

Feasibility Study Report 2009

-For Marketing & Branding-

To help Latvia become one of the popular
tourism destination countries in Europe

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December 1st, 2009

Introduction

To help Latvia become one of the popular tourism destination countries in Europe in a few years

JTB Corporation is one of the leading travel agency in the world, but not merely engaged in travel planning and sales, the company also has different functions as one of the prominent research and consulting support companies in the world and works to solve problems concerning travel of people around the world on a daily basis.

In November 2008, based on an agreement concluded with the Latvian Tourism Development Agency (TAVA) under the Ministry of Economics of the Republic of Latvia, JTB Business World Tokyo Corp. established a tourism bureau of the said republic and started to provide services for promoting the country and support for revitalizing the tourism industry of the country in close coordination with the Embassy of the Republic of Latvia in Japan.

After the initial year of activity, we have prepared an annual report for 2009 based on Feasibility Study.

The development of tourism industry cannot be achieved one night, but it has a potential to give considerable impact to the industrial structure based on an internal of four to five years. However, in order to achieve this with the shortest time and attract tourists from around the world to Latvia, it will be necessary to functions everything in the most effective way. JTB has a past record of achievements in sending customers to the world over for the purpose of tourism, and experiences of supporting the activation of the tourism industry, and based on such, we will repeat relevant surveys while comparing such with the tourism resources existing in Latvia, and in a few years, draw specific plan for making the tourism comprise a prominent part of the country' industrial structure, which we wish to provide it for the development of the country's industry.

Contents

Introduction

Facts about international tourism receipt

Tourism-oriented country

Factors that constitute tourism (motive for travel) and mode of travel

Branding in the tourism industry

Path towards the activation of the tourism industry – Branding of Latvia as a country

Turning tourism resources in Latvia into assets

Conclusion

. Facts about international tourism receipts

(1) International tourism trends in the world

According to the survey conducted by UNWTO (World Tourism Organization), in terms of the purpose of travel, holiday accounts for 50%, while business accounts for 16% and others including visiting friend or acquaintance, religious reasons, medical treatment, etc, account for 34% (2005). Also, by the mode of transportation, “by land”, “bi air” and “by sea” represent 48%, 45% and 7% respectively, and the region receiving the largest number of tourists in the world is Europe where a community has been established earliest in the world. It is projected that the number of international tourist arrivals in Europe will be 527.3 million in 2010, which accounts for 52% of the total number covering the entire world. Thus, Europe will maintain the largest number of tourist visitors in the world, where the fact that Schengen Agreement is signed by many countries and traveling the borders is everyday affair among the member states’ citizens has been a factor for increasing the international tourist arrivals.

(2) International tourism expenditure

According to the international tourism indicators for 2005 in the same data, the amount of expenditure spent for tourism by the people of each major country in a year is summarized below. Germany ranks top, spending 72, 488 million US dollars, which is followed by U.S.A., Britain and Japan. In fact, the expenditure by the top ten countries accounts for 54% of the entire world’s international tourism expenditure. In the short term, attracting the people of these countries is considered to be the first step for increasing international tourism receipts.

Table 1 World Top 10 Tourism Spenders (based on the survey of UNWTO)

Rank	Country	International tourism expenditure (US\$ million)	Rank	Country	International tourism expenditure (US\$ million)
1	Germany	72,488	6	Italy	22,371
2	U.S.A.	69,175	7	China	21,759
3	Britain	59,593	8	Canada	18,341
4	Japan	37,565	9	Russia	17,804
5	France	31,180	10	Holland	16,082

Conclusion

[1] The region which can attract the largest number of tourists in the world is Europe. In other words, countries in Europe are competing against one another, and making efforts to attract tourists to earn income from tourism.

[2] Strategically, it will be important to proceeding with relevant promotion while targeting countries with high international tourism expenditure in the short and medium term, as well as BRICS in the medium term.

. Tourism-oriented country

(1) Scale of the tourism industry in Europe

World Travel & Tourism Council (WTTC) presents estimated figures for the degree of contribution by the tourism industry to the world economy on a regular basis. According to this data, the scale of the tourism industry in the whole world is expected estimated to be 1 trillion 390 .9 billion US\$, which accounts for approximately 10.4% of the entire world GDP, including the related industries, related investments and tax revenue (2007).

(2) Present situation of the tourism industry of the former CIS and Central and Eastern Europe

Looking at the figures for each area, the figure of the entire Europe and the areal breakdown are as follows.

Table 2 Economic scale of the world tourism industry (based on the survey of WTTC)

	Tourism industry in GDP		Employment by the tourism industry	
	Amount (10 billion US\$)	Share in GDP (%)	No. of persons (1,000 persons)	Share in the entire employment (%)
Entire world	5,390.88	10.4	231,222.20	8.3
Europe of which	2,128.54		39,038.93	
EU countries of which	1,767.66	10.9	25,712.37	11.8
Non-EU countries of which	148.47	12.2	2,822.85	9.3
Central and Eastern Europe	212.41	8.3	10,503.71	7.1
Latvia of which				

Non-EU countries refer to Norway, Switzerland and Iceland, while the Central and Eastern Europe includes Croatia, Serbia, Montenegro, Albania and Macedonia. However, as the situation stands now, among many countries in Europe, there are differences in national strength for tourism-oriented country, and Latvia needs to confirm its positioning as to which area group Latvia is most near.

