

**A STUDY ON SUSTAINABILITY OF KOREA FILM-INDUCED TOURISM:
AN EMPIRICAL IDENTIFICATION OF LIFE CYCLE OF KOREAN WAVE FILM'S
EFFECTS ON FOREIGN TOURIST ATTRACTION THROUGH TOURISM AREA
LIFE CYCLE ANALYSIS**

By

Chang-Wook Jung

THESIS

Submitted to

KDI School of Public Policy and Management

in partial fulfillment of the requirements

for the degree of

MASTER OF BUSINESS ADMINISTRATION

2007

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ABSTRACT

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In association with Korean Wave phenomenon, 'Film-induced Tourism' has emerged as a new revenue source of Korea tourism industry. Korean Wave improves the image of a national brand 'Korea' in many areas, having a positive effect on tourism industry. Due to the effect, new tourist destinations have emerged and some established destinations have rejuvenated after a certain period of stagnation.

Up to now, despite the growing interest in Korean Wave film tourism, no empirical studies on 'life cycle of Korean film's effects on foreign tourist attraction to film locations' have been made by using direct and concrete data of film tourism destinations. This study examines the life cycle of Korean films' effects on foreign tourist attraction to four film locations as well as their patterns and current status. It is meaningful in that this study makes the first attempt at measuring the life cycle of Korean films' effects on the attraction of foreign tourists.

Analyses of the four destinations in general prove the typical pattern of life cycle in film tourism that shows a rapid increase of visitors with success of a film after release and a fall or decline of visitors with diminishing film effects. It is found that life cycle, pattern and current status of the four destinations not only vary by country, but also they are different from those of the whole visitors. Duration of film effects on the destinations last, on the whole, one cycle of two or three years, although it is different by films and countries, ranging from one year to four years. The important thing is found that the life cycle of a film tourism destination could be prolonged by continued success of a new film: that is, the importance of life cycle management in sustaining film tourism.

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I. Introduction

1. Issue and Purpose of the Study

In association with Korean Wave phenomenon, ‘Film-induced Tourism’,¹ or the act of traveling to locations featured in drama or movie, has been emerging as a new revenue source of Korea tourism industry. Getting over the stage of a passing fad represented by Korean pop culture, Korean Wave has now taken up a position as one genre among pop cultures in China and East Asian regions, and it gets good results of improving the image of a national brand ‘Korea’ in many areas. Besides, the Wave has a positive effect on tourism industry. It aroused the interest of people from East Asian countries in Korea and stirred up their intention to visit Korea, which resulted in a big increase of those visitor arrivals by developing and selling tourism products of visiting locations of popular movies or dramas in Korea. In fact, in 2004, on the basis of quarterly average of the year, the number of foreign visitors was 418,120 of Japanese visitors or 20.1% of total Japanese visitors to Korea, 147,576 of Chinese or 59.5%, 145,540 of Taiwanese or 53.5% (KTO, 2004a). If calculating its economic effects by applying the average expenditure per capita by foreign visitors² to these visitor numbers, the direct tourism revenue of 2004 from those three countries reaches to U\$1.2 billion (SERI, 2005).

Despite its prosperity in various styles, the origin of Korean Wave is Korean films, mainly dramas and movies. As the mass media became widespread in many Asian countries, those Asian people’s indirect experience of Korean pop culture through dramas evolved Korean Wave phenomenon (SERI, 2005). Since a movie or drama has the audiences not just see it but also devoted to it as if they become a star actor, and desire to visit its scenes and experience the same feeling in person, filming locations can be utilized to create a decent tourism product. When it comes to

¹ Often used interchangeably with ‘Film Tourism’

² U\$1,107; Korea Tourism Organization, “Korea Tourism Statistics 2003”

marketing, films become a good medium of advertising locations in the scenes as a tourist destination internationally. Recently in Korea, 'Film-induced Tourism', a tourist package composed of sets and locations in TV drama and movie, becomes a public interest (GDRI, 2005).

Due to the Korean Wave phenomenon, there are such cases that new tourist destinations have emerged and some established destinations have rejuvenated after a certain period of stagnation. Among them there is Namisum, for example, a famous scene where the star actor and actress first fell in love in the drama *Winter Sonata* that played a role of internationally advertising the place where was not known to foreign travelers before the film release and promoting its image as an attractive tourist destination among Asian travelers. As a result, it became one of the most popular tour courses. Visitors to Namisum are surveyed to pursue such experiences of recollecting the drama as walking on the path of drama scenes and photographing with the backdrop (GDRI, 2005).

It is in recent years that local governments realizing the potential of promoting tourism through films have been increasingly interested in enlarging investment and development in building up film sets. On the other hand, there appear some following problems (SERI, 2004; KBI, 2007; Tourism New Zealand, 2002): lack of understanding film-induced tourism by stakeholders involved in a community's tourism economy; the matter of profitability caused by excessive investment costs without proper assessment and strategy of the potential market; the destruction of the natural environment as a result of too much focus on development, depreciating the value of the location as a tourist area; reduction of film's effects on tourism because of lacking a coordinated promotion strategy among stakeholders and too much dependence on some stars; stagnation or decrease in the number of film tourists.

Without continuous interests of stakeholders involved in proactive efforts to improve the current situation, the recently growing Korean Wave film-induced tourism may

come to an end as a short-term special boom. In fact, foreign visitors inspired by Korean Wave films began to decrease as from 2006. This indicates that effects of Korean Wave films on tourism have been diminishing, and it is time to consider innovative changes in Korea film tourism in response to its changed markets. Without adjustment to changing and new travelers' patterns, filming locations will lose their fame and competitiveness as a tourist destination. It is practically regarded some Korean Wave film tourism destinations have already been experiencing the downhill (GDRI, 2006).

Thus, there is a necessity for examining sustainability measures of film tourism (locations) as a tourism resource. Sustainability needs to draw continuing visitation by tourists, maintaining a regular arrival of large numbers of visitors. Development of a film location as a tourist area needs to be approached as a long-term project because of its positive impacts on the promotion of a community's economy and image and its ripple effects on other industries (GDRI, 2006). In order to benefit from the long-term film tourism, a systematic and comprehensive master plan in terms of engagement in film production, construction of filming sceneries and establishment of marketing strategy for film tourism should be made properly, and appropriate marketing activities should be conducted effectively to target markets. More important to the matter of sustainability is that stakeholders, especially tourism organizations and destination marketers, need to figure out the life cycle and pattern of a film's effects on tourism that will be the groundwork of all the planning and marketing strategy of film-induced tourism, and must try to manage a film location to be a sustainable destination by considering such life cycle and pattern and tourism environment changes.

Korean tourism organizations and industries have made lots of investment all the while in tourism merchandising and marketing activities utilizing Korean Wave films in order to expand Korean Wave film-induced tourism generated by the Korean Wave fever. But they do not seem to become proactive in facilitating it by establishing an

effective strategy from the signs of film tourism. More importantly, they lack efforts to figure out the foundation for developing an effective, productive master planning and marketing activities of Korean Wave film tourism, that is, the life cycle and pattern of Korean Wave film tourism (destination). A systematic approach to the matter of sustainability measures for Korean Wave film tourism should start with examining the life cycle of a film's effects on tourism, its patterns and current status.

Limited research has been conducted on Korean Wave film tourism (destination) despite its rapid growth, at best dealing with it as part of the study on Korean Wave phenomenon. There exists a few, such as 'Impact of film on the image of Korea as a tourist destination' (Lee, Jee-Eun, 2000; Seo, Yong-Geon, 2004), 'Utilization of Korean Wave films for the vitalization of Korea tourism' (KTO, 2004a; SERI, 2004), 'Study on Life Cycle of film tourism destinations' (GDRI, 2006; Lee, Su-Jin, 2006), and so on. They are mainly about surveys on customers from Korean Wave regions, general observations of film tourism destinations regardless of classification of tourists' nationality, even selecting destinations with more popularity among Koreans for the study, and enumeration of Korean Wave tourism status. Up to now, despite the growing interest in film tourism (destination), no empirical studies on 'life cycle of the effects of Korean films on foreign tourist attraction to film locations' are made by using direct and concrete data of film tourism destinations.

Hence, this study aims to: firstly, by analyzing the life cycle of established Korean Wave film tourism destinations, examine the life cycle of Korean films' effects on foreign tourist attraction to film locations as well as its patterns and current status of the life, and provide implications for Korea film tourism marketing; secondly, together with the implications, based on a review of the secondary research related to film tourism cases, find out key factors for the sustainability of film tourism and propose a circular model for the development of sustainable film tourism (destination).

It is meaningful in that this study makes the first attempt at measuring the life cycle of Korean films' effects on foreign tourist attraction and may also serve as a good start to conceive sustainability measures of Korean Wave film tourism (destination) to keep attractiveness. And hopefully this study is expected to be of use in developing the concrete merchandising and marketing strategies of Korea film tourism hereafter.

2. Methodology and Structure of Thesis

For the objectives mentioned above, this study first conducts a literature review on Film-induced Tourism in Chapter II, including film tourism cases of Thailand, New Zealand, UK and Korea, and roles of tourism organizations in marketing activities both before and after release of a film, through researching lots of related articles, books, and previous theses. In Chapter III, this study makes a life cycle analysis of established Korean Wave film-induced tourism destinations with Butler's Tourist Area Life Cycle (TALC) model, through secondary research ranging from lots of related articles, books, and previous theses to tremendous amount of statistics from KTO (Korea Tourism Organization), GDRI (Gangwon Development Research Institute), SERI (Samsung Economy Research Institute), and some tourism offices or entities. With these findings, in Chapter IV, this study finally concludes to present implications for marketing Korean Wave film tourism from the life cycle analysis, to make a proposal for sustaining Korean Wave film tourism, and to suggest KTO's role in Korea film tourism development.

II. Film-induced Tourism

1. Definition

Film-induced Tourism, or often called *Film Tourism*, is defined by Scottish Tourist Board (STB)³ as ‘the business of attracting visitors through the portrayal of the place or a place’s storylines in film, video and television’ and by VisitBritain⁴ as ‘tourist visits to a destination or attraction as a result of the destination being featured on television, video or the cinema screen’.

Film-induced tourism is a kind of business that profits from attracting visitors inspired by beautiful sceneries of locations exposed in movie or drama and stories linked to the locations, through merchandising of filming sets or locations as a tour program (GDRI, 2005; SERI 2004).

