

Managing omotenashi in onsen ryokans: A case study of Kurokawa Onsen in Kyushu, Japan

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Abstract

Various forms of omotenashi (the Japanese spirit of hospitality) directed toward customers in the tourism industry have been presented in previous studies. In previous studies on omotenashi, there have been numerous discussions on the methods for responding to and welcoming customers. However, there has been limited research on how service management fosters omotenashi in an organization. Therefore, this study examines one case: Kurokawa Onsen, a renowned hot springs town in Kyushu, known for its ryokans (Japanese traditional-style inns) and their superior level of omotenashi. In addition, through interviews and field research, it focuses on the fostering of this superior level of omotenashi by the service management in the case. The result shows that all the Ryokans in Kurokawa Onsen provides omotenashi knowledge, and the business so well in the environment that each ryokan cooperates with the others by sharing the knowledge and skills of omotenashi, despite being competitors in the same environment. Finally, this study proposes a model that ryokans can utilize in their omotenashi management.

Keywords

omotenashi, ryokan, case study, knowledge management, Kurokawa Onsen.

1. Introduction

In recent years, the term “omotenashi” (the Japanese spirit of hospitality) has garnered attention in the tourism industry, both at home and abroad. Compared to large-scale hotel chains with full and modern facilities, the Japanese traditional-style inns (usually with hot springs), known as “ryokans,” make omotenashi their selling point. Various ryokans offer cordial omotenashi and employ various levels of omotenashi so that the customers can enjoy themselves. In contrast, there is no competitive advantage of having a standardized omotenashi or a “one-size-fits-all” approach to this time-honored tradition.

This case study examines the key success factors of omotenashi management by analyzing the best practice based on interviews and fieldwork at Kurokawa Onsen (a well-known hot springs resort in central Kyushu, Japan), one of the most successful examples of superior omotenashi. Previous research has focused on various perspectives of Kurokawa Onsen as an excellent example of omotenashi. However, few ryokans have emulated this approach. Therefore, this study determines how ryokans can offer omotenashi at a high level, and proposes a model that ryokans can utilize in their management processes.

2. Literature review

2.1 The definition of omotenashi

Although the simplified meaning of omotenashi is “the Japanese spirit of hospitality,” its definition can include four aspects: (1) treating guests, (2) offering feasts or receptions, (3) understanding the behaviors or attitudes of people, and (4) the treatment or procedure of certain activities. More specifically, the etymology of the term stems from “truthful contact with others” and “establishing/creating better human relations.”

Omotenashi is considered a dominant service conception because it invites visitors, offers them a meal (and sometimes a gift), communicates with them, and makes them feel comfortable and welcome. According to Setogawa [2013], omotenashi willingly applies a “for you” approach without the customary tipping that occurs in the United States world. It is simply a consideration based on courtesy, modesty, and sophistication, fostered as part of Japanese history and culture [Chen and Kato, 2014]. From the viewpoint of service management, Kobayashi [2015] defined omotenashi as a high-quality service influenced by Japanese nature, culture, history, and lifestyle.

Overall, the contents of omotenashi, the venue and opportunities for providing omotenashi, and the common context is implicitly shared by the customers and the providers, while setting the background for the creation of new value. In other words, omotenashi is high-quality service created through the interaction between customers and providers who understand one another and share in the Japanese custom.

Meanwhile, in Western countries, the term “hospitality” refers to two aspects in particular: (1) providing tourists and guest with warm welcomes and kindness; and (2) having receptiveness and the ability to grasp. In regard to omotenashi, the first aspect is similar, whereas the second differs at some level. According to previous research, the Western world’s “hospitality” cannot fully express the true meaning of “omotenashi” [Hattori 2008], while some studies have concluded that both terms include the same concepts [e.g., Yamagami, 2008].

Regarding the latter point, although omotenashi and hospitality include similar concepts, such as thoughtfulness without payment and the ability to respond to a guest’s situation and needs, there is major difference: hospitality in Western hotels includes a hierarchical relationship between hosts and guests; omotenashi in Japanese ryokans includes an equal relationship, cultivated between hosts and guests.