Incidentally, among the Central and Eastern European countries, then situation of Croatia is a little different from other countries. Because there are differences in national strength among countries in this area other than Slovenia which became independent

quickly after the civil war in the former Yugoslavia and joined the EU. Particularly in the case of Croatia, where definite industries have not been developed yet in the country, tourism resources have been developed from early times and the tourism industry has been active. The tourism industry centered on Dubrovnik, designated as a World Heritage Site, represents close to 20% of the country's GDP.

On the other hand, while among EU countries, there are countries where the tourism industry is active because the primary industries (Agriculture, forestry and fisheries industry) as well as the secondary industries (Manufacturing industry) have been developed and many tourists from around the world visit because, but the weight of the tourism industry is not much high. France which attracts the largest number of tourist from around the world is largest agricultural country in the EU and also ranks fourth in the automobile industry.

Conclusion

How to deal with the tourism industry cannot be argued merely based on share in GDP, but it can be deemed desirable if the service industry such as the tourism industry will develop while keeping the balance with the primary industries the secondary industries. However, the level of income changes depending on tourism resources, differentiation and mode of travel.

. Factors that constitute tourism (motive for travel) and mode of travel

(1) Number of international tourist arrivals

It is visitors from neighboring countries that account for a lot of share in the number of foreign visitors into a country. The purpose includes meeting with relatives, business, and of course, sightseeing but many visitors travel to their neighboring country by land using their private car or railway. However, because, from the perspective of supporting the industry, consumption ratio of visitors who travel for business or sightseeing is naturally considered to be higher, it is important to increase the number of visitors who travel for business or sightseeing.

(2) Motive for travel of international tourists

In order to increase the number of tourist arrivals in a country, there are some indispensable factors. According to a survey conducted by JTB, four factors in general are specified as conditions for attracting tourists into the country, and six factors are specified as conditions that impede motive for travel, which are cited as below. It is highly likely

that destinations that keep a good balance among sightseeing, food, and shopping that attract travel, and offer high quality of hospitality continue to prosper as destination for the purpose of tourism.

Table 3 List of factors attracting travel (based on the survey by JTB BWT)

	Factors	Contents
Factors that attract travel	Sightseeing	Extraordinary scene, World Heritage, nature, wisdom of mankind, history and culture, encounter with real thing, sports, festival, limited publicity
	Food	Local specialty, liqueur, dessert
	Shopping	General merchandise, clothes, leather products such as bag and shoes, pottery and ceramics, accessories, local specialty products, confectionery, food as souvenir
	Exchange	Good quality of hospitality offered by local people accepting tourists such as exchange with local people
Factors that impede travel	Interest in the destination	No interest aroused
	High cost of travel	Situation where things are felt relatively expensive because prices and indirect taxes are high
	Spread of disease	Environment that does not allow tourists to travel, such as AIDS, drug, influenza, etc.
	Low level of public security	Situation where tourists are not welcomed, such as terrorism, shooting, civil war, theft, robbery, abduction, etc.
	Long distance, inconvenient access	Situation where tourists are not motivated due to long distance from departing place, inconvenient access, etc.
	Undeveloped infrastructure	Low level of sanitation and service quality at hotels and restaurants, insufficient level of development of site and signs in foreign language, and shortage of tourist guide

(2) Travel pattern of tourists that promotes the tourism industry

Because mere arrival of foreign tourists does not lead to the increase of tourism revenue, the travel pattern matters. As for such travel pattern, JTB classifies the following six styles in general and estimates the degree of tourism revenue, and based on them, it set up plans to activate the travel pattern that generates higher amount of consumption.

Table 4 Travel styles of international tourist arrivals (JTB BWT)

	Travel style	Lodging	Transport	Guide
[1]	Make a tour of the country using camping car, etc.	X	X	X
[2]	Make a tour of the country using a vehicle without lodging function		X	X
[3]	Arrive in the country by charter flight and stay at a resort instead of making a tour			X
[4]	Arrive in the country by regular flight and rent a car at the airport to make a tour using the car or stay at one location			X
[5]	Arrive in the country by charter flight and make a tour of the country using bus, etc.			
[6]	Arrive in the country by regular flight and train and make a tour of the country using bus, etc.			

In the case of travel pattern [1], shopping may induce consumption, but neither spending for lodging, transportation nor meals at restaurant can be expected. The pattern [2] is most frequently seen in EU countries in summer, where they drive their car for traveling. As they use lodging facilities, the amount of consumption is higher than the case of pattern [1]. The pattern [3] is said to be typical pattern for German tourists, where travel agencies produce package tours based on aircraft they own, which allows a lot of tourists to travel at one time. A large part of their consumption is concerning stay at hotel. The pattern [4] is called "FIT" and frequently seen in travel based on resort hotel stay in the United States and Britain. The pattern [5] is typical pattern seen in France, Italy, Spain, etc. where senior citizens travel in group. This pattern is starting to be seen in Japan. The pattern [6] is frequently seen in France, Italy, Britain, Japan and Spain. As all infrastructures existing in the country are used, this pattern is most prosperous for the industry in terms of tourism revenue.