Film-induced tourism falls loosely under the umbrella of cultural tourism. Traditionally cultural tourists tend to be older, well-educated professionals looking to learn more about a destination’s history and culture. Film however, as a contemporary cultural tourism, appeals to a wider range of tourist. Although niche market films may have a cult following, film fans can be anyone from singletons to families (Travel & Tourism Analyst, 2003).

The resulting film tourism is more complicated. Locations vary from a telephone box to the landscape of a whole country. Activities that come under the label of film tourism are just as diverse and marketing initiatives vary according to film themes as well as location to include experience to bring tourists closer to a film (Travel & Tourism Analyst, 2003).

³ Scottish Tourist Board (old name for VisitScotland), “Film Tourism: Business Guidelines for the Tourist Industry”, 1997

⁴ British Tourist Authority (old name for VisitBritain), 2002

2. Overview

Film tourism is a growing phenomenon worldwide, fueled by both the growth of the entertainment industry and the increase in international travel (Hudson and Ritchie, 2006). It becomes more outstanding recently in Asia due to the Korean Wave. In a world where fewer people read books, audio-visual information, such as that on film and television, is becoming increasingly important (Butler, 1990). Films are a powerful means to reach a wide, international market. Successful films have a direct and powerful role in generating and sustaining tourism to a location. The benefits of film tourism are becoming increasingly apparent. Appealing to wide and diverse markets, film tourism offers something for everyone, just like the films themselves, and tourism organizations can use films as springboards for marketing campaigns if the films are seen as appropriate for the destination (Travel & Tourism Analyst, 2003).

In a world fascinated with fame and celebrity, it is perhaps no surprise to find that film-viewing influences travel decisions. The 20th Century is the first to be captured in moving pictures and films have the power, through sight and sound, to transport consumers to places, and to induce visits to foreign lands. The rise of film tourism is linked to the history of filmmaking, which started 100 years ago, in California. It is associated with the rise of the budget US blockbuster, starting with *Jaws* in 1975 (Travel & Tourism Analyst, 2003).

Film is successful as a medium for tourism, especially when the storyline and site are closely interrelated, and involves the audience in the story giving them an emotional experience, which they link with the location. Repeat viewing gives further exposure resulting in greater familiarity, attachment and identification, all of which may result in a desire to visit looking for the sites, people, experiences and fantasies portrayed by the film (Tooke and Baker, 1996).

Film enables countries and regions to leverage the visibility that they provide and to

boost their tourism potential. *Out of Africa* was credited with bringing American tourists back to the continent, and *Crocodile Dundee* lured tourists to Australia's attractions. More recently, *Harry Potter* brought British tourism back from the brink following the foot and mouth disease crisis and *Lord of the Rings* sent a huge wave of British tourists traveling to New Zealand (Travel & Tourism Analyst, 2003). In Asia, recently since the inception of Korean Wave phenomenon, Korean movies and TV dramas, such as *JSA*, *All In*, *Winter Sonata*, and *Daejanggum*, drew quite a few numbers of Asian travelers scurrying to South Korea.

Although the case for film tourism is harder to prove than the economic benefit of film production, numerous locations show a significant rise in visitor numbers following a film's release (Travel & Tourism Analyst, 2003). New Zealand, the backdrop of *Lord of the Rings*, recorded almost 2 million international visitor arrivals in 2002, or 3.8% increases on the previous year, following the first *Lord of the Rings* film release in 2001 (Tourism New Zealand, 2002), and according to survey by Tourism New Zealand in 2003, 9.3% of international visitors indicated *Lord of the Rings* was one of the reasons for visiting New Zealand (Tourism New Zealand, 2003). Alnwick Castle in *Harry Potter* saw 200% increases in visitor numbers in 2002, a year after the release of the film. Thailand attracted more young travelers between 15-24 year-olds from US and UK (20%, 22% increase respectively in 2000) after release of *The Beach* starring Leonardo Di Caprio. The Wallace Monument in Scotland saw an increase from 66,000 to 167,000 visitors a year after release of *Braveheart* (Travel & Tourism Analyst, 2003).

Also recently in Korea, the mass media have contributed a lot directly and indirectly to the development of Korea tourism industry and the diversification of travel patterns, such as rising of film locations as a popular tourism destination and large increase in both domestic and foreign visitor numbers to locations due to the big hits of film or TV series like *The Hourglass*, *Shiri*, *Winter Sonata*, and *Daejanggum*, etc. In particular, Namisum, a location in *Winter Sonata*, and Daejanggum Theme Park, a

set of *Daejanggum*, enjoy a favorable visit trend of being visited by a large number of over 200,000 tourists annually from Taiwan, Japan and China (KTO, 2006).

Table 2-1 Overseas Film Tourism Destinations

Period	Major Destination	Film / Release Year
1950's	Niagara Falls	Niagara, 1953
	Rome	Roman Holiday, 1953
	Repulse Bay in Hong Kong	Love is a Many Splendored Thing, 1955
1960's	Manhattan of New York	Breakfast At Tiffany's, 1961
	Jamaica	007 Dr. No, 1962
	Jordan	Lawrence Of Arabia, 1962
1970's	New York Central Park	Love Story, 1970
	Hong Kong	Enter The Dragon, 1973
	Mont Saint Michel	The Last Concert, 1976
1980's	India	Gandhi, 1982
	Australia	Crocodile Dundee, 1986
	China	Last Emperor, 1987
1990's	Paris	Les Amants Du Pont-Neuf(The Lovers On The Bridge), 1991
	Las Vegas	Leaving Las Vegas, 1995
	Scotland	Braveheart, 1995
2000's	New Zealand	Lord of the Rings, 2001-3
	UK	Harry Potter, 2001-5

Source: Choi, In-Ho, 2005

Table 2-2 Korea Film Tourism Destinations

Release Year	Major Destination	Film
1995	Jeongdongjin	The Hourglass
1997	The Garden of Morningcalm	The Letter
1998	Youngduk Gyeongbuk	You and I
1999	Jeju Jungmun	Shiri
	Jecheon Chungbuk	Peppermint Candy
2000	Seokmodo	A Love Story
	Seocheon Chungnam	Joint Security Area (JSA)
2001	Gangnung, Samyang Farm	Autumn in My Heart
	Busan	Friend

Release Year	Major Destination	Film
2002	Chuncheon, Yonpyong, Oydo	Winter Sonata
	Bucheon	Legend of the Hero
2003	Jeju Supjichoji	All In
	Muju	Summer Scent
	Damyang Jeonnam	Damo
	Yangju, Damyang	Daejanggum
2004	Incheon	Full House

Source: Choi, In-Ho, 2005

Table 2-3 Impacts of Major Films on Visitor Numbers

Release Year	Film (Movie or TV Series)	Destination	Impacts on Visitor Numbers
2003-4	Daejanggum	Daejanggum Theme Park, Yangju, Korea	423,000 visitor arrivals from 2005 to 2006 after its grand open in Dec. 2004
2003	All In	All In House, Jeju, Korea	71,000 visitor arrivals from 2005 to 2006 after its grand open in June 2005
2002	Winter Sonata	Namisum, Gangwondo, Korea	296,448 visitor arrivals in 2005 from none before release
1999	Shiri	Jungmun, Jeju, Korea	6% increase in 2000, a year after release
2001-3	Lord of the Rings	New Zealand	10% increase in 2002 and 2003 from UK
2001	Harry Potter	Alnwick Castle	200% increase in 2002
2000	The Beach	Thailand	22% increase in youth market in 2000
1999	Mission Impossible 2	National parks in Sydney	200% increase in 2000
1995	Braveheart	Wallace Monument, Scotland	300% increase a year after release from 66,000 to 167,000 visitors
1989	Field of Dreams	Iowa, US	200% increase from 35,000 in 1991 to 60,000 in 1992 after release, no visitors before release
1977	Close Encounters of the Third Kind	Devils Tower, Wyoming, US	75% increase a year after release

Source: Choi, In-Ho, 2005; Hudson and Ritchie, 2006; KTO 2007; MBC, 2007; Namisum Inc., 2007

Types of film tourism destination can be largely classified into location, facility, event, and cluster (Choi, In-Ho, 2005):

- Location: As locations featured in film gain popularity among the audience during release of movie or TV drama, visitors to locations increase.
- Facility: Studios (or sets) and associated facilities can arouse interests of tourists. Studios are a place established for film production where tourism activities simultaneously occur, and associated facilities are buildings used in film like hotels, museums and restaurants, relating to characters and historical materials.
- Event: Mostly film related events, like film festivals and film expos, are held regularly in which tourism sectors are increasingly involved. As event locations win a reputation for visit, tourists to the locations increase gradually.
- Cluster: Film related industries form a cluster as a community and lead its main economy, inducing film producers and tourists.

Table 2-4 Types of Film Tourism Destination

Type	Characteristics	Corresponding Film/Location
Location	Location → Screening → Tourism	Peppermint Candy/Jecheon
	Unpopular tourist area → Screening → Popular destination	Friend/Busan; The Letter/Garden of Morningcalm
	Popular tourist area → Screening → Strengthening its reputation	Shiri & All In/Jeju
Facility	Film > Tourism	JSA/Korean Film Studios Daejanggum/Theme Park (Sets)
	Film < Tourism	Film Museum, Korean Folk Village, Universal Studios
Event	Holding film related events → Promoting the destination for tourism	Busan Film Festival, Cane Film Expo
Cluster	Build up a community as a film cluster	Busan, Hollywood, Bollywood