2.2 *Managing omotenashi*

In Japan, a company that provides excellent omotenashi is listed as a “High-Service Japan 300” company. Such recognition is awarded to small- and medium-sized companies based on their scientific or industrial approach; their improvements in service processes; their high value-added services, their ability to foster human resources, their international development, and their contribution to the community [Okamoto and Akahori, 2014]. The Ministry of Economy, Trade and Industry recognizes a company that applies superior, customer-oriented management from the perspective of employees, the community or society, and customers as an “Omotenashi Management Business” [Shibuya, 2014].

Although “Omotenashi Management Business” and “High-Service Japan 300” highlight the features of companies that provide excellent omotenashi, these features are somewhat ambiguous. Thus, in the study by Morishita [2015], a total of 11 companies known for their excellent omotenashi management were selected and qualitatively analyzed, after which five features were obtained: (1) Education and On-the-job Training (JR East Techno Heart, CONGRE and Central TAXI); (2) Carrier Development System (ICHIRAN, TAKAMI Bridal, TOBU Department Store and Fudosan Chuo Jyoutho Centre); (3) Work Environment (JR East Techno Heart, ICHIRAN, Kagaya, Fudosan Chuo Jyoutho Centre and Yamato Transport); (4) Sharing of Best Practices and Customer Information (Kagaya, CONGRE and TAKAMI Bridal); and (5) Employee Commendation (BUGSY, TOBU Department Store and MITSUI FUSOSAN Hotel Management). In addition, these features can be categorized into two overall factors: an organizational system for individual staff members to perform omotenashi (which includes features (1), (2), (3), and (5)) and an organizational system to manage omotenashi (4).

3. *Research question and method*

The concept of hospitality and omotenashi seems like similar, but different. Managing hospitality is systematized as hospitality management, but “Omotenashi management” is not common. This study clarifies how to manage knowledge and skills of omotenashi by observing the case of Kurokawa Onsen.

The particular case study was selected because each ryokan in Kurokawa Onsen has a good reputation for omotenashi in the major online travel agencies rankings. Although their sizes and services are similar, each ryokan utilizes its originality and provides omotenashi to customers, the business of the all Ryokans performs well. A field survey and interviews on omotenashi and human resource management in the ryokan were conducted. More specifically, the owner of a ryokan and two Okamis were interviewed at the Kurokawa Onsen Union on December 7, 2015.

The subjects of focus included: (1) how to transfer the skills and knowledge of omotenashi from senior staff members to junior staff members; and (2) how to manage such knowledge

in order to improve the quality of omotenashi in the ryokans. In addition to this field research, several preliminary surveys as well as a follow-up investigation were conducted by e-mail and telephone.

4. *Case study of Kurokawa Onsen*

Kurokawa Onsen is a popular hot springs town located in Kumamoto in central Kyusyu. With its 24 rustic Japanese ryokans standing side-by-side, it creates the impression that the “entire town is one accommodation, the streets are corridors, and the ryokans are guestrooms.” According to Yamamura [2015], it is a popular onsen district with a calm, natural air and a uniform streetscape, without entertainment factors and loud signboards, in accordance with the policy introduced by the ryokan union.

4.1 *Omotenashi management in Kurokawa Onsen ryokans*

To increase customer satisfaction, each ryokan has been making efforts to elaborate omotenashi. For example, one ryokan hired a consultant to teach its staff members how to provide high-level omotenashi. In contrast, another ryokan sends its representative staff members to outside workshops so that they can help develop and transfer the learned knowledge to their co-workers. Receptionists, who have the first contact with guests, share information on both telephone reservations and check-in procedures with the room-service staff members.

Many ryokans administer customer questionnaires for omotenashi promotion and improvement. Positive and negative feedback from customers provides incentives as well as challenges for the staff members. In this regard, there is the “Okami no Kai” (Meeting of the Proprietresses), in which the Okamis gather and share the information of various cases in each ryokan and how they attempt to satisfy the customers. This knowledge is then developed and suited to each particular ryokan.

