が年々指数関数的に増加し、2019 年に全国 3,000 万人（京都は 500 万人）を超えた。ホスピタリティ業界、また外国人専用ツアーガイドとして働いたカナダ出身コッチ・グレッグ氏とのインタビューを通じて、外国人旅行者数の急増後、京都市、また市民への影響、そして新型コロナウイルスによる影響を解説する。市民、企業、自治体を含む全ての利害関係者が協力してコロナ後、観光業の将来の方向性と在り方を定量化し、より持続可能な長期的解決策を図る必要性について考察すべきであると提案する。

## Introduction and Historical Context

In 2019, over 31 million international inbound tourists<sup>1</sup> visited Japan, with the country well established on the international tourist circuit. However, this was not always the case. Modern Japan has a relatively short history of international relations, and the beginnings of international inbound tourism did not really occur until the Meiji Restoration of 1868 (Funck & Cooper, 2013). Historically, most visitors came for work, not leisure. Japan was not generally an especially attractive destination for inbound tourists, because it was perceived as an expensive and closed country. As recently as 25 years ago, international inbound tourism to Japan was less than 4 million visitors annually (Japan National Tourism Organization, 2022). The popularity of the country as a tourist destination grew slowly in the 1970s and 1980s as the economy developed, but ironically mass tourism did not start until the beginning of the 21st century (Sharpley & Kato, 2020), following the end of Japan's economic miracle and the stagnation of the overall economy. Hospitality and tourism were both growth sectors until the COVID-19 pandemic took hold in early 2020, when Japan implemented strict border controls barring entry to non-resident foreign nationals, making international tourism untenable.

Japanese hospitality is world-renowned, and [*omotenashi*] is a key cultural concept, but it was reserved for domestic travelers for much of Japan's history. Japan in the Edo era (17th and 18th centuries) strictly limited contact with the outside world, with only a few ports, most famously Nagasaki, being open to foreign visitors and trade. It was the arrival of Admiral Perry in 1853 and the beginning of the Meiji Restoration that saw the birth of a tourism and hospitality infrastructure that catered to international visitors (Funck & Cooper, 2013). At that time, most foreign visitors were involved in trade, diplomacy, Christian missionary work, or some sort of education, with this remaining true well into the 20th century. The trauma of the Second World War and subsequent recovery years also prevented the country from developing into a viable destination for leisure tourism.

The rapid post-war economic development of Japan led to rising prosperity in the 1960s and allowed some middle-class Japanese to feel that leisure travel and tourism were an attainable luxury. As a result, little attention was paid to the possibilities of international tourism, and instead the government and hospitality industries focused more on promoting domestic and out-bound tourism, once Japanese were allowed to freely travel outside of Japan in 1964 (Soshiroda, 2005). Post-war Japan was largely relegated to specialty inbound tourists, but saw an uptick with the 1964 Tokyo Olympics (Aizawa, 2018; Tomizawa, 2019), followed by the 1970 World Exposition, held in Osaka. These international events were symbols of the economic recovery, with the resulting prosperity allowing even average Japanese the chance to travel abroad (Ahmed & Krohn, 2010; Tomizawa, 2019).

A backdrop to the business of tourism and the overall industry that grew from it can be found in the economic miracle that started to change the image of Japan abroad when the was at the apex of its economic power at the end of the 1980s (Porter et al., 2000). The peak of international economic strength had followed on from the early 1960's (Tomizawa, 2019). Such a high rate of growth allowed it to recover from the devastation of the War to become the second largest economy in the world (Porter et al., 2000). Japan's rapid economic growth and expansion into international markets fueled a speculative bubble that drove up the prices of goods and services, and as a result, by the 1980's the country had a reputation of being extremely expensive which limited its popularity to many international tourists. Meanwhile, during the bubble economy era, the number of Japanese departures increased three-fold over that of the 1960s and 1970s (Funck & Cooper, 2013).

Additional challenges for the tourism industry were in part brought on by a dichotomy of two industries within the same business environment (Porter et al., 2000). On the one hand competitive international brands were taking over markets, such as the car industry with competitive prices and high quality in the international marketplace (Halberstam, 1986; Porter et al., 2000). Contrasting that were inefficient protected industries, such as the highly

regulated domestic businesses of tourism and licenses (Porter et al., 2000).