Source: Choi, In-Ho, 2005

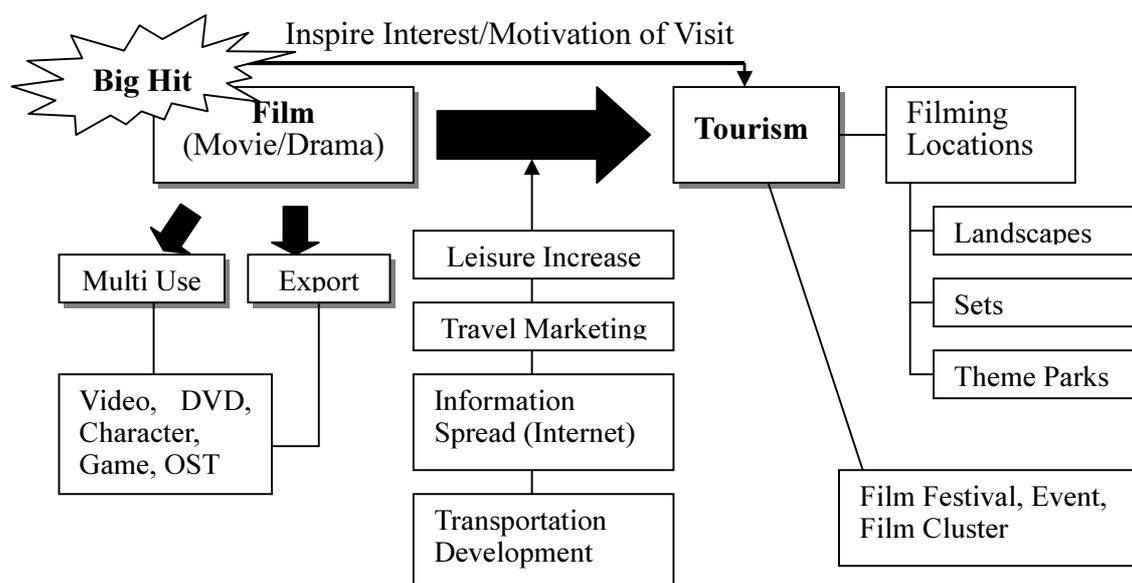
3. Characteristics

The success of film tourism is based on the success of the film, largely measured by box office figures or audience ratings, which guarantee that a large global audience will have seen the location or attractions (Travel & Tourism Analyst, 2003). Filming locations are not perceived as a tourism destination until the film is released, but they are usually the objects of public attention when the film performs such a big hit (Tooke and Baker, 1996). The popularity of the films matches box office and audience rating performance. Successful films act as hallmark event for destinations. Other critical factors affecting film tourism are the amount of exposure or length of time the location is on screen or TV, and crucially, the link has to be successfully made between the film and a location, such as *Lord of the Rings* and New Zealand, *The Beach* and Thailand, *Braveheart* and Scotland, *Winter Sonata* or *Daejanggum* and South Korea (Travel & Tourism Analyst, 2003).

Scenes in film have pull factors enough to motivate the audience's needs to visit film locations, including beautiful natural environment, climate, nice foods, hotels, kind residents, and places for relax, etc. (Riley, Baker & Van Doren, 1998). A small village that were scarcely visited by tourists can be widely known and become a tourism attractor to people after its exposure in a movie or TV drama. That is, being drawn by pull factors of curiosity and personal experience of the location, and mysterious atmosphere and beautiful sceneries in the film, tourists make a visit to the film location (Riley, Baker & Van Doren, 1998; Tooke & Baker, 1996).

If a movie or TV drama is exported to other countries and makes a hit, both starring actors and film locations will win tremendous popularity. This will cause an increase in demands of foreign tourists to visit film locations, and as a result it will bring vitality to the national tourism industry as well as the community's economy (Butler, 1990; Tooke & Baker, 1996).

Figure 2-1 Mechanism of Film-induced Tourism (SERI, 2004)



A favorable impression of a destination is created generally by a formula of idyllic or extraordinary landscape, a unique social and cultural advantage point and an image that tourists can identify with and want to explore or rediscover. In film tourism, people are looking for an experience rather than a destination and it is the emotional associations that are important for those who come to visit (Riley and Van Doren, 1992). Particularly, people who dream of an ideal relation or a desirable world have a desire to experience such things as in film by personally visiting film locations (Tooke & Baker, 1996).

Although viewing a country on film may not be the only thing that draws people to a location, it is an additional reason to visit. *Field of Dreams*, related to historical baseball lore, lured visitors because of the film's theme rather than environmental attractions. Australian bush culture in Kakadu National Park in *Crocodile Dundee* can provide a focus for visits and even macabre films draw tourists – after the fear-filled *Deliverance*, Rayburn County experienced a sudden boom in rafting holidays (Travel & Tourism Analyst, 2003). In Korean TV dramas, *Winter Sonata* provides a motivation for potential Asian travelers, especially Japanese middle-aged woman

travelers, to visit the locations because of the film's theme based on the universal value like first love, family and friendship that are harmonized with actors' splendid acting, appropriate background of winter season and lyric sounds. And *Daejanggum*, related to universally loved success story against Korean traditional and cultural backdrop, attracted a large number of Asian visitors because of Korean unique traditional contents featured in the film, such as Korean foods, clothes, medicine and culture (KTO, 2005).

Film tourism has a fast-response, ever-changing attribute because of a close connection with movie/TV-broadcasting entertainment working with the tides of fashion (Travel & Tourism Analyst, 2003). Film locations are in general spotlighted as a tourism destination with rapid increases of visitors after film's success, and as time passes on after release, likely to decline abruptly with less popularity and rapid drop in visitor numbers, which makes it difficult to sustain tourism attractors to visitors by the film only (GDRI, 2006). In 2004, amid a strong fever of Korean Wave, House of Joon-Sang, a location of a popular TV drama *Winter Sonata*, had been visited by over 600 Japanese visitors each day, but its number had dropped in the following year to at most one person a day, even including domestic and foreign visitors (hankooki.com, 2006). A research in Japan on the correlation between TV drama locations and visitor numbers pointed out that while a TV drama location gained popularity as a tourist destination during release, it witnessed the decrease of visitation in course of time after release, which lasted a year or so (GDRI, 2006).

Despite the attribute of fast response and change, one of the most surprising aspects of film tourism is it is enduring. A film can continue to draw visitors to the location year after year, and cult films never die. According to Riley, Baker and Van Doren (1998), although the peak of interest comes after a film is released, a 54% increase in visitation was evident at least five years later in their study of 12 US films, and images are often retained for a long time. These enduring effects would explain the success of some destinations that have redeveloped locations to make film

connections more apparent and boosted tourism even when the film is not new (Travel & Tourism Analyst, 2003). Visitors to Devil's Tower still recalled the movie as their first image of the monument 11 years after its release (Sue Beeton, 2001). Almost ten years after the release of the film *The Piano*, the scene of the grand piano standing in the surf still inspires international visitors to make the pilgrimage to the West Auckland beach where it stood (Travel & Tourism Analyst, 2003). Even 4 years after its first broadcasting, a Korean TV drama *Winter Sonata*, the center of Korean Wave fever in Japan giving rise to a 'Yon Sama' syndrome when it was broadcasted on NHK in 2003, has been still rerun by such private broadcasting companies as TBS and Asahi in Japan since January, 2007, which will be expected to extend its audience to males and to rejuvenate the stagnant market for Korea tourism (Kyunghyang Newspaper, 2007).

Marketing opportunities for drawing visitors are generated when the film is being premiered and distributed through media focus and release windows (video, DVD, cable TV, free TV) and in the portrayal of the location to prospective visitors, which typically lasts up to three years (Travel & Tourism Analyst, 2003).

Film tourism can create such additional business and services as well business out of season and extension and strengthening of the visitor season (Travel & Tourism Analyst, 2003). For example, Namisum and Chuncheon, locations of *Winter Sonata*, have been visited by many tourists all year around, regardless of seasons, and attracted lots of Asian travelers due to high popularity of the drama in Asia (GDRI, 2006).

Film can also be used to focus and drive attention towards geographical areas or highlight lesser known regions – France for instance used the film *Chocolate* to draw attention to Burgundy, and *Charlotte Gray* the Aveyron and Lot Valley – and it can make popular places which may struggle to find any reason to develop a tourist industry (Travel & Tourism Analyst, 2003). In Korea, by inducing film productions to

the community, local governments have made efforts to use film for the purpose of enhancing competitiveness and image of the region and creating unique attractors for visitors (Lee, Jee-Eun, 2000). For example, Hapcheon used the film *TaeGukGi: Brotherhood Of War* to draw attention of tourists, Sokcho *Autumn in My Heart*, and Chuncheon *Winter Sonata*.

4. Cases: Promoting Destinations via Film-induced Tourism

Although film tourism is a growing phenomenon worldwide, there is little direct measurement of the impact of film on tourism. Observation of recent trends through the following case reviews will give some information, statistics and ideas for the success of film tourism in terms of film tourism destination attributes, marketing activities, film-specific factors, and public/private cooperation and partnership. Some destinations have neglected film tourism as a very effective form of publicity and very often they do not prepare themselves to cope with sudden, large increases in visitors. Other destinations, however, have leveraged the visibility that films provide and benefited by showing a significant rise in visitor numbers following a film's release. The focus of this case research is on how tourism organizations engage in promoting destinations via film and converting the audience's interest in film into a commitment for an actual visit.

4-1. Overseas Film-induced Tourism

A VisitBritain survey shows that one in five visitors come to Britain in 1998 thanks to its exposure in television and film. The slogan 'You've seen the film, now see the country' was used by the STB (Scottish Tourist Board) in 1995, and it attributed 5-10% of tourist growth – worth 7-15 million in expenditure as a result of three films (1995/96) *Braveheart*, *Rob Roy* and *Loch Ness*. It is estimated that between 10-30% of people taking trips in Scotland were influenced by films located there and that as many as 50% of visitors to Scotland were more aware of Scotland as a holiday

destination through film, television and video. In 1993, more than one in six visitors to the Republic of Ireland cited a film as their reason for visiting and the film *Gorillas in the Mist* (1998) increased Rwanda's tourism by 20%. This millennium has seen the most powerful formula for film-induced tourism yet, with serial films, *Harry Potter* set in the UK, and *Lord of the Rings* set in New Zealand (Travel & Tourism Analyst, 2003). Surveys by Tourism New Zealand in 2003 show that 9.3% of international visitors indicated *Lord of the Rings* was one reason to visit New Zealand (Tourism New Zealand, 2003).

The Beach, Thailand

It was the story of a young American backpacker's doomed search for paradise on a remote island in Thailand and has made the country a trendy destination for youth travelers. The film had a cool factor that appealed to both males and females of young age group, 15-24 year olds. It was shot in backpacker hangouts, showcasing Thailand's beaches and scenery: Ko Samui, Khao San Road and Phi Phi Island (Travel & Tourism Analyst, 2003).

Tourism Authority of Thailand (TAT) heavily advertised its attractions during release of the film *The Beach*. The marketing campaign included a substantial amount of joint activity with 20th Century Fox and aimed to capitalize on the expected further popularity of Thai beaches in the wake of the film. In addition to advertising heavily in cinemas, TAT UK sent United Kingdom journalists and travel agents on familiarization trips, and awareness campaigns included financing a holiday prize on a BBC television game show with a quiz themed around *The Beach* (Hudson and Ritchie, 2006).