Conclusion

Unless the quality of international tourists is considered instead of the number of the tourists, it will not lead to the reinforcement of infrastructure of the tourism industry.

. Branding in the tourism industry

(1) Brands existing in the region

In the case of automobile, for example, a corporate name and product name, such as Toyota's LEXUS and Volkswagen's Golf, encourage people to buy as a brand. Just like this, there are high-profile or highly likable products like LouisVuitton, Coca-Cola, MacDonald, SONY, LAICA, etc. Among products made in Latvia, there are products established as brand like Lima's chocolate, cosmetics of Double Coffee, Air Baltic, MADARA.

However, in fact, there are some brands established in the field of tourism.

(2) Regional brands in Europe

Particularly in Europe, there are many cities and regions that attract a lot of foreign tourists. It is because a number of civilizations and cultures have been developed and relevant remains or relics and traditions or cultures have been handed down from generation to generation, and even now they continue to attract a lot of tourists.

Table 5 Examples a regional brand has been established in Europe

City, Country	Reason it attracts people
Paris ,France	Representative city of art and culture of Europe
Monte-Carlo, Monaco	City where selected celebrities in society gather
Amalfi, Italy	Resort in Italy, people wish to build a villa and live in if they succeed in business, etc.
Vatican City, Vatican	Center of Roman Catholic, heart of Christianity
London, Britain	Financial center, city leading European economy
Mont St Michel, France	Unique location where flux and reflux of the tides create a fantastic figure of a monastery
Rome, Italy	Eternal City preserving the remains of ancient Rome lasting 2,800 years
Vienna, Austria	City of the Holy Roman Empire which once enjoyed the height of prosperity
Venice, Italy	Floating city of labyrinth where gondolas come and go
Laponian Area, Sweden	Location where curtains of aurora appear in the sky

(3) What is regional brand

According to the concept of JTB, regional brand is defined as region where spiritual values are produced by people who experience tangible and intangible regional assets such as history, culture, nature, industry, life, specialty, food, community, that have been independently cultivated and accumulated in the region. In other words, it has a characteristic that regional assets are activated and converted to higher values like people wish to see, buy, visit, exchange and live. It can be said that the stronger the regional

brand power is, the region is more successful in creating a unified view of the world, specifically, an image that can be recognized at first glance. If marketing is defined in terms of relation between visitors and region, as a limited mechanism for sale and relation-building, branding can be a mechanism for relation-building from the sustainable viewpoint based on the differentiation from other regions.

Conclusion

The following three points matter for regional branding.

[1] Long-term investment-oriented [2] Active participation of local residents [3]

Differentiation from other regions

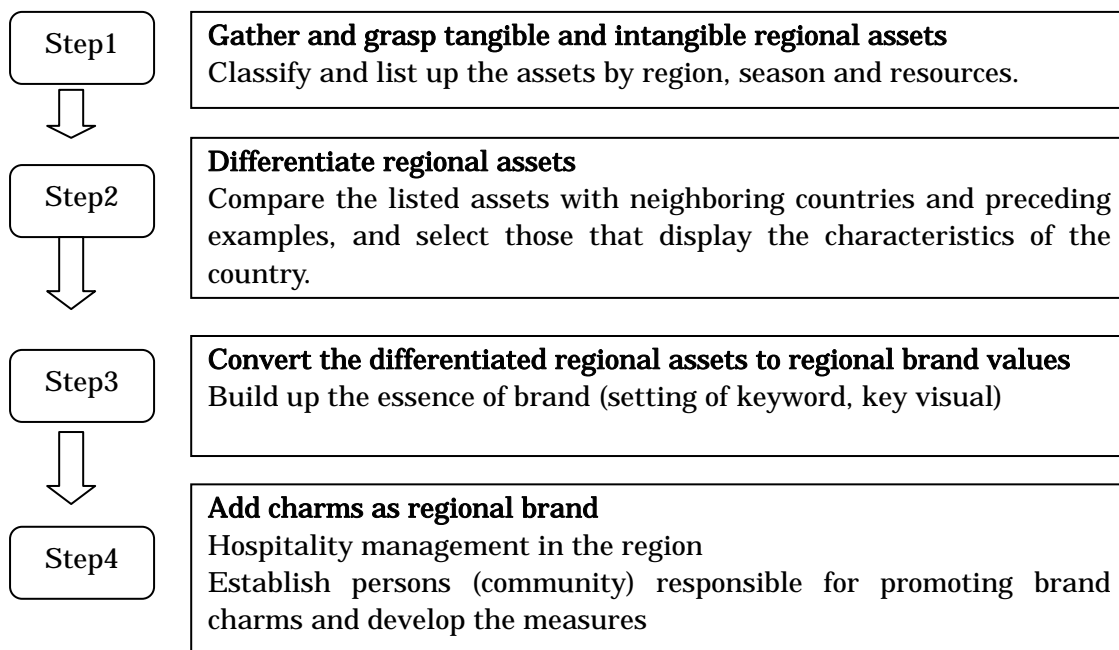
It has a characteristic that it starts with a wish to see the region and develop into a wish to live in the region according to the brand power, but the stronger the brand power is, it can attract people for a longer term.