The subsequent decades following the burst of the economic bubble (sometimes referred to as the lost decades) and resulting prolonged recession caused weaning internal demand for high-end goods and services which conspired to cause a decline in demand for expensive tourism and services from the traditional source of domestic customers. This led the government to initiate a series of campaigns such as “Welcome Plan 21”, as one of the solutions to the country’s economic woes (Sharpley & Kato, 2020; Soshiroda, 2005).

The fact that the price of goods and services had remained essentially stagnant while much of the rest of the world had at least modest inflation created a situation where the prices in Japan for foreign travelers were now competitive with many other destinations. While the illusion of high costs may have remained in some areas, the reality was that the country was becoming a bargain destination, with high quality services and facilities at moderate prices (Stegnienko et al., 2018). This led to increased demand for travel into the country by travellers who otherwise might have not gone in the past. Japan was becoming an attractive destination for international tourists.

The increase in interest in travelling to Japan coincided with a rise in the numbers of international tourists worldwide from around 1989, but particularly in the years between 2012-19 where the growth rate was exponential (Sharpley & Kato, 2020; Reisinger & Dimanche, 2020; Nhamo et al., 2020). Growth was fueled by a variety of factors, including cheaper air travel, increased tourism from rapidly developing Asian countries, and increased availability of travel related information on the internet that led to a dramatic increase in international tourists bound for Japan (Reisinger & Dimanche, 2020). Moreover, the reputation of Japan as a welcoming and desirable international destination resulted in steadily increasing numbers of visitors to the country at all price points, from budget travelers to first-class tourists. The shift in economic fortunes due to the increase in international arrivals had implications across the entire economy, impacting not only the travel and hospitality sectors, but also many other industries as well. At all levels, the government recognised the economic benefits that tourism brought — from international prestige through to local job creation (Sharpley & Kato, 2020).

Numbers of international inbound tourists to Japan remained somewhat static at around 3-4 million per year during the 90s, hitting the 5-million mark in 2002 (Japan National Tourism Organization, 2022). From there, they began to gradually increase, hitting 8-million in 2008 before dipping, in line with a drop in international tourism, due to the financial crisis. As the world economy recovered, so did tourism to Japan, with one of the new drivers behind it an expanded marketing strategy to capture the international market by local and the national

government through the sponsoring of international sporting and cultural events, such as the FIFA World Cup, and with the Olympics due to return to Tokyo for the first time in almost 50 years in 2020, the government was hoping to use the event as a platform to attract up to 40 million inbound tourists that year (“Abe vows further efforts 40 million tourism goal,” 2020). Then, SARS-CoV-2 hit in March, with devastating effect.

The pandemic began in Wuhan China in late 2019, and quickly spread throughout the world (Lee, 2020; Li et al., 2019). While it affected almost all industries and businesses, to some degree, the tourism industry was one of the most heavily impacted (Bakar & Rosbi, 2020). To stem the spread of Covid-19, many countries chose to lock down their borders completely, which quickly led to the complete shutdown of incoming and outgoing tourists, one the most dramatic measures in modern times (Bakar & Rosbi, 2020; Farzanegan et al., 2021; Nhamo et al., 2020) In a UN interview, Urosevic (2022) explained that for tourism: “This has certainly been the biggest crisis ever for the sector. Basically, it’s like we went back 30 years in 2020.”

Japan implemented one of the harshest border closures of all, effectively barring all non-residents from entry, which reduced the numbers of tourists by 99% within just a few months (Azuma, 2021). This caused devastation across the tourism industry, costing upwards of 4 trillion yen in the first year alone, with losses particularly high for those businesses that relied on foreign tourists. (Kamiyama, 2020). And in a moment of *déjà vu*, policymakers looked to the past and began promoting domestic tourism through a series of campaigns, but none of these measures really succeeded due to sporadic lockdowns implemented to halt the spread of Covid-19 domestically.