For visitor's experience, TAT assisted in securing accommodation in the hotel where the main actor Leonardo Di Caprio stayed during filming. In conjunction with 20th Century Fox, TAT coordinated private businesses such as cinemas, travel centers and restaurants for marketing campaign (Travel & Tourism Analyst, 2003).

The results of the film and campaign were 11.9% increases of UK visitor arrivals in 2000, and the steepest and most significant increase in the youth market – travelers between 15-24 year olds- rose by 21.96%. With a clearly identified youth market for *the Beach*, the marketing efforts of TAT was effective in bringing a new tourist sector to the country and increasing Thailand’s profile worldwide (Travel & Tourism Analyst, 2003).

Lord of the Rings (LOTR), New Zealand

Filming and production had been made in New Zealand for about five years from 1998 to 2002. Three films were made: ‘*The Fellowship of the Ring*’ was released on December 19, 2001, ‘*The Two Towers*’ on December 18, 2002 and ‘*The Return of the King*’ worldwide on December 17, 2003. A story of peril and adventure, the film used 150 sites across New Zealand, showcasing the country’s dramatic, diverse and sometimes extreme landscape: the many realms of Middle Earth in Wellington, the rolling hills of Matamata (Hobbiton), the dramatic Tongariro National Park as Mordor, and Poolburn as the kingdom of Rohan. All the three films were ranked within world top 10 box office performance from its first film release, according to Box Office Mojo (see Table 2-5). LOTR had made New Zealand one of the most fashionable tourist destinations. It had a big, positive impact on tourism in New Zealand, by raising its profile, creating a brand and increasing visitor numbers (Tourism New Zealand, 2002).

Table 2-5 Box Office Figures of LOTR (million dollars)

Films	Release Year	Production	Promotion	Earnings (theater only)
The Fellowship of the Ring	2001	93	50	870
The Two Towers	2002	94	45	926
The Return of the King	2003	94	50	1,070

Source: www.boxofficemojo.com, SERI (2004)

LOTR isn’t the first film to have been produced against the stunning backdrop of New Zealand, nor the first to draw tourists to film locations there: *The Piano* still

attracts international visitors to the West Auckland beach. However, LOTR is the first time government agencies, including Tourism NZ, Trade NZ and Film NZ, have worked together on a coordinated strategy. The Government invested up to U\$18.6 million on projects to promote New Zealand in the wake of the film, and even the Prime Minister, Helen Clark, personally endorsed the branding of New Zealand as the home of LOTR, acknowledging the film as an opportunity to showcase the country to the world and even appointing a special LOTR Minister to assist (Travel & Tourism Analyst, 2003).

The promotional campaign included a huge international media program and numerous events leveraging off the film. The time scale allowed the campaign to focus on different aspects of New Zealand. Activities planned around the release of the final film moved beyond the scenery to promote other sectors such as art, crafts, food, wine, music and fashion. The tourist board branded New Zealand as the home of LOTR and Middle Earth, and overseas offices reached about 200 million people in the first few months of their campaign. Tourist maps were produced listing 35 filming locations used in the film, ranging from a Wellington gravel quarry to the picturesque mountain resort of Queenstown. LOTR was heavily promoted on the tourist board's website and linked to film tours by local tour operators listing from a half day to 22 days for visitors coming in search of Middle Earth (Travel & Tourism Analyst, 2003).

Most media clippings mentioned that the film was shot in New Zealand, providing important linkage between the film and the location. The long production time, 18 months, gave the country to prepare and the longevity of the trilogy with annual release, subsequent academy awards and DVD/video releases, sustained exposure of New Zealand across a variety of media. Exposure is set to last almost four years. The film's stars provided endorsement of New Zealand, particularly Ian McKellen, heaping praise on the island and helping promote everything from Wellington's fashion to its cafes. The relationship with New Line Cinemas was found to be pivotal in assisting awareness. The country's media campaign abroad created greater global

awareness of New Zealand, particularly in the USA where awareness is relatively low, and in unexpected countries such as Taiwan and Thailand (Travel & Tourism Analyst, 2003).

Visitor numbers have soared since the release of the first film in 2001. Almost 2 million international visitor arrivals are recorded in 2002, or 3.8% increases on the previous year. UK visitors are the consistently biggest growing sector, with an increase of 10% year-on-year until 2005, despite recording a slight decrease in 2006. Especially, the biggest market, Australian tourists surged up sharply by 22% in 2004 since the release of the final film in 2003. Total of annual visitor arrivals to New Zealand also increased steadily, although not as dramatically, reaching the 2 million mark in 2002 for the first time (Tourism New Zealand, 2001-6). According to survey by Tourism New Zealand in 2003, 9.3% of international visitors indicated *Lord of the Rings* was one of the reasons for visiting New Zealand. Almost all potential visitors (95%) who were more likely or more motivated to visit New Zealand because of the LOTR films indicated it was likely they would visit New Zealand sometime in the future suggesting a more growth potential in visitor arrivals induced by LOTR (Tourism New Zealand, 2003).

Table 2-6 Annual Visitor Arrival Figures to New Zealand ('000)

Year	2001	2002	2003	2004	2005	2006
Total	1,909	2,045	2,104	2,334	2,365	2,409
UK	193	217	241	254	273	264
Australia	630	632	702	856	875	903
Germany	52	49	52	56	57	59
US	187	205	211	218	214	225

Source: Tourism New Zealand

Harry Potter, UK

According to VisitBritain, in 2002, post foot and mouth, *Harry Potter* had been a major factor helping Britain recover its tourism industry, being one of the most successful film promotions for Britain. The film, based on the best selling novels

about a teenage wizard and Warner Brothers production, was a huge box office hit. As part of a series, the first film, *Harry Potter and the Sorcerer's (US)/Philosopher's Stone*, released in November 2001, created 'Potter Mania' and subsequent massive tourist interest in Britain where it was filmed. The second film, *Harry Potter and the Chamber of Secrets*, released in 2002, was also a massive hit and took top place at the box office in 10 countries (Travel & Tourism Analyst, 2003). The third film, *Harry Potter and the Prisoner of Azkaban*, released in 2004, was the second highest grossing film of the year worldwide and the fourth, *Harry Potter and the Goblet of Fire*, released in 2005, was a successful run at the box office, the highest grossing international and worldwide release of 2005. The fifth film is due for release in July 2007 and the sixth film, in production for release in November 2008 (Box Office Mojo, 2007).

Table 2-7 Box Office Figures of Harry Potter (million dollars)

Films	Release Year	Production	Earnings (theater only)
Harry Potter and Philosopher's Stone	2001	125	976
Harry Potter and the Chamber of Secrets	2002	100	876
Harry Potter and the Prisoner of Azkaban	2004	130	789
Harry Potter and the Goblet of Fire	2005	150	892

Source: www.boxofficemojo.com

The film like the novels appealed to adults and children alike, although mainly attracting families. Supported by Warner Brothers who gave permission to use the logo and license for a year, VisitBritain built a destination experience from the theme of the film, producing a movie map to tie in with the release of the first film. Designed to leverage off the film to fulfill its objectives of promoting the UK as a whole, the movie map mentioned eight locations from the film and on the reverse side a further 32 attractions around Britain, based on seven themes associated with mysticism and magic, such as steam trains, witches and wizards, reptiles and ghosts. 340,000 maps in six languages were distributed in all 27 overseas offices and complimented by the website www.travelbritain/moviemap which features many

more locations. History and legend touch every part of the country. The sheer Britishness of the film and the variety of locations it covers provides a great opportunity to promote Britain overseas, according to a BTA campaign manager (Travel & Tourism Analyst, 2003).

Movie locations listed on the map saw an increase in visitors. From 2001 to 2002 visitor numbers to Alnwick Castle doubled, Christchurch reported a 30% increase and Lacock Abbey a rise of 6,000. London Zoo ran 'week of magic' during half terms in October 2001 and June 2002, attracting 27,000 and 21,500 visitors respectively, a dramatic turn out when compared with their average monthly visitor figure of 33,000. Almost all attractions noticed an increase in foreign visitors, with different nationals choosing different attractions on the map. Goathland Station noticed an increase in Dutch visitors, whereas Bodleian Library noticed more Japanese and Australian visitors and Christchurch more Japanese and Taiwanese. Alnwick Castle noted a significant increase in Japanese, American, Dutch and German visitors (Travel & Tourism Analyst, 2003).

A spokesperson for UK tour operator, Luxury Vacations UK Ltd, said that film location tourism has been a big boost to the industry, and families that have never dreamed of going to the Oxford colleges with the kids are booking tours because Harry Potter was there. They estimated that 90% of people booking tours around Britain begin with a film location or Harry Potter based enquiry because, at some time in their lives, they have seen a film about a princess, knight and a castle (Travel & Tourism Analyst, 2003).

There was a problem with the film, though. As a high profile, high value brand, Harry Potter was subject to strict copyright law. Warner Brothers wanted to protect the mystery of the fantasy story. They controlled which sites were used. The movie map was only licensed for a year in association with the first film and for overseas promotion only.

4-2. Korea Film-induced Tourism

In Korea film-induced tourism, TV dramas had much better effects on tourism than movies did. This is because Korean Wave, affecting Korea tourism industry positively by improving the image of Korea and showing a significant rise in Asian visitor arrivals, originates from the Korean pop culture featured in dramas. Recent successes of Korean movies and TV dramas in both home and Asia contributed to tourism development and diversification of tourism pattern, making film locations emerge as a popular tourist destination and generating a rapid increase in both domestic and foreign visitors (GDRI, 2006).

Korea Tourism Organization (KTO) designated the year 2004 and 2005 as the Year of Korean Wave Tourism and made efforts to facilitate tourism through Korean Wave films by initiating marketing activities. Marketing activities included not only advertising and familiarization trips by KTO itself, but also joint activities with travel agents and film industry for developing film tour programs and star events.

Film tourists to Korea were following such patterns as whole package planned by travel agents, airtel package and independent tour, among which packages organized by travel agents were mostly purchased (KTO, 2004b).

Winter Sonata

Winter Sonata, a TV series produced by Korea Broadcasting System (KBS), had been broadcast in Korea from January to March 2002, winning tremendous popularity by recording average audience rating of 23.1% and the highest of 28.8% (GDRI, 2005). The drama made a big hit in Japan following its first success abroad in Taiwan in 2002. While the drama had been on the air with NHK four times since 2003, it created a “boom of *Winter Sonata*” nationwide in Japan. This was an unprecedented case of foreign programs in Japan’s broadcasting history and any foreign programs had never succeeded before *Winter Sonata* (KTO, 2005).

