

Feature Article

Exploring a way forward for rural tourism after the corona pandemic

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1. Introduction

The corona pandemic has had an immeasurable impact on the world. I wonder how many people at the beginning of 2020 could precisely imagine the coming of the huge disaster that has plunged the globe into such chaos. The author had been conducting a survey on agritourism farms in Umbria, Italy for a quarter-century.^(1, 2) My Italian counterpart and I conducted a farm visit survey from last December to January 2020. The scenic Umbrian rural landscape and warm hospitality were as usual. We did not expect that life would change completely one month later in Italy and across the world. Most seriously affected by the pandemic is the tourism sector that includes transportation, accommodations, culinary providers, souvenir vendors, and travel agencies. These businesses are major parts of the service industry. In the farm sector, rural tourism, farm restaurants, and farm shops have been seriously affected by the pandemic. Thus, the purpose of this paper is to explore the future direction of rural tourism after the pandemic and suggest necessary support measures by particularly focusing on the potentials of digitalized hospitality, which I name “e-hospitality”, and how it can be utilized.

2. What characteristics services have

Since services provided by tourism and hospitality activities are intangible, their characteristics are different from tangible goods. Unexpectedly, the corona pandemic shed light on the characteristics of those services because the pandemic most seriously affected the tourism sector because of its characteristics. The most crucial feature is that services have simultaneity of production and consumption, which means that production and consumption take place at the same time. For instance, when we go to a barber, we consume haircut and shaving services at the time that the barber produces these services. Due to this simultaneity, services have the distinctive characteristics described below.

First, you cannot store or transport services that are produced simultaneously. Therefore, demand is concentrated within a certain period, i.e., a peak season, which causes congestion, while in another period demand becomes sparse, i.e., an off-peak season, causing the facility to be underutilized.

This temporal fluctuation in demand is termed “seasonality”. Consequently, the amplitude of the wave of peak and off-peak seasons becomes larger than with tangible goods that are storable and portable. This is why hotels, transportation, and restaurants have peak and off-peak demands one after another.

Second, if you want to consume the services, you have to come where and when the services are available. In the case of rural tourism, if you want to take part in a rice planting experience, you have to go to the paddy at the time of planting. Otherwise, you cannot experience that service. Likewise, it is the same story with local cuisine using only locally available wild vegetables. In short, the characteristics of rural tourism that attract urbanites come from the traits necessary to providing such services. A unique point of rural tourism that differs from other tourism services is that seasonality is basically stipulated by the production cycle in agriculture.

Third, since a producer and a consumer are close to each other in the service business, what and how hospitality services are provided determine service quality and consumer satisfaction. Rural-tourism operators must gain consumer satisfaction with the provided services to turn consumers into repeat visitors. Nevertheless, we all know that demonstrations of warm and kind hospitality are currently considered harmful behavior in terms of the new corona infection, which suddenly becomes a contradiction to the traditions of hospitality in the tourism business because good hospitality needs close contact between producers and consumers. Now service businesses face tremendous risks that came out of nowhere to threaten an essential pillar of that business.

Thus, we can say that the corona pandemic requires us to examine what a basic service should be in not only rural tourism but also in service businesses in general. What should we do next to meet this challenge? Although it is too difficult to precisely predict the future evolution of rural tourism under these circumstances, the author would like to present a direction for the future.

3. Risk dispersion through diversification of sales channels and creating a new dimension of rural tourism

To counter the drop in sales of farm products due to shrink-

age in demand by the culinary sector, direct selling on the internet has compensated for the decrease in sales by market shipments and farm shops. This internet purchasing behavior is considered a reflection of a rural orientation by urbanites frustrated by governmental travel restrictions. Put differently, even during the corona pandemic, it demonstrates that the rural orientation of urbanites does not disappear and certainly exists. The important thing is that the internet direct selling channel enables farmers to take advantage of this rural orientation. From this consideration, we can say that direct selling on the internet can be understood as a risk dispersion measure. In this case, risk dispersion has two meanings. The first is the diversification of the selling channel as an ordinary risk dispersion measure by pooling different risk factors and mitigating total risk. The second is as a contactless selling channel under the conditions of the corona pandemic. The corona pandemic unintentionally strikes up the importance of the second context.