This paper examines the effects of the Covid-19 pandemic on the tourist and hospitality industry in Kyoto through an interview case study. The ancient capital of Japan has been a drawcard for domestic travellers for centuries, and the images and branding of its ancient temples and gardens are now recognised internationally. Modern Kyoto is also a centre for design and technology and the home of Nintendo and other world-renowned companies. It has a variety of attractions as a tourism destination, including a high concentration of temples and shrines located within the city boundaries and many well-preserved traditional townhouses and buildings. Kyoto was chosen as the case study for this research due to the importance of the city as a popular destination for Japanese and non-Japanese alike, and the ease of which to gauge changes in patterns of tourism beginning with the boom from around 2012, culminating with the bust in 2020 due to Covid-19. What can Kyoto learn from the unprecedented boom inbound tourist numbers over the past 10 years or so and what are some of the implications regarding future policy regarding tourism to the city, and indeed the rest of Japan?

## The Interview

An unstructured, informal interview was undertaken by Ritchie with Mr. Greg Koch, a long-term Kyoto resident who has been involved in the tourism industry for over 10 years, first in the hospitality industry, and then as a professional tour guide for inbound international tourists. The purpose of the interview was to develop a sense of Koch's understanding of the situation regarding the state of tourism in Kyoto from his extensive knowledge of the city and its residents. It was hoped that as a guide specialising in tours for non-Japanese, he might provide some insight regarding the state of tourism pre-pandemic during the time of explosive growth in overseas visitors, the sudden fall off in numbers when the pandemic hit, and some advice to policymakers post-pandemic as they consider the future direction tourism should take in the City. The interview was conducted at Doshisha University in Kyoto, on January 4th, 2022, with a follow up session in Zoom on February 3rd, for purposes of clarification. The interview took around 40 minutes in total and was also attended by Miller.

Ritchie: We are going to be interviewing Greg Koch who is a tour guide based in Kyoto. Greg, Thanks for agreeing to be interviewed today. After a brief introduction, I would like you to describe how and why you became a tour guide in Kyoto; followed by the impact of tourism on Kyoto pre-pandemic, the decline of tourism during the pandemic itself, and the directions you see tourism going post-pandemic.

Koch: First, thanks for allowing me to be interviewed. I am Greg Koch originally from Canada and came to Nara, Japan on the JET Programme<sup>2</sup> in 2002. After the three-year contract was up, I studied Japanese language and cultural studies at Ritsumeikan University. I did that for a year, and after that I was looking for work, and I got a job the Hyatt Regency Hotel here in Kyoto. So, at this time, tourism had not been on the radar and the Japanese national government hadn't foreseen its potential and how much revenue this could bring in terms of the hotels and infrastructure and the number of foreign tourists and where it might go. First, I was at Hyatt Regency Kyoto Hotel from 2008 to 2010 where I started off as just a part-time worker, before working up to a full-time position. During my time there, I was exposed to a lot of tourism first-hand and I got an understanding of how the city works. I became more knowledgeable about the kinds of temples, shrines, and what people were looking for, because a lot of the clients or guests would come to me for advice about what to see. At the time, I started thinking about how tour guiding might be an interesting type of job. So that's what put me on track to becoming a tour guide. Coming up to the end of 2010, we had gone through the financial crisis and the bird flu, and that hit the hotel industry really hard. From a managerial point of view, what the hotel did was to cut the number of staff, so each of us was doing the equivalent of several full-time jobs. This industry was a very difficult place to work

in after 2009. So anyway, to make a long story short, I ended up quitting the hotel. I was looking for work and I wanted to remain independent, so I ended up opening my own company, Hands on Kyoto, that involved me first establishing a headquarters in Canada, and then opening a subsidiary here in Japan. I do hands-on tours, or introducing visitors to more authentic and personalised experiences and I've been working as a freelance guide. I started getting clients, basically by word of mouth. They call them FITs or Free Independent Travellers and I get a lot of families, or couples, who are in Kyoto for a short period of time. I had my first kind of real crack at guiding through Walk Japan and I was working with them from 2012, all the way to 2018.

Ritchie: Sorry, what is Walk Japan?

Koch: Walk Japan is a Japan-based tour company that focuses on the inbound market. They are focused on non-Japanese and they do tours specialising in off-the-beaten-track walking tours. They show non-Japanese people places and things they wouldn't see on a normal tour. For the most part, I was focused on Kyoto tours for them. Usually, a two-day tour but some private ones as well.

Ritchie: So how is Hands on Kyoto different from Walk Japan?