Winter Sonata motivated potential Asian travelers, especially Japanese middle-aged woman travelers, to visit the locations because of the film's theme based on the universal value like first love, family and friendship that are harmonized with actors' splendid acting, appropriate background of winter season and lyric sounds (KTO, 2005).

The promotional campaign had included an international media program and numerous events leveraging off the drama, such as KTO's advertising in Asian countries and familiarization trips for the press and travel agents of the countries, and joint promotion with travel industry for developing film tourism products, and special joint program with entertainment industry for holding concerts and fan meetings with stars, and special Korea promotion road shows abroad (KTO, 2004a). These efforts resulted in a big increase in foreign visitors of 2004 (up to 22% from 2003), especially in Japanese and Taiwanese (by comparison with the previous year, 35% and 56% respectively) (KTO, 2005).

Foreign visitors to Gangwon province, major locations of *Winter Sonata* were all the while mainly from South East Asian countries like Hong Kong, Singapore and Taiwan for skiing in winter, generating limited market for Japanese. However, after *Winter Sonata*, Japanese tourists increased rapidly, especially showing the most significant rise in Japanese middle-aged (between 30-40 year olds) woman travelers. According to the province, Japanese visitors to the drama locations like Chuncheon and Namisum from July 2003 to July 2004, were 74,640, almost 10 times increase from the same period of the previous years (7,857 visitors) before success of the drama (GDRI, 2005).

In particular, its representative location 'Namisum' received less than 1,000 foreign visitors until 2001 before *Winter Sonata*. However, after the drama's success abroad in Asia, foreign visitors to the location began to rapidly increase since late 2002 and reached a peak of 296,448 visitors in 2005. This seemed to result from unprecedented

high ratings of the drama in major Korean Wave countries like Taiwan, Hong Kong and Japan, and promotions like media exposures and star events, which motivated Japanese and other Asian travelers to visit locations.

Table 2-8 Overseas Broadcastings of *Winter Sonata*

Country	Taiwan	Hong Kong	Japan	Singapore	Malaysia	Indonesia	Thailand
Average Rating	2.87%	8%	14% (20.6%)	-	6%	2%	1.55% (2.6%)
Period	2002. 4. ~	2002.4. ~6.	2003.4. ~2004.8.	2003. 3. ~	2002.8. ~11.	-	2003.1. ~4.
Channel	GTV	ATV	BS2, NHK	CH U	TV3	RCTI	ITV

Source: Korea Tourism Organization

() The highest rating

Table 2-9 Annual Foreign Visitors to Namisum

Year	2000	2001	2002	2003	2004	2005	2006
Foreign Visitors	581	1,308	21,329	107,689	267,590	296,448	228,869

Source: Korea Tourism Organization, Chuncheon City, Tourism Knowledge System, Namisum Inc

Table 2-10 Tour Product Composition related with *Winter Sonata* for Foreign Visitors

Program	Details	
Film Location Tour	Chuncheon	Myongdong, Jungdo, Junsang's House, Café 'Yyun-Ga', Chuncheon Train station, Chuncheon high school
	Namisum	Bench of 'First Kiss', Metasequoia path
	Yongpyong	Dragon Valley & Resttaurant
	Seoul	Jungang high school, Marsian office, Plaza Hotel
	Donghae	Chuam Beach
	Oedo	Botania Park
Star Events	Star fan meetings, Winter Sonata OST concerts, Watching talk show with film director & commentator	
Personal Experience	Sweating sauna	
Others	Watching NANTA show, Film Studio visit, Historical site visit, Foods, Shopping, Other tourist areas	

Source: Korea Tourism Organization, "Korea Tourism Marketing Strategy by use of Korean Wave Drama", 2005

Table 2-11 Major Marketing Activities relating to *Winter Sonata* Film Tourism

Country	Time	Marketing Activities
Japan	2003. 9-11	‘Hotelier’ & ‘Winter Sonata’ tour package
	2003. 12	Korea Tourism Special Promotion Road Show
	2004. 3	Choi Ji-Woo fan meeting event
	2004. 3	Package of Winter Sonata OST concert
	2004. 3	Event for the fan club loving Winter Sonata
	2004. 6	‘Winter Sonata’ & ‘Endless Love’ location tour package
	2004. 7	‘Winter Sonata’ & ‘Taegukgi’ location tour package
Taiwan	2002. 5	Travel Agent Fam Tour to Winter Sonata locations
	2002. 4-6	Advertising Korea in association with drama launch
	2002. 5	Publishing Winter Sonata tour guidebook
	2003. 10	Korea Tourism Special Promotion Road Show
	2004.	Fam Tour to Korean Wave Festival in 2004

Source: Korea Tourism Organization, “Analysis of Effects of Korean Wave Tourism Marketing and its Development Measures”, 2004, pp. 88-89

Daejanggum

Daejanggum, a TV series produced by Munhwa Broadcasting Corp (MBC), had been broadcast in Korea from September 2003 to March 2004, winning tremendous popularity by recording average audience rating of 41.6% and the highest of 51.7%. The drama made a big hit in China and Japan following Hong Kong, recording the unprecedented highest viewing rate in their broadcasting history of foreign films, and its success could sustain Korean Wave in Asia after *Winter Sonata*. While on the other hand *Winter Sonata* generated big stars and tourism by captivating susceptibilities of its foreign fans, *Daejanggum* with the backdrop of Korean unique culture had great impacts in all directions on tourism and other sectors, showing another possibility in facilitating Korean Wave and Korea film tourism. That is, *Daejanggum*, related to universally loved success story against Korean traditional and cultural backdrop, attracted a large number of Asian visitors because of Korean unique social and cultural contents featured in the film, such as Korean foods, clothes, medicine and architecture (KTO, 2005).

The major marketing activities, like *Winter Sonata*, included media program and numerous events leveraging off the drama, such as advertising and familiarization trips for the press and travel agents, joint promotion with travel industry for developing film tourism products, and special concerts and fan meetings with stars, and special Korea promotion road shows. But after experience of film-induced tourism effects of *Winter Sonata*, promotional programs around *Daejanggum* has now been strategically aligned and proactively executed with its broadcasting abroad, in a different way from the focus on managing and supporting tourism effects following the success of *Winter Sonata*.

As a result, there was a steady increase in foreign visitors of 2005 (up to 5.7% from 2004), especially in Chinese, Taiwanese and Hong Kong tourists (13%, 15% and 7% respectively, by comparison with the previous year) (KTO, 2006). In particular, Daejanggum Theme Park, a film set for Daejanggum, saw an explosive foreign visitor arrival of 183,385 in 2005 since its grand open for tourists in December 2004 and recorded a consecutive increase of 31% (240,951 visitors) in 2006. Taking a closer look at visitor statistics of 2006 by country origin (Table 2-13), an interesting foundation can be made that visitors from newly emerging Korean Wave countries like Malaysia, Singapore and Thailand which was a small number in 2005 increased largely due to popularity of drama *Daejanggum* there and extension of its promotion to the Southeast Asian region, whereas visitors from countries like Taiwan and Hong Kong which led early Korean Wave decreased sharply. It seems that, in the wake of drama *Daejanggum*, Korean pop culture fever spreads into the Southeast Asian region.

Recently in 2007, hoping for sustaining a Korea film tour boom induced by drama *Daejanggum*, Korea tourism sector including KTO, airlines and travel agents continues to deploy joint marketing activities using drama contents and the cast of the drama. For example, Asiana Airlines Inc. last year initiated a special commitment of 'Daejanggum Flight' in Southeast Asia, Japan and China routes in order to promote Korean Wave tourism, and this year for the same purpose it is recommitting a

‘Daejanggum Flight’ specially to its flight route between Gimpo and Haneda. It will provide in-flight services using drama contents for customers, such as Daejanggum highlight film, Daejanggum foods and desserts. Its effort is expected to boost film tours using drama *Daejanggum* that is currently leading Korean Wave in Japan, as well as to enhance awareness and affinity of Japanese for Korean culture (Financial News, 2007; Prime Business Journal, 2007).

Table 2-12 Overseas Broadcastings of *Daejanggum*

Country	Taiwan	Hong Kong	Japan	Singapore	Malaysia	China	Thailand
Average Rating	1.5% (6.22%)	37.5% (47%)	14% (20.6%)	-	-	4% (9%)	11% (16%)
Period	2004. 5. ~ 8.	2005.1. ~ 5.	2005.10. ~2006.11.	2005. 7. ~	2004.11. ~2005.2.	2005.9. ~ 10.	2005.10. ~2006.3.
Channel	GTV	TVB	BS2, NHK	CH 55	TV8	Hunan TV	CH3, 7,9 ITV

Source: Korea Tourism Organization

() The highest rating

Table 2-13 Annual Foreign Visitors to Daejanggum Theme Park

Year	2004	2005	2006
Foreign Visitors (Total)	-	183,385	240,951
Japanese	-	19,378	101,556
Taiwanese	-	61,507	33,534
Hong Kong	-	52,016	7,239
Chinese	-	15,368	30,855
Malaysian	-	-	24,609
Singaporean	-	-	11,982
Thai	-	-	21,291
Others	-	35,116	9,885

Source: Korea Tourism Organization, MBC Global Media

Table 2-14 Tour Product Composition related with *Daejanggum* for Foreign Visitors

Program	Details	
Film Location Tour	Yangju	Daejanggum Theme Park
	Suwon	Hwasung Fortress, Hwasung Hanggung (Temporary Palace)
	Yongin	Korean Folk Village
	Jeju	Hyupjae beach, Oedolgae, Jeju Folk Village
	Seoul	Changduk Palace, Namhansanseong
Star Events	Star fan meetings	
Personal Experience	Making Korean traditional foods/royal foods/kimchi, Try on Korean traditional clothes, Sweating sauna	
Education	Korean foods seminar, Korean traditional manner class	
Others	Watching NANTA show, Korean Wave Exhibit visit, Palace tour, Insadong, Foods, Shopping, Kyungdong oriental herb market, Other tourist areas	

Source: Korea Tourism Organization, “Korea Tourism Marketing Strategy by use of Korean Wave Drama”, 2005