4.2 *Human resource management in Kurokawa Onsen ryokans*

According to the Okami in this study, omotenashi should not be standardized. She cherishes the traditional omotenashi in which each guest is treated like an acquaintance visiting her own house. However, the Okami’s ryokan does not provide excessive omotenashi, but offers casual omotenashi to keep the guest relaxed. In this case, it is important for staff members to hone their communication skills and determine the comfort levels of guests through casual conversations.

During recruitment, one of the ryokans hires less-experienced individuals so that they can teach them “from scratch.” In this case, the principle of omotenashi is through the process of “showing her and then letting her do,” which is passed from the senior staff members to new employees. The majority of the ryokans adhere to a minimum customer service principle, but leave the higher levels of omotenashi up to each staff member, based on his/her skills. The overall process is managed by an experienced Okami, who constantly observes the staff members. In sum, since there is no single approach to omotenashi

that defines the success of the ryokans, they constantly search for better ways to implement such skills among staff members.

5. Discussion

Based on the results of the interview and field research in Kurokawa Onsen, the answers of the two research questions are reviewed in regard to the first question (i.e., how to transfer the skills and knowledge of omotenashi from senior staff members to junior staff members) and the second question (i.e., how to manage such knowledge in order to improve the quality of omotenashi in the ryokans).

5.1 Transferring omotenashi from senior staff members to junior staff members

In Kurokawa Onsen, junior staff members learn omotenashi from senior staff members (without a manual) through on-the-job-training. As shown in Figure 1, Yoshida [2014] explains the cycle of a search and learning, which can be applied to the process of transferring skills and knowledge from senior staff members to junior staff members (i.e., compare – solution – practice – feedback – learn). According to the interviews, staff members learned the skills of omotenashi from the senior staff members, after which they recognized a problem and situation, conducted a thorough investigation, and determined the solution. Although this model is effective, this study includes an additional item of customer “feedback” to improve the overall process.

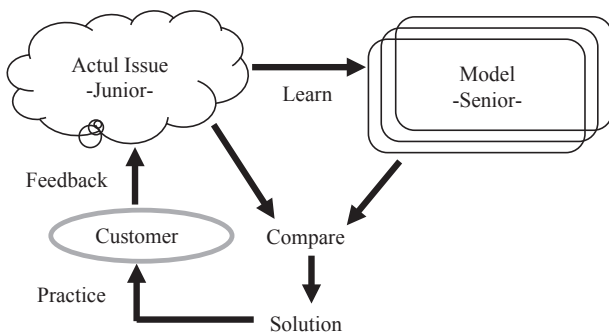


Figure 1: The cycle of a search and learning

In the ryokans at Kurokawa Onsen, documentation regarding omotenashi, such as a manual, does not exist. Instead, the training method consists of more experienced staff members teaching their younger counterparts, which is followed by on-the-job training and observations. For example, there are staff members who are particularly good at conversations with customers, after which they tailor the omotenashi to their needs. In this instance, the junior staff members learn through observation and apply such skills in subsequent situations. Over time, the junior staff members are promoted, based on their experience, and the overall cycle continues.

5.2 Organizational management of omotenashi at ryokans

From the observation of Kurokawa Onsen, the framework of “Omotenashi Management” in Figure 2 is derived. According to the figure, a ryokan founder or owner has a customer-oriented vision, such as “I want to provide our customers with omotenashi,” which becomes the corporate vision of the ryokan. An Okami embodies this vision and teaches this to her staff members, who provide it to their customers. Subsequently, the staff members receive customer feedback about their service, which is shared with the Okami, other staff members, and the manager of the ryokan. Based on customer feedback, the Okami improves the quality of the omotenashi and teaches the skills to her staff members, who then provide the improved omotenashi to their customers. This cycle of improving the level of omotenashi continues. At this point, omotenashi can be re-defined as the “communicative relationship between service providers and their customers to create better experiences for the latter.”