Koch: With Hands on Kyoto, in my approach, it is hands-on, and is like getting your hands on Kyoto or getting familiar with authentic Japanese culture. For example, I would get people who were interested in, say, pottery workshops. They could observe the artisans, ask questions and take part in making or creating their own pottery, if they wanted to. Another example is a friend who has a ninja dojo. So I bring clients to it, and they would have fun putting on ninja costumes and experience being an actual ninja for the day. With Walk Japan tours, I was doing probably 25-35 tours a year, small tours that would involve up to 15 people, taking them around Kyoto City for the most part. Sometimes I would take them out to the *inaka* (countryside) for walks and to familiarise them with local areas.

Ritchie: And were you on commission?

Koch: No, in the beginning it was a monthly salary from Walk Japan. But then I decided to change to getting paid per tour. Usually they were day tours, and I was taking people around to see the highlights, such as *Kinkakuji* [The Golden Pavilion] and so forth.

Ritchie: So how did you make yourself stand out and how did you attract clients?

Koch: Basically, I was using word of mouth and TripAdvisor as my main ways to promote

myself, and through other guiding companies too, I started making connections. To make my tours stand out compared to standard tours I was trying to sell cultural experiences. For example, clients could visit artisans at their personal workshop, or I would arrange dinners to see a *geisha* or *maiko*<sup>3</sup> or tea ceremony type experiences with a tea master.

Ritchie: Right, so you have some insight as you're in contact with people in Kyoto and they know places that normal tourists can't go to.

Koch: Yes, I have contacts that would allow me to bring visitors to places that usually you couldn't get into with an introduction. I was constantly looking for businesses and or people in Kyoto, involved in the creative industries that would be interesting or fun clients. That would allow tours to become more authentic, and that is something Walk Japan couldn't do. So that is how I would differentiate myself. Basically, Walk Japan focused on walking tours in the countryside. I was based in Kyoto City and was trying to do more cultural experiences.

Ritchie: So, Walk Japan didn't have tours in Kyoto City?

Koch: No, they had a two-day walking tour, but it focused on the highlights and didn't have as much cultural content. At one point they were recruiting me to become the manager of the Kyoto Branch.

Ritchie: So, the clients would book through Walk Japan?

Koch: Yes. But in the beginning, I took care of all kinds of things on the ground. The office took care of hotel and tour bookings-tours were pre-scheduled and I'd have to agree to the tour dates ahead of time. Basically, there was a fixed two-day tour itinerary. I would be contacted by the office with a list of names of the clients and I'd contact them, etc.

Ritchie: When did things really start to take off for you?

Koch: Yes, it was probably around 2016/17 or so. I was putting on night tours so I showed clients the Gion district on foot. And I would explain about the history and the culture of the *maiko* and the *geisha*. A lot of times I would time it so that we could see the *geisha* or the *maiko* with their *kimono* and make up on.

Ritchie: Can you talk about the numbers of tours you did and where your clientele came from?

Koch: I was running probably one a day, or sometimes two a day during the high season in

spring and autumn. It was usually a couple of people per tour, but depending on the time of year, there could have been up to six. The numbers of tourists really started to increase after visa restrictions for I think the countries like China, Vietnam, and Thailand were relaxed. Essentially from 2013 to about 2014, I could see a steady rise in the number of tourists coming. And then Tokyo won the 2020 Olympics bid so it was from about 2016, I could see quite a shift, with numbers of tourists coming to Japan really starting to take off. My clientele came from all over, but these were English speakers mainly from Australia, US, England, Ireland, etc. But I had no Japanese clients.

Ritchie: Did you need a special guide licence or anything like that?

Koch: Actually, there was also a law the Japanese government had in place, a strict law for licensing, that had been in place since the 1940s or 50s I think, and you had to pass this ridiculously difficult national guide test to become a nationally certified interpreter/tour guide. The test was completely in Japanese except for the language section that you could take in Chinese, English etc. to test your translation skills, while the other sections tested your knowledge of geography, and history. And this covered the entire country. It was extremely challenging. But the government realised that they didn't have enough nationally certified guides, so they started amending the system by allowing local governments such as Kyoto City to establish their own officially licensed guide programmes. Kyoto City created its own guiding system and in 2016 I went through training and obtained a KVH, or Kyoto Visitor Host official guide licence, certified by the City. But then a year later they totally took away the licensing system then you no longer needed to be licensed after that.

Ritchie: And were there any consequences of the deregulation of the guide licences?