Table 2-15 Major Marketing Activities relating to *Daejanggum* Film Tourism

Time	Marketing Activities
2004. 12	Yangju Daejanggum Theme Park (drama set) Grand Open for tourist visit
2005. 7-12	Daejanggum tour package joint promotion in LA, USA, with national airlines and Chinese American travel agents
2005. 10	Distributing Daejanggum promotion leaflet, poster, mouse pad
2005. 10	Daejanggum Tour Briefing Sessions in 5 cities of China & Support Advertising tour package
2005. 11	Daejanggum promotion festival: Korean Wave 2005 in Guangzhou, China- Major events: Travel Mart, Korea Night, Korean royal foods demonstration, Press conference with the drama’s stars, and Press release (44 press reports)
2005. 11-12	Daejanggum winter family package promotion & Support Ads. By KTO Beijing office
2006.	Asiana Airlines’s ‘Daejanggum flight’ in service for East Asia, Japan and China routes, promoting Daejanggum film tourism
2006. 2-3	Supporting Daejanggum Star Fan Meeting for overseas fans’ visit
2006. 4-6	2006 Daejanggum Tour Joint Promotion & Merchandising Efforts with Seoul Philharmonic Orchestras, Jeju local government, and Musicpia Entertainment Ltd.: - Daejanggum Classic Concert in overseas and Jeju - Daejanggum tour package, ‘Korean Royal Festival’: Daejanggum food try, Traditional performance, Exhibit & Cultural events
2007. 2	Daejanggum special tour product by KTO Osaka office: Fan meeting event & Appointing Honorable Ambassador to Daejanggum promotion

Time	Marketing Activities
2007. 2-4	Supporting musical ‘Daejanggung’ (2007. 5-6) promotion to attract overseas audiences
2007. 4-	Asiana Airlines’s ‘Daejanggung flight II’ in service for Japan (Kimpohana) route, promoting Daejanggung film tourism: Serving Daejanggung flight foods and desserts, Showing Daejanggung film in flight
2007. 5	Planning daejanggung Theme Park Tour Package with MBC broadcasting: Fan meetings with the cast of the drama, Exhibit of drama properties and photos, Personal experience programs

Source: Korea Tourism Organization

5. Roles of Tourism Organizations: Marketing Activities both Before and After Release of a Film

Development of a film location as a tourist area needs a long-term project because of its positive impacts on the promotion of a community’s economy and image as a primary destination. In order to continue film tourism impacts as a long-run tourism resource, a systematic and comprehensive master plan in terms of engagement in film production, construction of filming sceneries and marketing strategy for film tourism should be made properly.

Sustainability of film tourism (destination) depends on the regular arrival of large numbers of visitors. Film locations however tends to be spotlighted as a tourism destination with rapid increases of visitors after the success of film and, as time passes by, decline abruptly with less popularity and rapid drop in visitor numbers. To achieve sustainability, appropriate marketing activities are necessary for film tourism locations to continue to draw attention and visits of tourists.

Tourism organizations can engage in a variety of marketing activities both before and after release of a film, which are described below (Hudson and Ritchie, 2006).⁵

⁵ Mainly from Simon Hudson and J.R. Brent Ritchie, “Promoting Destinations via Film Tourism”, *Journal of Travel Research*, Vol. 44, May 2006, pp. 387-396

Marketing Activities Before Release

Tourism organizations often cannot be selective of films being produced. They however can be proactive in promoting their locations to film producers. Some tourism organizations like VisitBritain, Kansas's Travel and Tourism Development Division and Singapore Tourism Board are becoming active in encouraging producers to make films in their region to benefit from the long-term tourism impacts. Some destinations like Canada and the Bahamas appoint public relations specialists to place their regions in films. They have identified film tourism as a marketing opportunity and tried to get maximum exposure for their destinations in television and film.

At the pre-production stage, it is important to be involved in location scouting. The Swiss Tourist Board pays all the scouting expenses for top Bollywood directors, as Bollywood films made in Switzerland have stimulated incoming tourism from India (Mehta, 2004). A destination can also negotiate credits for being used in the film. Many Korean local governments or communities recently supported film productions for credits of their destinations in the film to promote the community's economy and image, by providing filming locations or sets and production cost reduction.

There also is increasing interest among consumers in seeing the making of the films. This provides another opportunity for destinations to get involved in marketing their locations. New Zealand, for example, included a destination guide with *The Lord of the Rings* boxed set that indicated where different scenes were shot. A Korean producer of the film *TaeGukGi: Brotherhood Of War*, jointly with the tourism sector, opened the process of their filmmaking in main locations to groups of Japanese tourists, fan clubs of the film's main actor (KTO, 2004a).

During production of a film, especially one with high profile, there are many opportunities to generate publicity for a location. Working with the producer's publicist throughout the film production process is one way to ensure consistent

messaging about the location and its merits as a destination. During the filming of *The Lord of the Rings*, for example, media clippings mentioned that the film was being shot in New Zealand, providing important early linkage between the film and the location.

The film's stars also provided endorsement of New Zealand, helping to promote everything from the location (Zukowski, 2003). VisitBritain works hard to get endorsements from Bollywood actors for British locations, recognizing that they can add tremendous kudos to a destination and bring it higher up on the agenda of must-see destinations for many Indians and Asians (Woodward, 2000). Publicity also can be generated around the activities of the actors while on location. During the making of *Captain Corelli's Mandolin*, publicity shots featuring the two main stars (Nicolas Cage and Penélope Cruz) were flashed around the world, raising the profile of Cephalonia, the location of the film, considerably (Ward, 2001). Film actors also are used after production of a film to promote a destination. The Australian Tourism Commission used Paul Hogan in its ads for some years following the success of *Crocodile Dundee*.

Tourism Organizations occasionally develop marketing partnerships and prepare marketing material in advance of a film's release. Early in 2005, VisitBritain collaborated with Sony Pictures and Columbia Pictures in advance of the release of *Closer*, a movie filmed in London starring Jude Law, Julia Roberts, and Clive Owen. On the VisitBritain Web site, visitors could download a *Closer* movie map that showed the "many iconic London locations used in filming" (VisitBritain, 2005).

Marketing Activities After Release

During and after release of a film, the film location can attract media attention. The Tourism Authority of Thailand (TAT), for example, heavily advertised its attractions during release of the film *The Beach* (Travel & Tourism Analyst, 2003). In addition to advertising heavily in cinemas through a substantial amount of joint activity with

20th Century Fox, TAT sent United Kingdom journalists and travel agents on familiarization trips, and for its awareness campaigns financed a holiday prize on a BBC television game show with a quiz themed around *The Beach*.

Promoting the destination during the screening of a film is another way to attract attention to a destination. The Scottish Tourist Board distributed direct-response postcard adverts in cinemas that were screening *Braveheart*, inviting viewers to send for information on Braveheart Country (Travel & Tourism Analyst, 2003). Branding a destination around a movie like this is quite common.

Many tourism organizations get involved in marketing activities related to film tourism following a film's release. At this stage, the challenge for tourism organizations is to convert the audience's interest in a film into a commitment for a future visit and capitalize on additional visitors brought through film.

Collaborative campaigns with the film industry are a powerful way to induce film tourists (Travel & Tourism Analyst, 2003). Tourism Organizations need to forge relationships with film commissions to track productions and film releases so the organizations are in a position to act as soon as they see the signs of film tourism. VisitBritain attempts to plan with a studio at least 12 months in advance of a film's release date. In the Bahamas, the Ministry of Tourism is involved immediately after it receives a script. It invested US\$16 million on the recent film *After the Sunset*, starring Pierce Brosnan, to ensure maximum exposure for the island. The Bahamas realized the potential of promoting tourism through films after the Beatles filmed "*Help!*" there in 1964. Now it gets involved in films at the outset. The Australian Tourism Commission (ATC) also is very proactive in forging relationships with the film industry. Recently, it collaborated with Disney on *Finding Nemo*, being the first tourism organization to try promotion through an animated film.

Special campaigns with film stars are effective in inducing film tourists. Korea

Tourism Organization supported star events in destinations, like fan meetings and tour with stars, and even organized some jointly with entertainment companies, bringing hundreds of foreign tourists to each (KTO, 2004a).

Movie maps have been found to be successful as part of a film tourism marketing campaign. VisitBritain produced its first movie map campaign in 1996, sponsored by Vauxhall. The movie map featured 200 film and TV locations around Britain from 60 years of British film history and quickly became VisitBritain's most successful printed product. It generated extensive media coverage both at home and overseas, prompting people to discover different parts of Britain as they followed in the footsteps of their screen heroes (Demetriadi, 1996).

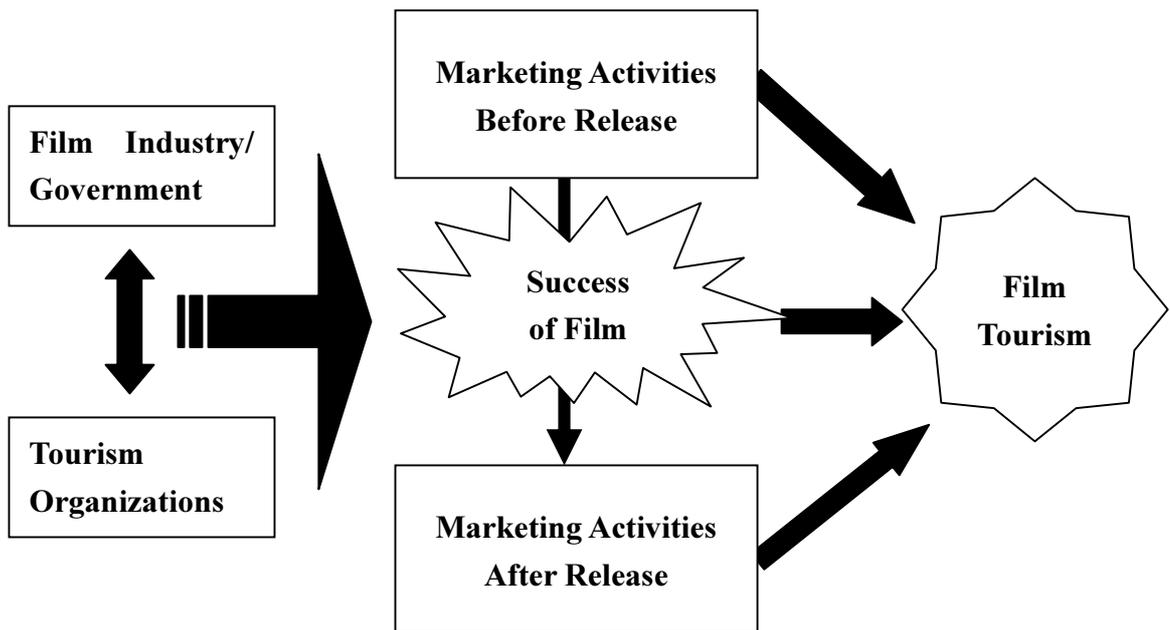
Other marketing activities can include guided tours and film walks. There are numerous examples of such tours. In California, a local tour company capitalized on the success of the movie *Sideways* by creating a popular *Sideways* tour. The Washington, D.C., tourism website was advertising a National Treasure Tour - a self-guided tour that followed in the footsteps of the actor (Washington D.C. Convention and Tourism Corporation, 2005). After *Harry Potter*, several tour operators set up to show visitors around the many movie locations featured in the film, and the James Bond films have spurred many imaginative packages from tour operators. In New Zealand, there are a number of *The Lord of the Rings*-related tours, such as a Lord of the Rings flight with Nelson Helicopters, a drive around Lord of the Rings country with Nomad Safaris, and tours to Hobbiton in Waikato (Travel & Tourism Analyst, 2003).