(4)How to build the regional brand

Then, how can brand be established?

In its history of 100 years, JTB has not merely engaged in travel agency business for sending mainly Japanese tourists to overseas tourist sites but also provided services to support such tourist site to attract tourists with enhanced charms, in other words, consulting services for regional tourist branding. It is difficult to establish a certain brand in a year, but we consider it feasible to build up the most Latvian values based on surveys continued for more than one year, and establish a mechanism to receive visitors from other countries in Europe and Asian countries. But no doubt EU countries are a fierce battlefield where the airline concerned and national tourist board of each country stated their promotion from early 1980s. However, branding is a mechanism for attracting tourists for a long term and EU countries are not necessarily successful in this point. If a brand is to be launched based on the JTB method, the following process specified in the table below should be followed in general.

Table 6 JTB's regional branding method R Conceptual diagram



(5) Establishment of brand and acquisition of tourists.

The situation where the values of resources owned by the region are increased and they can create charms is deemed as the establishment of a brand, but as mentioned in the aforementioned 4 - (3), as there are various patterns of travel, in order to aim at industry-oriented country based on tourism, it will be important to acquire tourists who spend more money in the region.

Meanwhile, the reason why they say the quality of tourists is important instead of the number of them is that tourism resources are limited and unless they impose certain legal restrictions on them, or continue to promote public awareness about tourists, they will not be able to protect such tourism resources for a long time.

Citing one relevant example, a marsh called "heavenly beautiful scenery" became popular and attracted a lot of tourists. As a result, the valuable moorland was treaded down and fell into a situation it could never be recovered. Once lost, it is too late. It will be necessary to consider measures for protection in the stage where tourism materials resources existing in the region as resources are converted into assets.

Then, their brand can be assured for the future.

Conclusion

To acquire customers of high quality after the regional brand is established

- [1] Acquire the style of tourists who consume while using the tourism industry
- [2] Take pretreatment for protecting the tourism resources (legislative preparations)
- [3] Have a perspective of attracting people on a long-term basis

. Path towards the activation of the tourism industry

– Branding of Latvia as a country

- (1) Conversion of industrial structure started in the former CIS countries, and its application

The CIS countries which quickly regained independence from the Soviet Union after the collapse of the Union and Central and Eastern European countries have the following characteristics in common in view of the country's industrial structure.

- [1] These countries took partial charge of industrial production under the directives from Moscow in the past.
- [2] The network of infrastructures such as railways and roads was not used for connecting neighboring countries and regions, but the network of railways was used as the means of transporting materials to Moscow, and the network of roads was used as the means of transportation for army. Also, many of communication, traffic and transport facilities are aging.
- [3] The move for market economy differs from country to country and some countries such as Baltic States are advanced and the others like the Central Asian countries are delayed. But the privatization of national enterprises or renovation of corporate management after the privatization is not actually changing for the better.
- [4] The development of social infrastructures such as housing and the standards of education were higher than those of developing countries.

These common characteristics can be called as the remains of controlled economy by the Soviet Union, but the age, where each country obeyed the directives issued from Moscow and served as a cogwheel to achieve the targets given mobilizing their resources and labors, ended. Instead, in order to become independent, these countries were forced to proceed with the fostering of private companies, private ownership system and the conversion of their industrial structure while paying a high price for time lag regarding the economy of the Western countries.

As for the industrial area under the Soviet Union's control, each country took partial charge of industries. For example, the former East Germany took charge of food and automobile industries, while Estonia took charge of telephone and telegraph and Latvia took charge of heavy industry (Transport and traffic). But at present, some countries can take over and make use of such industrial structure, while many others cannot stand due to the EU standards, etc. and seek the conversion of the structure. The shortest cut for the industrial recovery is finance business, but it is said that, besides it, tourism service, mining and manufacturing with rare metal production and machine industry related to eco-business are promising.

(2) Move to the activation of the tourism industry

The tourism industry is a series of activities to differentiate the country's tangible and intangible assets it owns or has cultivated, such as history, traditions, cultures, architectures, products, etc. from other countries, and activate them by the people's hands and have them shared by foreign tourists while appealing them as their glorious properties, and receive relevant cost as compensation. If a country takes an independent form of state that functions of collecting taxes, admission, fare, lodging fees, etc. are developed even though they are not government managed, it is possible to acquire foreign currency to increase the fortune of the nation and people, and actually there are many countries among the former CIS countries and Central and Eastern European countries, which expect the activation of the tourism industry following other European countries. However, the tourism industry has three important aspects, and without them, the tourism industry cannot develop. Specifically, the following two points are important.

- [1] The price for using hotel, transportation facilities such as bus, railroad, aircraft, and restaurant is paid in the country, or active purchasing of specialty products is made.
- [2] Tourism-related assets can be differentiated from other countries (particularly from neighboring countries such as Estonia, Lithuania, Russia, and Belarus).
- [3] It is not supplies such as airline, travel agency and hotel but each one of the people that leads the tourism industry. Particularly, the atmosphere, in which residents in a region which owns assets that can be differentiated from other tourist sites accept foreign tourists as guests with smiling face and they spend money willingly, is more important than anything else for the tourism industry.