Koch: What quickly happened was English teachers were now becoming part-time guides. I even saw housewives that were now becoming part-time guides, or students who could speak a little English, Chinese, etc. I even knew some university professors who got into guiding. So, it wasn't pretty, and it became a free-for-all that everybody was getting into.

Ritchie: So, to summarise, it is 2016 to 17, and you're getting quite busy and there is a large increase in the number of tourists coming to Japan and Kyoto, right? What were some of the impacts of this, and can talk about the impact of the increase in tourists on the people of Kyoto and what did they make of the increase?

Koch: I think back to 2012 to 2013, when the number of foreign tourists was maybe just a few million. And then you know, we get to 2018/19 which is the peak. We're probably looking at around maybe 8-million in Kyoto alone, and 30-35 million throughout Japan. That's an



astronomical increase and of course it affected the locals of Kyoto.

Ritchie: Right, so numbers are increasing. Can you describe how this increase impacted people and some of the positives and negatives?

Koch: The positives were that I could introduce Japanese culture to people who were visiting Japan for the first time. And then the other part was that being in Japan you sometimes feel like you're insulated from the outside, and it's tough to kind of keep in contact with the outside world, so having people come from all these different countries kept me up to date about what's happening outside of Japan. It continually gave me fresh insight, you might say. I remember I was showing some clients around *Kinkakuji* and one of the people literally took me aside and said, "Greg, why are we here? It's so busy. I just want to leave." So, a lot of the time when we were going to these temples in 2018 to 2019 it was just so crowded that you couldn't enjoy it. It got so bad that I told Walk Japan, "Look, we've got to build a new tour to get away from all the touristy sites because it's just so bad." So, we began looking at trying to build another tour which would take people to the lesser-known, less-crowded areas. Walk Japan would be booking hotels and it was so packed that they were having trouble securing rooms for the clients. So, they started having the clients book hotels themselves because it was just so troublesome for them to do it. So, for lack of a better term, Kyoto became a zoo.

Ritchie: If it was becoming a zoo, what are some of the impacts these numbers of tourists had on the locals?

Koch: The local buses were crowded with all the tourists trying to go to the major tourist sites like *Kinkakuji* and the like. I was on the bus one day and witnessed an elderly Japanese lady yelling at people because she couldn't get off the bus. And I was thinking to myself that I was grateful that I didn't often use the bus to get around. What an experience that would be to have to take the bus! And with places teeming with all the tourists, another issue was trash. I remember seeing one street with tons of trash along it. And I started seeing more trash at or around major tourist areas of the city.

Ritchie: Can you explain the trash situation in more detail? The way I understand it is there are no rubbish bins in Japan like public rubbish bins here in the cities, right? They got rid of those, right.

Koch: Well, they had started putting them back at busy tourist sites in Kyoto. But those were overloaded, especially and near vending machines which have recyclable boxes for cans. People were tossing their trash into these boxes, because they mistakenly thought they were trash boxes, right? And then I noticed they (local businesses) started setting up *yatai*

(outdoor stalls) or the stands where they would sell food to tourists right in front of some of the shrines, such as *Fushimi Inari Shrine*. Usually, these stalls are only for festivals, but they were full-time every day and it was attracting all these people from outside of the area. The locals who live around these shrines or areas have to go to work or school and back, but these stalls and the resulting increase in visitors was negatively affecting or inconveniencing the local's daily lives. In addition, there was the issue of Airbnb and when that also started to take off, a lot of people were concerned about all these foreign tourists coming in and out of the neighbourhoods, right? So, there are safety issues and Kyoto residents are naturally wary of strangers. So, it's kind of an extra amount of concern and worry about these different people coming in and out.

Ritchie: And were there any other impacts that you noticed?

Koch: Well, I feel quite uncomfortable walking around Kyoto in recent years compared to, say even five, or ten years ago. It's quite a different city. It felt like in many ways that I could no longer relax and spend a quiet time, you know. And at the height, things were a little outrageous and there were local restaurants that have stopped serving non-Japanese people because they just don't want to put up with the kind of burden of having to deal with the language issues and misunderstandings. And I think locals [who are] not involved in the industry also felt like tourism was kind of being pushed on them and saw very little benefit from the rise of the non-Japanese tourists.

Ritchie: Yes, and did these kinds of things affect your business model?