Hotels, guesthouses, attractions, and museums used in films are often promoted to the public to generate tourism. The Crown Hotel at Amersham, England, makes a point of promoting the very room used by stars Hugh Grant and Andie MacDowell in *Four Weddings and a Funeral*. And in Tunisia, film tourists can stay at the hotel used as the location of Luke Skywalker's childhood home in *Star Wars* (Jeffery, 2004).

Museums are also often used to promote the history behind a particular film. The Istanbul Archaeology Museum, for example, reopened its Ancient Troy exhibit after 9 years of closure to respond to tourist demand after the release of the blockbuster *Troy* in 2004.

Finally, having a dedicated film Web site that links the film to locations and location tours also is deemed important (Croy and Walker, 2003). Internet linking of film to place was emphasized in New Zealand, where Tourism New Zealand developed part of its Web site specifically promoting *The Lord of the Rings* and its film sites throughout New Zealand. After the 2002 Academy Awards and a series of ads announcing New Zealand as best supporting country, the nation’s tourism Web site had more than 1 billion hits within a year (Zukowski, 2003).

Figure 2-2 Roles of Tourism Organizations in Film-induced Tourism



6. Importance of Life Cycle Management in Film-induced Tourism

As simplified in Figure 2-1, film tourism has a mechanism in which, due to the success of a film and its various release windows, the audience’s interest and

motivation of visit are inspired by the attachment to locations and attractions exposed in the film and result in actual visits to the locations. Film tourism has a fast-response, ever-changing attribute because of a close connection with movie/TV-broadcasting entertainment that follows the tides of fashion. Even so, it has the positive impacts on promoting a community's economy and improving the image of a destination. It is also verified that if tourism organizations are able to engage in proactive marketing activities, film tourism can be enduring as well as expanding.

For the success of film tourism, it is very important to establish a comprehensive master plan and marketing strategy including a thorough plan to capitalize on the success of a film from the beginning of film production. A variety of marketing activities both before and after release of a film are also important to facilitate film tourism. Finding new film storylines relevant to the location and innovating marketing activities in response to changing market trends are also necessary to draw a regular arrival of large numbers of visitors that the sustainability of film tourism mainly depends on.

In fact, some tourism organizations realized the potential of promoting tourism through films and they are becoming active in encouraging producers to make films in their region to benefit from the long-term tourism impacts.

Recognizing the pulling power of film, New Zealand has been effective in bringing visitors to the country, leveraging off films. Steady increase in visitor arrivals to New Zealand and incremental effect of LOTR on its tourism by a large amount of promotion efforts indicate how well New Zealand managed to prolong the life of New Zealand film tourism induced by LOTR, showing several renewed interests. In the wake of the success of LOTR, the New Zealand government has been proactive in promoting their locations to film producers, announcing a 12.5% recoup of production costs to encourage the film industry worldwide to place New Zealand as their number one location. As a consequence, many other successful films, like *Whale*

Rider (2002), *The Last Samurai* (2003) and *King Kong* (2005), are made in New Zealand's landscapes. This trend seems to make its film-induced tourism continue to remain in the spotlight for more years. The Australian Tourism Commission (ATC) also tried to promote tourism through an animation film *Finding Nemo* (2003), expecting an increase of visitors from China, Japan and America, after a long stagnation in film tourism since *Crocodile Dundee* (1986/1988) (Travel & Tourism Analyst, 2003).

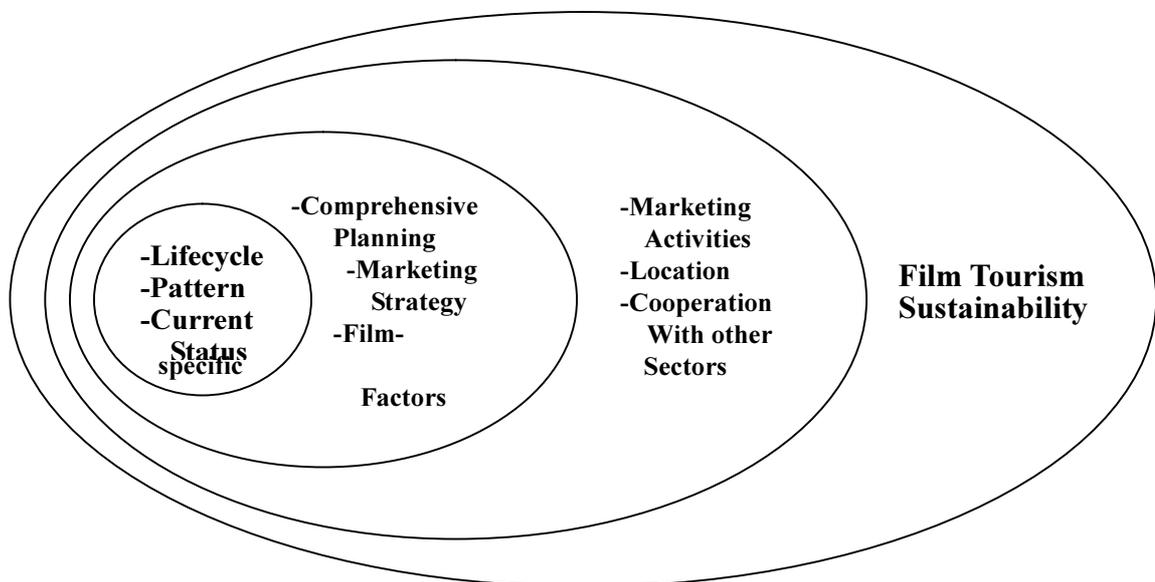
In Korea, also, film tourism has been drawing lots of attention because of the Korean Wave Fever in many Asian countries influenced by Korean movies and dramas, and as a result many efforts like construction of film sets and deployment of various marketing activities have been made to benefit from the uprising film tourism. The promotion of tourism through Korean Wave films has been conducted capitalizing on growing film tourism, but not proactively in facilitating film tourism by establishing an effective strategy from its occurrence (KTO, 2004a). Statistically in terms of visitor arrivals, a large number of Asian travelers had visited Korea until 2004 after broadcasting of *Winter Sonata* in 2002, but their visitation soon stagnated, and Asian travelers again increased after broadcasting of the drama *Daejanggum* in 2005, raising 'boom of Daejanggum' in many Asian countries.

To be brief, in the wake of the success of a film, film tourism is generated by viewers' interest in locations and cultural aspects featured in the film, and a tourist visit to film locations increases rapidly and soon decreases or stagnates. So, tourism organizations or governments, recognizing the potential of film tourism, made efforts to prolong the life of their film tourism, conducting a variety of marketing activities and inducing more films with possibilities of success by providing supports in film production.

This gives an implication of importance of knowing and managing the life cycle and pattern of a film's effects on tourism in sustaining film tourism. That is, an essential prerequisite for the comprehensive planning and marketing efforts to prolong the film

tourism is the perception of how long a film's effects on tourism will last and what patterns it will be likely to have. It is because not only deploying an effective, productive master planning and marketing activities to extend film tourism can be possible through the conception of such life cycle and pattern at the outset of the development of film tourism, but also decision making on when the innovation of destination, product and service through a new planning and strategy should begin can take place by considering such life cycle and patterns, and tourism environments.

Figure 2-3 Factors of Film Tourism Sustainability



III. Life Cycle Analysis of Korean Wave Film-induced Tourism: Empirical Identification of Life Cycle of Korean Wave Film- induced Tourism

1. Theoretical Background

Film-induced tourism destinations, with a characteristic of a rapid up-rise and drop in visitor numbers after release, are hard to be developed into a sustainable destination. Also, the life cycle of a film tourism (destination) is to be determined depending on the level of degrees of the audience's memories about the film (GDRI, 2006).

Film locations may have a different life cycle from existing tourist areas because of their characteristic of the immediate and visible impact on tourism after release of a film, regardless of whether or not they are developed as a tourist area and ready for tourism. Like other general products, their life span can be short, or it can last for tens of years. They not only become much more popular during release, but also easily get forgotten in people's memories after release.

Life cycle analysis has been frequently applied to search for measures of the sustainable growth and development of a tourist destination by identifying a current stage of its lifetime, and establishing development policies and marketing strategies suitable for the stage (GDRI, 2006).

1-1. Product Life Cycle (PLC)

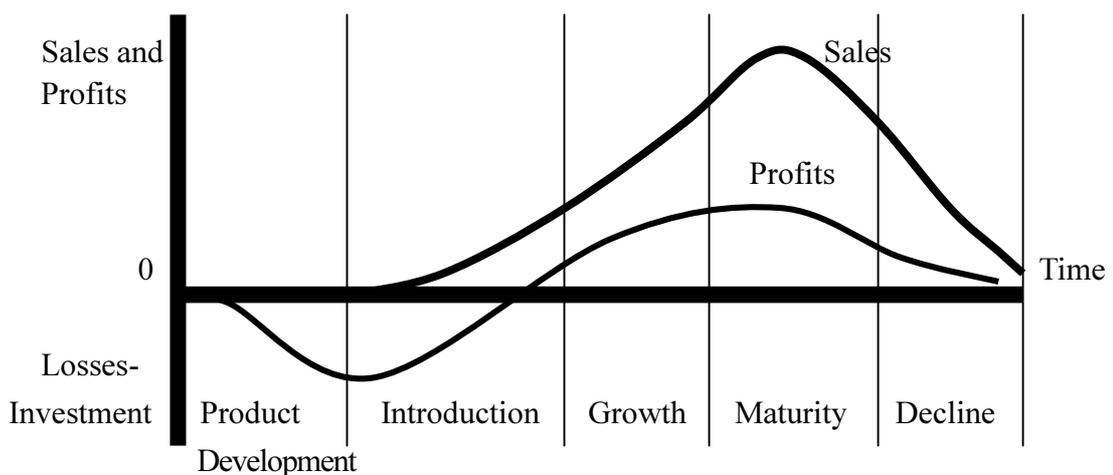
Ted Levitt (1965) first introduced Product Life Cycle (PLC) as a concept into management literature in 1965. It is claimed that every product has a life cycle. It is launched, grows, and may, at some point, die (Sam Mishra, 2007).

