

Interview with Ross Findlay, Managing Director, Niseko Adventure Centre (NAC)

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oreigners Helping to Revive Local Economies in Japan Through Tourism

By Japan SPOTLIGHT

Niseko Adventure Centre (NAC) was founded by Australian entrepreneur Ross Findlay 20 years ago in the southern part of Hokkaido, the main northern island of Japan. It is a company promoting sports and tourism with the aim of expanding the venues for tourists to enjoy the natural environment of Hokkaido through all kinds of outdoor activity such as rafting, Catskiing, cross-country skiing, snowboarding, and rock climbing. They are a key player in promoting local tourism. *Japan SPOTLIGHT* held an interview with Mr. Findlay.

JS: Would you please briefly introduce yourself and your company?

Findlay: I came to Japan in 1989 as a ski instructor, and started NAC in 1995. It started as a rafting company, and we have expanded to a whole range of different adventures since then.

JS: Are you enjoying your business in Niseko? What characteristics in particular are most attractive for you?

Findlay: Lifestyle. I live here all year round, and enjoy the lifestyle of being able to just jump on a bike and ride or go into the forest: the whole sort of scene that is associated with outdoor sports in Niseko. It is a good place to live and bring up children. I think the people in Kutchan are into their outdoor lifestyle a lot as well; we have a lot in common.

JS: Your facility looks like a good place for customers from all over the world to stay for a long time and enjoy winter sports. Do you think that makes for good business in Japan?

Findlay: It does not have to be sports, but having people come and stay for a long time means they will spend more money in the community and spread it through a wider area. If you have a place



Ross Findlay, Managing Director, Niseko Adventure Centre (NAC)

like Kutchan, where you have the town as well as the resort area, people can wander into town, use the supermarket, the hairdresser, the petrol station, and so on: that way it is almost like they are living here.

We have a population in Kutchan of 15,000 people, and then in winter we get almost 10,000 people on top of that: almost double the amount of people spending money in the town. They are creating new businesses, for which there are lots of chances out there; we have 300 foreigners living in Kutchan year-round, most either involved in or running their own businesses. It also spreads the wealth around the community, which means the community gets behind tourism as well. So overall it is a good tourism model at the moment.

Most of our customers coming in winter are from overseas, and just stay for a few days, or maybe one or two weeks.

Especially during the school holidays in Australia, a lot of customers are coming from Australia. Our increasing markets include Hong Kong, Malaysia, Singapore, and increasingly Indonesian and Thai people because of the new Bangkok-Chitose line. We get people from the Philippines, mainland China, South Korea and Russia as well; so mainly Asians. Because Niseko is an international resort, its name is spread around the world. I think over the next few years we will see other ski resorts in Japan developing these Asian markets, and that is good as well.

JS: How do you assess your company's contribution to the local economy? For example, do you hire many local people?

Findlay: I think we created the summer tourism in Niseko. It sounds like a boastful thing to say, but there was not really anything there when I decided to start a rafting company to create something for people to do, and it all linked from there with people wanting to come to Niseko to do things, and other people started businesses and so on. So yes, our company has had a huge impact on summer, though in winter there are so many foreigners doing so many different things that I do not think we have had that much of an impact.

Most of the people working in NAC come from outside. For our summer business we are employing local people as well as those who have worked in the ski resort and want to hang around afterwards. Most of those are Japanese people, and a lot of them have been able to live here full-time, got married or also set up their own businesses, which is great. It is a very encouraging thing for country towns that want to attract and keep young people in their population. But recently there are fewer Japanese people around to attract; in summer some of the foreign staff stay behind and help us out as well.

One of the biggest problems with attracting local staff is that they cannot speak English. There are also not many young people interested in working in tourism spots anymore. All the ski resorts, ski schools, rafting companies and so on are having trouble attracting people to work.

Will Japanese Tourism Be a Big Industry?

JS: Japan is now trying to develop tourism as a big industry. Do you think it has potential, based on your experience in Niseko?

Findlay: Of course it has got the potential. Japan is aiming for 20,000,000 tourists by the 2020 Olympics, and is going to achieve that this year; we are already at 19,000,000 at the moment and will be well over that target by the end of the year. There are lots of people wanting to come, and the yen is quite weak at the moment. Japan's job now is to try and utilize the great tourism assets it has on an international level — everything from Hokkaido's nature to Kyoto's temples.

Japan's tourism potential is huge. It is a wonderful country. It is unlike any other country in the world. Also with the increase in people's interest in China, Hong Kong, Taiwan, South Korea and so on, the whole area around here has got an increase in tourism as



Photo: NAC

Catskiing — going up to the mountains with the snowCAT instead of by ski lift. The tour for skiing and snowboarding in the powdery snow is great fun.

well. With increased tourism you get increased trade, because people become more familiar with other countries' products. But at the moment most of the companies here have no ability to make that contact with other countries and work with them to export their materials.

JS: The Japanese government is very keen on trying to stop the decline in population. What are your views on this?

Findlay: It is the same in a lot of countries, and I guess Japan is at a turning point on deciding how to address this. One of the problems at the moment, I think, is that everyone is having staffing problems. So it is great to have all these people come and spend money as tourists, but we cannot properly service them. If you want to have more and more tourists, you will have to be able to service those tourists better. That will mean a couple of things.

One is better language teaching at schools, which I think the government is already focused on, but focusing on it and actually having it happen seem to be different. The other is the visa situation for working people, which is a very hard one. I think you need to look at different areas and work out how to adjust the system to make it easier for companies to deal with those staffing problems.