Koch: Well, as I would take groups around, I experienced some of these negatives first-hand. I've personally experienced times when I would try to hail a cab and taxi drivers would ignore me, because they see me with clients, and they had this thing of not wanting the hassle of trying to deal with foreigners. And I have personally tried to make reservations at restaurants for clients and when I mentioned my name, and they figured out we are non-Japanese, they gave me a response to say they are booked out and later when I passed the restaurant, there were few customers.

Ritchie: So, did the local Kyoto municipality have any contingency plans in place to deal with the increase in tourists, like placing limits on numbers [of visitors], or trying to discourage people from coming, or anything like that?

Koch: Well, they were not necessarily limiting people, but they did bring in a hotel tax. I don't know if that was meant just as a revenue generator because it was only 1000 yen. And there was another policy where they were trying to have people go to visit other parts of Kyoto

Prefecture. So instead of staying in the city, tourists were being encouraged to go outside of the city to the seaside or countryside. They were kind of trying to disperse the number of tourists out into the regions.

Ritchie: Yes, this was policy being discussed at the national level. I remember reading at the time about how the Japanese Government was pushing that since most tourists from overseas were going to Tokyo, Osaka and Kyoto, rather than [other, more rural or more distant] regions. They just weren't getting the increase in numbers, so they were trying to disperse tourists out and to encourage that. So, you talked about some of the negative aspects of tourism in Kyoto and the impact on people's lives and how it negatively affected the lives of locals, and they were not able to cope. It was like being in a zoo and public transportation was overwhelmed. Can you talk about some of the positives?

Koch: I think from a job perspective, Japan tends to be isolated but insular, so having people come in from other countries challenged the locals to learn how to speak another language such as English or Chinese in order to communicate with all these visitors that were coming in. So, tourism encouraged the internationalisation of Kyoto, I think.

Ritchie: I must say that when I've gone to Kyoto, I've noticed a huge increase in the level of English. I see English signs everywhere as well and more locals, shop clerks or assistants being able to speak English.

Koch: The Japanese government was trying to make some attempts to expand certain areas, not just physical areas, but also in terms of jobs and work as well. Because this is a whole new segment, a new tourism industry along with other related industries, I saw a lot of people trying to get into it. And had been seeing an incredible increase in the amount of revenue that tourism was generating, obviously benefiting local hotels and restaurants.

Ritchie: So, Greg, we're speaking in terms of internationalisation and some of the employment opportunities that tourism created. However, just before the pandemic hit, places, like Italy and other tourist orientated cities in Europe, or even in my home country of New Zealand, had begun rethinking tourism as they were really struggling with over-tourism. I think Venice and Amsterdam had put moratoriums on development on new hotels, for example. Do you know of any initiatives like this are happening in Japan and they are rethinking the way tourism should be?

Koch: I mean before COVID-19, the issue of over-tourism was already being discussed. Like I said before, there were attempts to try and diffuse numbers and to encourage them into the countryside and so forth. I won't say serious attempts, but I guess they seemed attempts to

try and lessen the numbers in Kyoto City.

Ritchie: Right, but from what pretty much I can tell, we're saying it's pretty much business as usual, right up until the pandemic. And especially well with the Olympics as well, since they were planned for 2020. So, the Japanese government was hoping for 40 million tourists in 2020, right? So, then Greg, can you talk about the time Covid-19 comes along around December 2019, going into 2020, and its impact?

Koch: Yes, sure. So, I was basically scheduled to have another amazingly busy tour season and so we get into 2020. Around February, March is when I started to hear more serious news about the pandemic, and COVID-19 really started to have an effect. Within about a month all my tours were canceled. Typically, March and April were my busiest times. It happened overnight, just completely gone.

Ritchie: So was that because the Japanese Government locked the tourists out. When did they bar foreigners coming into Japan? Was that in April?

Koch: That would have been going into the sakura [cherry blossom] season.

Ritchie: Was that a direct result of lockdowns? Or was it just like tourists deciding not to come to Japan? I remember they kept the borders open quite late.

Koch: Yes, so it was more so to do with inbound tourists who cancelled due to fears of taking plane rides from their countries. And the numbers plummeted to basically zero in April, down from record numbers up until that point.

Ritchie: How did that affect you personally, Greg? So, you went from boom to bust, right?