5.3 Competition and cooperation among the ryokans in Kurokawa Onsen

One of the key success factors of omotenashi in Kurokawa Onsen is the sharing of knowledge and information among the ryokans and the union. In the Kurokawa Onsen Ryokan Union, the ryokans are rivals, but at the same time, they sympathize with the idea that Kurokawa Onsen should become even better. The union executives are even assigned among the owners and managers to conduct management activities for the betterment of Kurokawa Onsen as a whole. Such cooperative activities

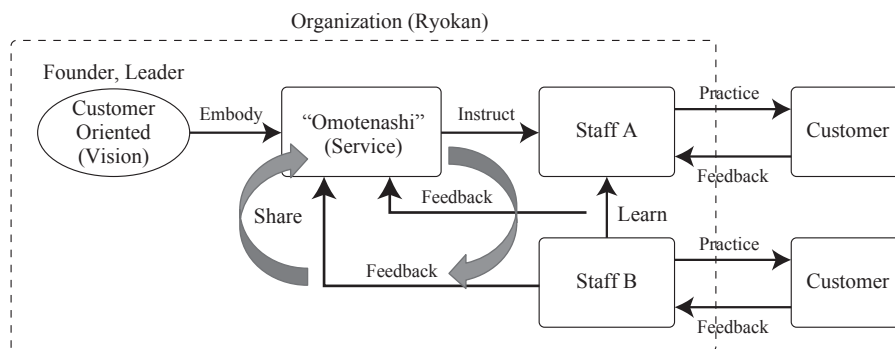


Figure 2: Framework of “Omotenashi Management” in ryokans

Table 1: Competition and cooperation in Kurokawa Onsen

	Cooperation	Competition
Individual -Staff-	Senior staff members teach junior staff members Cooperate with others Share customers' information	Compete to improve skills Commendations and evaluations
Organization -Ryokan-	Campaigns and activities for Kurokawa Onsen Share best practices	Sales and number of customers Customer satisfaction and feedback

can be found at both the individual and organization levels. For example, the staff members in charge of the front desk or the guestrooms aim to provide better omotenashi, while occasionally competing with one another under the Okami's administration.

As stated earlier, the "Okami no Kai" is where each ryokan's Okami meets, shares, and discusses their examples of excellent omotenashi and customer-related information. These activities, regardless of whether they are official or unofficial, are lively. Outside the union, they continue learning the best practices of omotenashi by visiting other area's onsen ryokans and hotels, and participating in training courses, congresses, and academic conferences. In addition, the ryokan or union representatives participate in outside seminars in which omotenashi consultants and guest service consultants are invited. Furthermore, the managers acquire advice or word-of-mouth information from the major online travel agencies, and some staff members attend workshops to improve and master their knowledge and skills of Omotenashi (Table 1).

6. Conclusion

The overall objective of this study was to determine the key success factors of omotenashi management in Kurokawa Onsen. The result shows that the transfer of omotenashi-related knowledge and skills from senior staff members to junior staff members is achieved through on-the-job-training without a detailed manual. Through this process, junior staff members acquire omotenashi by determining their own style, applying it through their customer relations, and receiving feedback from the customers as well as from their Okami. One of the contributions of this study is the presentation of a new learning cycle model that focuses on omotenashi.

On the other hand, the ryokans in Kurokawa Onsen, which compete for business in the same area, share their best practices, skills, and knowledge of omotenashi in the union. In this case, the Okamis are the key mediators for knowledge management and the betterment of Kurokawa Onsen as a whole. The competitive and cooperative relationships among the ryokans in Kurokawa Onsen have greatly contributed to the overall improvement of omotenashi as well as the steady growth of the area. Again, the majority of ryokans in other areas have had difficulty emulating this particular business approach.

This survey focused on the commonalities in the individual transfer of knowledge and skills regarding omotenashi as well as the uniqueness of managing omotenashi in an organization.

The contribution of this study is the proposal of a new framework for managing omotenashi in ryokans, based on the observations of Kurokawa Onsen. However, to ensure these findings, more research on the subject should be performed in the future.

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