JS: If young people could be persuaded to stay and settle in the local community, where they could enjoy working in tourism or agriculture, do you think that might be helpful in addressing the trend of depopulation?



Photo: NAC

Rafting on the Shiribetsu river, the cleanest river in Japan. In the distance is Mount Yotei, also known as Ezo Fuji.

Findlay: Yes, definitely. But you are leaving out one important thing: most people think that going to Tokyo is more fun. Most people who live in rural Japan see their country town as relatively boring. It goes back to my point about lifestyle. If you can make the lifestyle in the towns fun enough that people want to be there, that is the way you keep people in your town. Most of the towns in rural Japan do not have an espresso machine, whereas many people in Tokyo spend a lot of their spare time sitting in cafés drinking lattes. Most of the country towns only have the usual lineup of *izakaya* [traditional Japanese-style restaurants] with very little interesting or new there; for a country kid, you want to get out of there and find something better.

So what you are saying is true, but unless country towns and the government can look at ways to make the lifestyle better in those towns, you are going to have trouble getting people to stay there.

JS: With the 2020 Olympic Games being held in Tokyo, many people would like to take advantage of this occasion to benefit not only Tokyo itself but also other regions. What do you think will be the most important points in attracting foreign visitors to these regions as tourists?

Findlay: It is all about access from Tokyo and getting information to those people. I think we are overestimating the tourism effects of the Tokyo Olympics: it is a sports event, so people come to watch the sports, and after that they might travel here and there; but that is already happening. Yes, it is a great event, but it is better to focus on what you can do now rather than just waiting for that one event which will be over in a few weeks.

For example, we have the Shinkansen coming to Kutchan, probably not in time for the Olympics but sometime after that. Then from Tokyo you could have some sort of ticket where visitors can get off and on as many times as they like. That way you encourage people to get off and explore those areas on their way up. I think a lot of that could be done with those train routes. Everyone is pretty excited about going on a Shinkansen because they don't have them in many countries.

I think customers have different objectives: people with families, retired people, and so on. Getting the information out there about the interesting spots and the secret little cafés and bakeries and so on is most important, so that when they do come, they are spending money in those communities and staying there for a bit longer, not just, say, climbing up the mountain then going back to the train station. It is important to get across more of a story for the area, get people involved in what they are going to see, and in Japan a lot of that story goes amiss. Have you ever heard David Atkinson talk about the temples and how the people only stay there for a short time, whereas people going to things in Europe tend to stay there for two or three hours? The difference being there is often no information there except for a small pamphlet; people are just looking, saying that's nice, and going home. They are not receiving all those stories, sitting down in the café and having a drink and exploring a bit further. There is a lot to do in improving that.

Advice on Japanese Tourism Business

JS: In terms of providing information, English language websites should then be very important too. Do you have any recommendations for improving Japanese tourism business websites?



Photo: NAC

The climax of the rafting season in summer

Findlay: You need foreign copywriters. The standard of English on these websites is very low. It might be a very good translation of what is written, but you need to sell things, and that will not come from just a translation. You need to write it from scratch and copywrite it properly.

There are a lot of universities teaching tourism courses, but if you are going to teach tourism you need to be teaching marketing. Because that is what it is: you are branding your town or your area, and marketing it to overseas people to come. Teaching tourism in the sense that people move like this or that might be nice for a government department, but to actually get people in, things like town planning and marketing are things for which there does not seem to be any specialist staff at the moment. I think universities should be producing those people and that towns should be able to bring them on two- or three-year contracts, or something like that. You need to change the model. I think you need at least half the courses in English if you are going to talk about tourism or marketing. The kids coming out of high school should be able to speak English, because it is a global area now, and unless you can speak English you are just going to be focusing on an internal market.

Also, if you look at a place like Switzerland, you can see that they have very strong policies on tourism: you know, the attraction of the Alpine mountains and the chalet houses, to make sure they are not covered in concrete, or that the buildings they build are not way out of character — things like that. They have got very strong policies to ensure the continuance of their product. The main problem in most of rural Japan is that they do not know what their product is. They do not know what they are selling, have not got a brand, a vision. As a tourism area you need to have a very strong idea of these things and the ability to sell it. In Niseko we have a lot of people coming from overseas to invest in the area, who invest a little bit of money into that brand as well, which makes it stronger. People then want to come and live in that area, because they want to be part of that brand and that lifestyle. Look at Squamish, just above Vancouver, which is calling itself the “adventure capital of Canada”: people then go to live there because it is the adventure capital, and that is what they want to be part of.

JS: What do you think about young Japanese people's entrepreneurship?

Findlay: Compared to 10 or 20 years ago, it is getting better all the time. Coming out of the bubble, most of the young people would take huge loans without even thinking about it, and start businesses with not much planning and no back door for if things did not go well. The young people now come in with very strong plans of how

Photos: NAC



A former junior high school gym rebuilt as the NAC (above), and the NAC's ski factory “ROKO” (below)

to make their business and know how much risk they want to take. What is a little bit lacking is the amount of entrepreneurs. Those I meet are very impressive, but the amount of people who want to start their own businesses is not really enough.

I think Japan has always had very creative, innovative young people. The challenge is the lack of utilization of those people, and the lack of environments where those people can move forward and be creative and innovative.

JS: Could you tell us about any future plans for your business?

Findlay: I am interested in expanding our company to different locations, while keeping our business theme of adventure. We have a lot of projects coming up and are looking for opportunities. At the moment we are looking at Asahikawa, for example, and have started a little bit of business there this winter. We will see if we can link some things up in summer there.

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Written with the cooperation of Chaobang Ai, a Tokyo-based editor and blogger.