Koch: Yes, pretty much. So luckily, I got financial aid<sup>4</sup> from the Japanese government and I've been living off savings ever since. And now I've gone back to school to do an MBA.

Ritchie: I can imagine that has been quite a struggle for you, hasn't it?

Koch: Yes, I thought tourism would come back by at least last autumn 2021, and then you know by this spring. But with the recent sixth wave of infections, the tourists remain locked out of Japan and who knows when they will be allowed back in.

Ritchie: Have you formally closed your business?

Koch: It's still open for business so people can still book tours if they want to. I am not closed, but there are just no bookings due to the COVID-19 situation. So, I'm still able to do tours. But recently I've been thinking about shifting to concentrate on the Japanese market and see what happens.

Ritchie: Greg, can you now talk about your thoughts regarding tourism post-pandemic?

Koch: I think it's going to take a couple of years for the inbound tourists to come back. One of the biggest things that must take place has to do with the airlines. I think we're going to have to get things sorted out beginning with government policy so that's probably going to take a couple years. I think there's probably been a shift of people moving from the tourism industry into other industries as well, so will those people come back? I don't know if it'll be the same as it was pre-pandemic, but it will eventually bounce back.

Ritchie: You're seeing things go back to that. That's basically the status quo, where it's like we just want as many tourists as we can get and they're all welcome to come to Japan. Will we get up to 31 million again?

Koch: That's a good question. I think I've also noticed this over the last little while in Kyoto City, and it could be just talk, but they have been talking more about sustainability in the tourist sector. It'll be interesting to see if they're just talk, or if they actually mean it. And, whether or not they're going to implement some kind of tax<sup>5</sup> on temples.

Ritchie: Oh right, can you talk a little about that, because I am not sure readers will be aware of that.

Koch: It's kind of like basically the temples, depending on how they have their operation set up. The tax is kind of a big controversy. So, if you're a temple and you have, say, a parking lot, that's generating money. That's taxable income. But if you're charging people to come into the temple, like a gate fee, I don't believe it is taxed.

Ritchie: Yes, they got rid of that, though and it proved very unpopular, they tried to bring it in.

Koch: The temples were in opposition and were refusing to cooperate. But now Kyoto City has put the idea of the tax out there again. Because if they tax the temples or if they can kind of raise the admission prices then that can act to restrict the number of people who are in the temple or in the shrine at any one time, right? I think what should happen is like other places, such as Hawaii, where a premium is put on the destination and that helps to restrict the

numbers and kind of create a more harmonious environment.

Ritchie: Is this some trend where they're trying to attract high paying tourists if you like? To get premium tourists and discourage the low-quality backpacker types if you like. Those who don't spend very much while they're there, and then that riffraff who cause a lot of issues. So, they're going for quality, so that's the trend I've seen overseas.

Koch: I could see something like that happening. And, you know with the transportation issues in the city around popular tourist sites such as *Kiyomizu-dera* Temple when it's in the high season, it's certainly an issue. So, when you've got the big buses full of kids coming to *Kiyomizu-dera* around the same time, it clogs up all the streets so I think you need a system that could somehow possibly regulate the traffic as well. I think it is very important to restrict the number of taxis too, since there's a ton of taxis that also clog up the streets.

Ritchie: I think that's definitely something the Kyoto City government needs to consider. Finally, Greg, what other advice do you have for policy makers in Kyoto regarding the future of tourism in the city.

Koch: I think there's a disconnect between Kyoto City and residents, the temples and businesses. I think what has to happen is they have to get all stakeholders on the same page and figure things out. What kind of vision do they have for Kyoto city in terms of tourism and what's the reason that we want all these people? Because if you ask the residents, they probably don't want the same numbers of tourists that were coming at the height of the tourist boom. So, they all must come together and reach a common understanding of what is a reasonable number of tourists that we can have coming in, without causing a lot of these problems and disturbing the peace. So, the city must have an idea of who the stakeholders are, and I would like to see the impacts quantified. So, as I said, there are these tour buses coming into *Kiyomizu-dera*, loaded with tourists and they're clogging up the streets. And well, what's the impact on the residents? Can they get their cars out of their residences? Probably not. So, we need to quantify all the impacts that this tourism is happening right? So, what if you could put a price on that. And the amount of CO<sub>2</sub> that's being put into the air with all this clogging up of the streets, and to gauge the amount of business that's being lost, right? So, what if you could start taxing some of this stuff, and they could put such policy measures in place so that you can quantify and measure the impacts and put a price tag on what the negative impacts of tourism are on the local area. And then maybe that helps to kind of create policies that help to bring down the numbers of tourists.