(3) Challenges for the activation of the tourism industry

Among the problems pointed out by foreign tourists regarding the former CIS countries and Central and Eastern European countries, complaints such as "People who receive tourists do not smile.", "They do not offer welcome.", "They do not allow tourists to select merchandise during shopping.", "Contents are uniform everywhere." account for the overwhelming majority. This just points out that the habits cultivated under the former communist regime negatively work for the tourism industry. It is because they feel certain charms about a country and are motivated by a wish to visit there some day that foreign tourists realize their travel and visit the country. They do not come naturally. If they are satisfied with the values they find and cannot obtain in other countries, they will return filled with joy. They may even think of living in such an attractive country.

Mutual respect for each other's country is required for tourism.

(4) Making of Latvia as a tourism-oriented country

Among the concepts that existed in the socialist and communist regimes, there was branding. People of that time showed their status in society by the vehicle they rode. The vehicle spoke for their class. For this reason, they wished to have one class higher vehicle as wished to move up one class higher. In fact, this substitution for representing themselves is a basis of branding. In liberalism states, in principle, all people can equally own, taste and experience the same thing by paying money.

Both those who make brand and those who are attracted have a sense of time as continuity in brand for It cannot be done in a day but unlike marketing, brand exists in tourist site and tourism assets in view of continuously gaining popularity.

The stronger the brand power is, the more charms it has to attract people. It has extraordinary values distinctly different from others, and specifically, popularity attracts tourists to the tourist site. If it continues to do so, it will grow from mere boom to brand.

. Turning tourism resources in Latvia into assets

(1) Tourism assets and examples of branding success in other European countries

• Example 1: “City that bloomed into beauty centered on the urban area of Paris”



According to a survey conducted by the Charles de Gaulle International Airport of Paris (CDG), the top selling souvenir tourists purchase at the airport is a miniature model of the Eiffel Tour.

Beautiful City of Paris = Wish to come again = Eiffel Tour = Wish to live if possible Thus the city of Paris attracts young women who wish to shine. The shining Eiffel Tour is the symbol of the city.

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• Example 2: “Romantic Road of Germany”



This road was made famous by a Japanese misunderstanding.

This popular road linking Wuerzburg and Munich, where white castles and old townscapes remain largely unchanged, was originally said to be “Romanic” meaning it was a Roman road. The Japanese misinterpreted it to mean a romantic road of love like those appearing in fairy tales, and it became a popular tourist site for honeymooners. Currently, this area is the most popular among the seven tourist roads.

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• **Example 3: “Rome became the “Eternal City” along with the famous motion picture story”**



© 1953 Paramount Pictures

“Roman Holiday” is a Hollywood movie starring Audrey Hepburn as the leading actress. It is a black-and-white bittersweet film about a one day encounter and parting of a princess and a news reporter of different social classes. Originally it was filmed overseas to seek freedom from the United States under the anti-communism campaign, but it became a big hit in the United States and Japan. Later, it helped entrench the brand image of Rome as the “Eternal City”.

As mentioned earlier, the establishment of a brand is comprised of such stages as of the creation of tourism resources into assets, conversion of values, and creation of desire. The common fact we can find in the examples in Europe cited above is that it is not a mere PR of famous tourism sites of the country. Specifically, in the case of Paris in Example 1, the most impressive site among many others exists as a historical cultural heritage and its shining image fosters a value of achieving people’s dream and goals. Such value creates people’s desire to visit it again. In the case of Example 2, the typical beautiful townscape of Germany became like natural heritage, and it makes people feel warm humanity and thereby creates charms to make visitors feel happy. In the case of Example 3, various tourist attractions they visited in the film became assets, and the beautiful but sad impression was accepted as a value and thus it succeeded in creating the ultimate charms for the city.

Regarding the question of which was the most impressive city, the princess in the movie replied it was Rome, and with this, an eternal value, that is love, was created. If this topic is used for tourism promotion, it seems everyone can be happy.

Government or municipal persons in charge of tourism often misunderstand. Specifically, they are apt to misjudge that, unless infrastructures such as hotels and restaurants are developed, tourism cannot be promoted, or on the contrary, if they are developed, the relevant site will soon prosper based on tourism. But seen from these examples, infrastructures are important, but they are not essential conditions for tourism prosperity. To attract people, the value people seek and story to make them wish to visit are more important than anything else. The JTB tourist site branding method deals with this process from making tourism resources into assets to story making and emphasizes the common key visual and brand story.

Conclusion

- Areas where a brand is successfully established will be visited by people continuously.
- Even though the details are not explained, people can easily recall the image to mind. (If a keyword and key visual for promotion as a set, and the common image is publicized, branding will be realized.)
- A successful brand has a story.

(2) JTB survey on the creation of tourism resources into assets in Latvia in 2009

In the summer of 2009, with the cooperation of TAVA, JTB Business World Tokyo Corp. conducted the first Feasibility Study based on the following terms and contents. It was a preliminary survey concerning brand in Latvia.