This digitalization of the selling channel is not limited to internet direct selling. The impact of digitalization is far-reaching in farm management. For instance, in rural tourism contactless hospitality is required under the pandemic situation. In this respect, there is no exception across the tourism and hospitality sectors. Although contactless hospitality sounds like a self-contradiction, it is the right time to consider what non-contact hospitality should be. For instance, the contents of rural tourism can be delivered to the target customer through digital marketing and appeal to the attractiveness of a farm and rural stay, which will eventually result in an actual trip to rural areas.

The author names this “rural e-hospitality”. E-hospitality is defined as hospitality served through digital technology, not direct human interaction. E-hospitality can overcome the constraints of the simultaneity of services and raise the potential of rural tourism further because it can be stored and delivered everywhere as far as the internet is available. Another point is that providing high-quality hospitality needs intensive labor input especially in Japanese accommodation facilities such as ryokans.⁽³⁾ However, the marginal cost for e-hospitality is zero although there are initial costs for setting up and updating contents. There are no additional costs for an additional user of e-hospitality.⁽⁴⁾ E-hospitality can cover target marketing, route and activity planning information, booking, and souvenir selling as well as interactions with rural operators for holidaymakers. In this direction, rural tourism can be essentially transformed into the market-in type from the product-out type.

Rural tourism has been especially disadvantaged in these areas due to less favorable human resources caused by aging and decreases in population in rural communities compared with urban areas where the young generation with skills in digital technology is concentrated.⁽⁵⁾ To take advantage of the opportunities presented by the use of e-hospitality, rural stakeholders must recognize the need to develop skills in digital technology. Then, if we can effectively integrate e-hospitality and traditional human hospitality, an authentic rural hospitality business can be created that was never before possible. In this context, e-hospitality and traditional

face-to-face hospitality are not entirely substitutable from one to another, but supplementary to a large extent. After the corona pandemic, the author thinks that how to effectively integrate e-hospitality and traditional face-to-face hospitality will be a crucial point to create a more attractive farm stay with more information and expectations. Nevertheless, this aspect has not been fully explored. In this context, intensive research is expected.

4. Conclusion

The corona pandemic has generated an unimaginable level of economic loss in every part of the world, with particularly devastating effects on the tourism and hospitality sector. On the other hand, it also gives us an open door to the digital marketing era on the rural side. The area of digital marketing is growing and expanding rapidly. To put this potential into practice, research on and development of rural digital marketing, especially in the e-hospitality area, should be more intensely scrutinized because of its high potential in marketing, providing information on the rural heritage for potential holidaymakers to promote the attractiveness of rural tourism, local food selling, and booking. These areas have been a bottleneck in the rural tourism business. When e-hospitality is well integrated with traditional face-to-face hospitality this potential can be closer to realization. E-hospitality enables rural tourism operators to overcome long-standing constraints of human and marketing resources in rural communities. In this sense, e-hospitality is supplementary to traditional face-to-face hospitality to a large extent. At the same time, it is true that the digital divide has been widening between urban and rural territories because of the never-ending aging and depopulation experienced in rural communities.

Thus, it is necessary to develop human resources capable of handling the new technology in rural communities. Public support of operators of rural tourism in acquiring digital capability in handling e-hospitality will accelerate this process and should be provided as early as possible.

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Notes

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- ⁽²⁾ Ohe, Y. and Ciani, A. (2012). Accessing demand characteristics of agritourism in Italy. *Tourism and Hospitality Management*, Vol. 18, No. 2, 281-296.
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- ⁽⁴⁾ Rifkin, J. (2014). *The zero marginal cost society: The internet of things, the collaborative commons, and the eclipse of capitalism*. New York: St. Martin's Press.
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