Ritchie: Greg, we are coming to the end of our talk. It's been very informative and fascinating. I do have a final question though. Where do you see yourself in five years?

Koch: That's the million-dollar question. Living through this pandemic, there have been moments to pause and reflect. I've also been studying in an MBA Programme at Doshisha University here in Kyoto, where I have taken some sustainability courses, plus recently passed the GRI<sup>6</sup> Standards test. I'd like to become a consultant in the area of tourism and sustainability. The pandemic appears to be a type of inflection point where many of the previous problems such as climate change, over tourism etc. are now becoming more pronounced and the level of concern for cities, businesses and communities has risen immensely and I'd like to take advantage of opportunities to try and make some real change in the next five years.

Ritchie: Greg, I really appreciate you having given up your time today to discuss with us some of the important issues regarding tourism and your experiences in the industry. You provide a lot of food for thought and I am sure that your thoughts on tourism will be of value to researchers and policymakers moving forward.

## **Final Remarks**

The sudden shift in the global economy away from a focus on tourism over the past two years due to Covid-19 has given rise to a variety of voices that are passionate about reshaping the post-pandemic world in a myriad of ways, and government interventions have potentially facilitated this (Lee, 2020). However, there are voices in cities such as Kyoto, particularly those of the locals, that feel their city was overwhelmed by the sheer numbers of foreign tourists, and who have no desire for a return to the status quo of uncontrolled, mass tourism to the city (McCurry, 2022). Indeed, over the past few years, these complaints had been growing stronger, with tourism pollution being a major issue (McCurry, 2015), as well as inconsiderate photo-taking at inappropriate places (McCurry, 2019). In the case study interview, Mr. Koch also outlined some of the impacts that international tourists had on the city pre-pandemic and how high visitor numbers were impacting the quality of life for residents and making it difficult for them to conduct their daily lives. Koch illustrated how policymakers and the government had promoted, encouraged and embraced tourists from outside of Japan without considering the consequences of these policies, such as how the city infrastructure would be affected, or how the local people would react to the hordes of foreign tourists that turned Kyoto into what he terms, "a zoo." This is in strong contrast with the 2020 award of the world's number one ranked city to visit (Mukai, 2020) which trivialises these voices of dissent and emphasises how the desirability the international travel industry has for the city remains strong, despite the issues that have arisen in the past few years.

The case study interview with Mr. Koch also illustrated the shock that took place from April 2020 in one of the most popular tourist spots in Japan, as the number of inbound international

tourists dropped to almost zero within a few weeks after the Japanese government closed the borders to non-residents, a policy that continues today. Almost two years of COVID-19 travel restrictions have absolutely decimated the tourism industry; Nevertheless, the Kyoto case study makes it clear that a return to previous levels of tourism once restrictions are lifted may not be desirable. Much of Koch's advice could apply to the tourism industry in the rest of Japan and elsewhere, as we eventually exit the pandemic and question whether things need to or should return to the status quo.

While there may be further shocks that take place in the world, the importance of recording the historical narrative as it took place is important not just for the posterity, but also for policymakers to consider when looking towards future decisions vis-à-vis the travel industry (Nhamo et al., 2020). It is therefore hoped that this paper will help shape the continuing narrative of the situation and be of use to scholars and policymakers, particularly post-pandemic, as many are now questioning going returning to them model of unfettered tourism and moving toward a more sustainable model, based on quality rather than quantity.

#### Endnotes

- 1 The OECD (Libreros, 1988) defines tourism as, "... the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes, different from the exercise of an activity remunerated from within the place visited."
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- 5 For more details on the impact of the reduction in tourists to Kyoto the resulting strain on Kyoto city coffers and attempts by the city to change laws to force the city's temples and shrines, which are legally registered religious corporations to pay property taxes and other levies in order to raise revenue, see Johnston (2021, September 20).
- 6 GRI Standards are the Global Reporting Initiative standards for reporting the impacts of businesses on the environment, society, etc. ([www.globalreporting.org](http://www.globalreporting.org)).

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