[1] Period of survey: July 31 to August 6, 2009 (Summer season)

[2] Areas of survey: Vidzeme, Kurzeme, Zemgale

[3] Survey contents

	Item	Content
1	Tourist site	Tourism resources of Capital Riga and other main cities Sigulda, Cesis, Ventspils, Kuldiga, PilsRundale
2	Food	Famous foods in Latvia and restaurants
3	Shopping	Products that can be purchased in these three regions
4	Exchange	Hospitality in hotels and tourist sites

[4] Method of survey Hearing and recording

[5] Number of staff 4 persons

[6] Method of analysis Simplified comparison with JTB tourist site branding method data

(3) Review of survey

In order to proceed with the measures for making Latvia a tourism-oriented country, it will be necessary to take a few years of actions including asset-reformation of resources for four seasons, comparative surveys covering all areas and brand building work. From this simplified survey and relevant analysis, the value of Latvia's assets, general issues, and direction could be extracted.

In this report

Assessing of regional assets

Next time

Differentiation of regional assets

Conversion of values of regional assets

Creation of charms

Table 7 Brand building steps in Latvia

- Assess resources for four seasons.
- Identify resources for each region for each season.
- Assess action-oriented resources and experience-oriented resources
- Differentiate from resources of neighboring countries
- Optimize the resources

- Link them to the valued to be obtained during a trip in Latvia

- Foster the motives of travel by creating the desires to visit or revisit

(4) Regional assets of Latvia (from the viewpoint of world wide tourism)

In this survey, we could gather various interesting regional assets as bellow

Part1

rank	Attention of tourism materials	Action or Experience	Its image
	Toraidas Rozes Kaps	experience	
	National costumes	experience	
	R. Pauls 's song Million Roses	experience	
	Rundale Palace & Rose garden	experience	
	Riga Black Balsam		
	Handmade woolen mittens	experience	
	Riga cannell cruise	experience	
	Latvian regional beer		
	Double Coffee		
	Soup Auksata Zupa		
	Soup Solanka		
	Pelekle zrni		
	Art nouveau architecture	experience	
	Tris Brali Three Brother houses	experience	
	Cat house	experience	
	Riga Dome with pipe organ	experience	
	Central market old airship hangar	experience	
	Latvian national open air museum	experience	
	Ventspils national open air museum	experience	
	Kuldiga Ventas fall & stone bridge	experience	
	Kuldiga street with wooden houses	experience	
	Landscape from Turaidas Pils	experience	
	Beach of Jurmala	action, experience	
	Lakes & rivers in Latvia	experience	
	House of Black head guild	experience	
	St. Jana Bazrica with its wall	experience	
	National song & dance festival	experience	
	Jurmala SPA experience	experience	
	Tram car & trolley bus in Riga	experience	
	Sunken ships in Baltic sea	experience	
	Minhauzens stories & its museum	experience	
	Potato Pancakes		

Part2

rank	Attention of tourism materials	Action or Experience	Its image
	Ceramics in Latgale resion	experience	
	Sauna hat & Latvian sauna	action	
	Latvian fork	action	
	Latvian Wedding tradition	experience	
	The amber route	experience	
	Human chains & Song revolution	experience	
	Juice of white brich		
	Mushrooms of Gailenes		
	Wooden houses of Kalnciema		
	Daugava river	experience	
	Minox camera	experience	
	Wooden furniture in Latvia	experience	
	Latvian mythology with various gods	experience	
	Freedom monument & guard change	experience	
	Mid summer festival (Ligo)	experience	
	Kokle Latvian instrumental	experience	
	Latvian Fork Dina	experience	
	Rye bread (black bread)		
	Kvass juice		
	Linen & national crafts	experience	
	Ring of Nameis	action	
	Ring of 7 days (Ligavas Gredzens)		
	Jani cheese	experience	
	Laima's chocolate	experience	
	The story of Baltic fleet	experience	
	Riga city marathon	experience	
	Sauer cream & cottages cheese	action	
	Indris Ranka 's sculpture		
	Cycling & trekking in Latvia	experience	
	Landscape of middle age Europe	action	
	Golf in Latvia	experience	

Below please find the characteristics of Latvia's tourism resources obtained from our first survey. Among Latvia's tourism-related assets, we have not surveyed the Latgale region and winter attractions yet. For the remaining items, we have tried to collect as much information as possible.

Table 8 Tourism Resources in Latvia

There are many nature-related resources and most of them have not been fully developed as a sightseeing spot. We always heard that all of Latvia is beautiful. People do not recognize specifically what is beautiful in Latvia and which region in Latvia is beautiful. In other words, we cannot find out Latvia's uniqueness in local areas: XXX is famous for its beauty in YYY or OOO in ZZZ region is loved by many people as a souvenir. On the other hand, we noticed that Latvian people have a strong sense of beauty. Although there are no clear characteristics about Latvian food, such as pasta in Italy, Latvian people's "sensitivity to seek for the beauty" ranks at the top level among various countries. Thus, we highly evaluate Latvian people's good taste in food and sophisticated skills in the presentation of dishes.

Many of Latvia's tourism resources are similar to those in neighboring Estonia and Lithuania and have been traditionally influenced by Northern Europe, Russia, and Germany. From the cultural viewpoint, as often seen in many European countries, it is difficult to define what is particularly Latvian. Therefore, it is important to differentiate Latvia from its neighboring countries. However, as a result of the hearing, we found that people cannot distinguish the uniqueness of Latvia. In particular, it seems that people have an emotional difficulty in describing things that have been influenced by Russia.

