

# Kinosaki Onsen: A Small Town's Big Data Play

Kinosaki Onsen, Toyooka City, Hyogo, Japan

A hot-spring town with 1,300 years of history, Kinosaki Onsen in Toyooka City, Hyogo Prefecture, is often listed among the top hot-spring resorts in Japan. An important part of Kinosaki Onsen's appeal is the distinct charm of each inn and shop. But each of these facilities operates on a small scale. Also, given Japan's nationwide population decline, ideal staffing levels have been hard to maintain. Challenges like this were behind the adoption of an innovative strategy that boosts Kinosaki Onsen's capacity to compete with other hot-spring resorts.

marketing Digital transformation Employment Data-driven

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| Initiative | Toyooka Tourism DX Promotion Council introduced a digital management system that pools booking data from individual accommodation providers. This labor-saving system boosts the sustainability of the community's tourism infrastructure and offers all stakeholders significant benefits. |
| Actors     | Toyooka Tourism DX Promotion Council (comprised with public and private sectors)                                                                                                                                                                                                            |
| URLs       | Toyooka Tourism Innovation, Toyooka City DMO: <a href="https://visitkinosaki.com/travel-professionals/">https://visitkinosaki.com/travel-professionals/</a><br>Kinosaki Onsen: <a href="https://visitkinosaki.com/">https://visitkinosaki.com/</a>                                          |

## Digital Transformation

The Kinosaki Onsen initiative is an example of “digital transformation”, also known as “DX”, which has been a hot topic in Japan in recent years. DX introduces digital solutions in situations where people and paperwork were once the “analogue” norm. By automating tasks and generating valuable data, DX boosts the efficiency and profitability of business operations. Moreover, by reducing the need for human labor, DX also contributes to long-term sustainability of the town as a tourist destination.

Kinosaki Onsen positions itself as a distributed hotel. “The train station is the front entrance,” explains TAKAMIYA Hiroshi, a representative of the Kinosaki Onsen Tourism Association. “Then the main street is the lobby, the inns are guest rooms, the bathhouses are guest bathrooms, and the souvenir shops are concession stands.”



Photo: Toyooka Photo Library

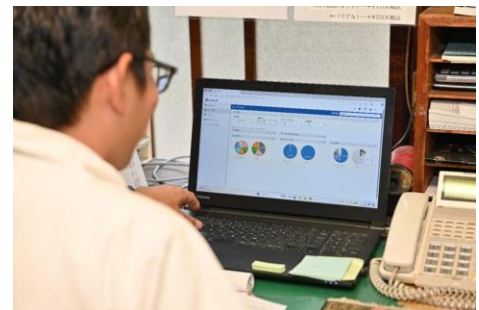
## Key Initiatives

Digital solution: a custom-built community-wide Property Management System (PMS) facilitates real-time sharing of accommodation booking data. This PMS offers various benefits:

1. Reflection in data-driven pricing
2. Cost reduction and productivity improvement through appropriate
3. Data-based measures (DMO placement of targeted advertising, etc.)

A valuable DMO: Data is meaningless if its value as information cannot be harvested, and so relevant guidance is provided by Kinosaki Onsen's Destination Management Organization: Toyooka Tourism Innovation (or Toyooka City DMO). The DMO improves stakeholder interpretation of raw data by issuing monthly reports and holding explanatory meetings.

“We can now verify facts and make decisions based on objective evidence.” says ICHIMAN Kenji, Administrative Leader of Toyooka Tourism DX Promotion Council.



# Looking to the future

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The next step for the Toyooka Tourism DX Promotion Council will be to add new features to the regional tourism app. Possibilities currently under consideration include digital bathhouse congestion status monitoring, and discount coupons. The aim is always the same: to increase the number of Kinosaki Onsen fans by contributing to guest convenience and satisfaction.

“We will continue to take time to explain the benefits to businesses that are not yet signed up,” says ICHIMAN.

“Our DX journey has only just begun.”

Sharing data, collaborating closely, and focusing on the needs of visitors and local businesses: Kinosaki Onsen has demonstrated an approach that many other communities can realistically replicate.