Unfortunately, we have not found remarkably attractive sightseeing spots, themes and beautiful scenery in Latvia in comparison with other famous destinations in Europe. However, by examining Latvia's tourism resources to decide whether to classify them as action-oriented or experience-oriented, we found that many of them belong to the latter type. In general, the group tours comprised of middle-aged and older people (over 50 years old) account for the majority of tours for outbound tours from European countries, particularly from the United Kingdom, France and Spain, as well as tours from Japan in the case of Asian countries. The traveling mode of such tours is usually to visit and enjoy various sightseeing spots using a chartered bus. These countries rank higher in terms of the amount of consumption for overseas traveling. We believe that Latvia has many tourism resources that could attract tourists from such affluent countries.

(5) Direction of the image of tourism in Latvia (Tentative)

A: Visual image for the more impressive photograph in Latvia



CTAVA

B: Images of Latvia's tourism resources

- Clearness
- Pleasant breezes and refreshing sunshine
- Warmness and kindness to visitors

C: Key words for promotion to express Latvia

Singing on the breeze, Singing Mind, Singing Country

(6) Tourism resources from the viewpoint of Latvian people and tourists (foreigners)

We should not push our own values onto foreigners in promoting tourism (one of the don'ts). People tend to think that because they are proud of their own values and traditions, such things also must be welcomed by tourists from other countries. That kind of attitude is understandable. However, there are many domestic things that foreigners cannot similarly evaluate due to the differences in traditions and culture. Nonetheless, learning about the differences of other countries is one of the joys in traveling abroad and people can share with each other by recognizing the mutual differences. Even within Europe, there are slight cultural differences among countries. Therefore, the evaluation would be subtly different even for similar sightseeing spots because of the slight differences in each country's particular resources.

(7) Action-oriented and experience-oriented resources

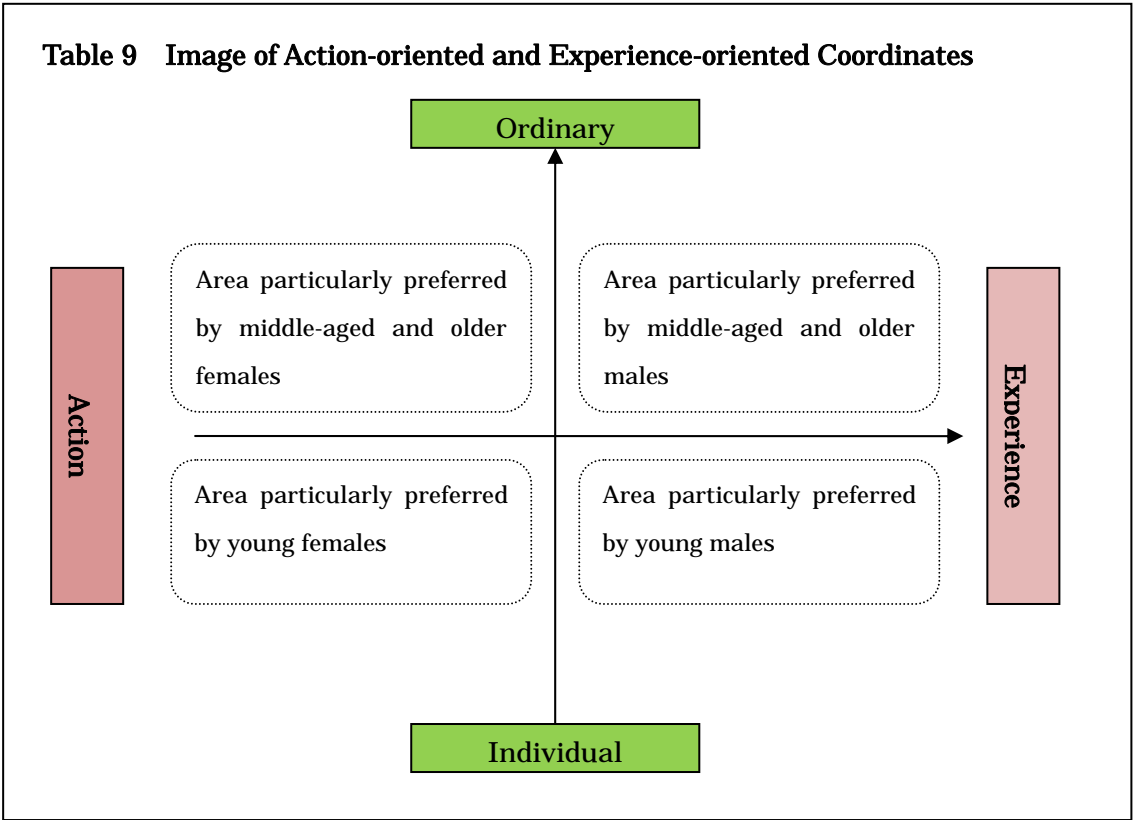
Upon selecting prospective tourism resources in the branding surveys, it is necessary to identify which attribute type, action-oriented or experience-oriented, the resources concerned belong to. There are some resources that have both attributes. However, the target tourists who show an interest in such resources would be totally different, depending on which attribute type we choose for the tourism promotion.

For example, let us focus on the Jurmala beach as one of the resources. The color of its waters is not transparent and bright blue, as are the beaches in the Mediterranean countries such as Greece and Southern France. However, its coastline features shallow beaches that surely offer a resort atmosphere. Latvian people say that Latvia has many unspoiled Baltic beaches where people can enjoy nature. That is probably true. However, the purpose of visiting a beach is not only for swimming from the viewpoint of tourism. There are tourists who do not swim at all and just wish to enjoy watching the beach even if in summer. There are also people who enjoy sitting in a café and reading while drinking a cup of coffee in a summer resort. Namely, there are two types of tourism resources: action-oriented resources where people enjoy the action itself and experience-oriented resources where people enjoy watching. In fact, SPA massage services at hotels in Jurmala can be categorized as an experience-oriented resource for relaxation and beauty

Many Latvian people stress that visitors can enjoy a variety of activities in Latvia: swimming at the beach, singing, walking around nature-rich forests, gathering mushrooms, riding bicycles, enjoying sports, and playing in parks. These activities are wonderful in their daily life. However, such activities are not profit-making from the viewpoint of tourism, even if they are attractive.

In other words, tourism based on experience-oriented resources instead of action-oriented resources is a key factor in determining the failure or success of one nation's tourism promotion. Upon promoting the tourism industry to attract tourists from overseas countries, we should make an appeal to them by taking into account the balance between these two types of resources. Otherwise, there occurs a worst case scenario in which action-type tourists leave garbage only without spending much money in Latvia. At least, we should realize that the promotion of traveling by camping car or bicycle can increase the number of visitors to Latvia, but will not bring a large profit to Latvia.

Furthermore, there are two additional factors to take into account in establishing a tourism brand: ordinary and individual types. Therefore, we add these two factors in the procedure of JTB's branding. Let us take the above-mentioned Jurmala beach as an example again. From the viewpoint of attribute, a tourist who likes swimming in the Jurmala beach falls under "individual and action type" that cannot be replaced by others, because it refers to the particular beach. A tourist who likes swimming in any beach can be classified as an "ordinary and action type." On the contrary, a tourist who likes the beach in Jurmala or staying in a café in Jaomas iela while drinking coffee can be categorized as an "individual and experience type." A tourist who likes watching any beach or staying in any café in any place falls under "ordinary and experience type." These attributes can be described as presented below.



(8) Summary of tourism resources in Latvia

JTB wishes to continue further surveys with TAVA to identify what resources in Latvia will be favored by what country's type of people and to establish Latvia's tourism brand. Some tourism bureaus avoid conducting detailed surveys and making appropriate analysis because it requires a considerably large amount of time and expenditure. As a result, some countries have invested a huge amount of money to apply the wrong promotion targeted at the wrong subjects. In such a case, it would be difficult to attract tourists from overseas and promote the tourism industry as expected. JTB believes that the shortest way for success in tourism promotion is to develop a successful brand and expand promotional activities focused on the right target.

(9) Factor-oriented Tourism Resources (examples)



Old city in Riga designated as a World's Heritage site (Three Brothers)

“Guild House” also remains in Brussels in Belgium and various cities in Germany. However, we highly evaluated this Guild House in Riga because of its lovely shape, color, and preciseness of its construction date.



Latvian people's songs and ethnic costumes

The female population is growing worldwide and they are actively moving into the workplace. We believe that foreign tourists will show their interest in the songs of Latvian women wearing ethnic costumes. This is a key to differentiating Latvia from the two neighboring countries.



Smile and hospitality

In the past, it was often said that people in the previous communist countries do not smile and they look sullen. However, Latvian people's smile is charming and we can feel the goodness of the peaceful age



Nice view of forests and river from Turaidas Pils

There are few elevated locations in Latvia. In that sense, the magnificent scenery from this tower allows people to enjoy the nature that is literally “the Garden of God.” In fact, Finland has established its tourism catch phrase as, “the Country of Forests and Lakes.” Therefore, it is also necessary to differentiate Latvia from other neighboring countries.



Latvia's general goods (mittens and kitchenware)

Latvian people are skillful with their hands. Handmade mittens are very attractive as a tourism resource because of their unique patterns.

Conclusion

We reviewed Latvia's tourism resources and realized that Latvia has many attractive resources. It is obvious that Latvia needs to solve various infrastructure-related problems such as construction of hotels, expansion of airport facilities, improvement of roads, and education of tour guides. However, it would be possible to raise the popularity of Latvia as a destination before solving all of these problems. That would be feasible, if tourists think that "they wish to buy, visit, interact with people, and live in Latvia." To increase the motivation for traveling among tourists, it is essential to differentiate Latvia from the neighboring countries and provide hospitality to visitors. Accordingly, these two factors must be developed in Latvia's tourism industry, while improving necessary infrastructures. As funds permit, during the three-year project starting from 2010, JTB wishes to continue its efforts to establish Latvia's tourism brand as a popular destination, leading to achieving Latvia's world-class popularity by cooperating with TAVA and the Republic of Latvia Embassy of Japan.