Figure 3-1 shows a typical Product Life Cycle (PLC), the course that a product's sales and profits take over its lifetime. The PLC has five distinct stages, which products

tend to go through: Product development, Introduction, Growth, Maturity, and Decline (Philip Kotler and Gary Armstrong, 2006).

1. Product development: A period of finding and developing a new-product idea. During product development, sales are zero and the company's investment costs mount.
2. Introduction: A period of slow sales growth as the product is introduced in the market. Profits are nonexistent in this stage because of the heavy expenses of product introduction.
3. Growth: A period of rapid market acceptance and increasing profits. A product's sales start climbing quickly. The early adopters will continue to buy, and later buyers will start following their lead, especially if they hear favorable word of mouth. The market will expand as new competitors attracted by the opportunities for profit enter the market.
4. Maturity: A period of slowdown in sales growth because the product has achieved acceptance by most potential buyers. Profits level off or decline because of increased marketing outlays to defend the product against competition.
5. Decline: A period when sales fall off and profits drop. The sales of most product forms and brands eventually dip. The decline may be slow or rapid. Sales may plunge to zero, or they may drop to a low level.

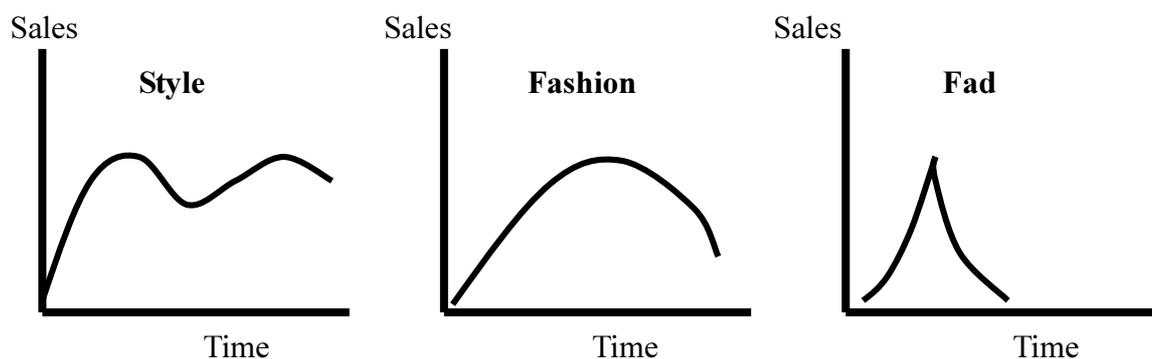
Figure 3-1 Product Life Cycles



Source: Philip Kotler & Gary Armstrong, Principles of Marketing, 11th Edition, Pearson Int'l Edition, Pearson Education, 2006, pp. 274

Not all products follow this product life cycle. Some products are introduced and die quickly; others stay in the mature stage for a long, long time. Some enter the decline stage and are then cycled back into the growth stage through strong promotion or repositioning. Well-managed, a brand could live forever. Three PLC patterns are shown in Figure 3-2: Style, Fashion, and Fad. A Style is a basic and distinctive mode of expression. Once a style is invented, it may last for generations, passing in and out of vogue. A style has a cycle showing several periods of renewed interest. A Fashion is a currently accepted or popular style in a given field. Fashions tend to grow slowly, remain popular for a while, and then decline slowly. A Fad is a temporary period of unusually high sales driven by consumer enthusiasm and immediate product or brand popularity (Philip Kotler and Gary Armstrong, 2006).

Figure 3-2 PLC Patterns



Source: Philip Kotler & Gary Armstrong, Principles of Marketing, 11th Edition, Pearson Int'l Edition, Pearson Education, 2006, pp. 276

The PLC mapping is a useful framework to adopt for product cases in general, especially for established products, because as per the PLC curve above, the products sales will grow during the growth stage, keep growing into the maturity stage, and then decline with time. Before the product sales and profits enter the decline stage, or at the beginning of the maturity stage, the company can take measures to extend the life cycle of the maturing product by introducing new products into the product mix, by stretching the product line vertically and horizontally, by making the product

compatible with the latest technologies (Sam Mishra, 2007).

It is hard to describe the product life cycle uniformly because of the differences in its type and period of time. It not only is different by product categories, but also varies, even in a same category, with each industry, season and item. As the life cycle comprises a series of fixed stages and each stage varies in its length, it is difficult for marketing managers to identify which stage a product is in (Lee, Yong-Hak, 2004). Furthermore, with a rapid technology development and fierce competition, a product's life cycle tends to be shortening as time goes on. In reality, it isn't that easy to deploy suitable strategies during the PLC stages because of the difficulty in dividing the life cycle into each stage (Lee Myong-Heon Business School, 2005).

Nevertheless, the product life cycle may be a useful framework to establish marketing strategy measures effectively for each stage, since if we can identify the current stage of the product in the cycle, the most effective marketing strategy for the stage will be developed (Kim, Seong-Hyeok, 1999). For such reasons, the PLC concept has been widely applied to such various research areas as economics, marketing, demography, urban engineering, and geography, etc., and it has been of use for the development of all sorts of marketing strategy measures (Oppermann, 1995).

1-2. Tourism Area Life Cycle (TALC)

The Tourism Area Life Cycle (TALC) model is one of the most robust and widely used conceptual and managerial frameworks to be employed in the tourism area. The concept of TALC takes its origin from the product life cycle concept that suggests that products pass through a number of stages from birth to death.

Butler (1980) introduced the concept of the TALC as a model that clarifies and extends earlier works of adapting the PLC concept for tourist destinations. Butler clearly links the development cycle of destinations to that of products in the PLC

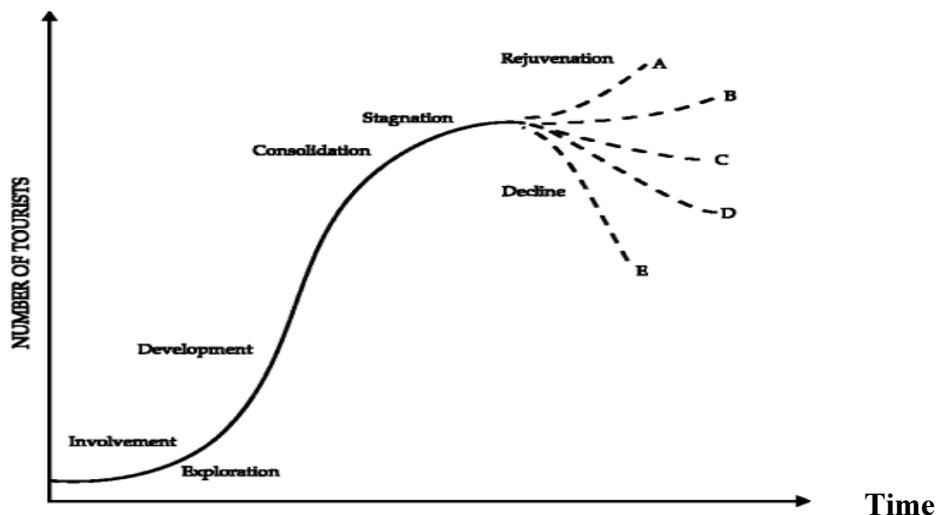
model (Baum, 1998).

Butler, in his life cycle model, describes different phases of development in a tourist area in terms of time and the number of visitors, which included six distinctive stages: exploration, involvement, development, consolidation, stagnation, decline or rejuvenation.

Stages	Characteristics	Examples
Exploration	<ul style="list-style-type: none"> - Small numbers of tourists - Little or no tourist infrastructure - Unique or different natural/cultural attractions - Little significance to the economic and social life of the community - High use of local facilities and high contact with local residents: significant attraction to some visitors 	Parts of Canadian Arctic and Latin America: natural and cultural-historical features
Involvement	<ul style="list-style-type: none"> - Local investment in tourism - Pronounced tourist season - Some advertising the destination - Emerging market area: defining a basic initial market - Public investment in infrastructure: transport, facilities for visitors 	Smaller, less developed Pacific/Caribbean islands; less accessible areas of western Europe/North America
Development	<ul style="list-style-type: none"> - Larger, more elaborate, and more up-to-date facilities by external organizations: local facilities disappeared - Noticeable changes in the physical appearance of the area - Rapid growth in visitation - Visitors outnumber residents - Well defined market area/ Heavy advertising - Man-made attractions emerge to replace natural or cultural 	Parts of Mexico; More developed Pacific islands; North and west African coasts
Consolidation	<ul style="list-style-type: none"> - Slowing growth rates of visitor numbers: total numbers still increase and exceed residents - Extensive advertising to overcome seasonality and develop new markets - Residents appreciate the importance of tourism: area's economy tied to tourism - Well-defined recreational business district - Some opposition/discontent among residents not involved in tourism 	Caribbean areas; Northern Mediterranean coast

Stages	Characteristics	Examples
Stagnation	<ul style="list-style-type: none"> - Peak visitor numbers reached - Capacity limits reached - Well-established image but no longer fashionable - Heavy reliance on repeat traffics (visitation) - Low occupancy rates - New development peripheral to original tourist area: image divorced from its geographic environment, imported artificial facilities supersede natural and cultural attractions - Frequent ownership changes of the existing properties 	Costa Brava resorts of Spain; Many cottage resorts in Ontario
Decline	<ul style="list-style-type: none"> - Move out of tourism - Tourism infrastructure is rundown and might be replaced by other uses - No longer appeal to vacationers - Uncompetitive with newer attractions - Declining market 	Older resort areas in Europe; Miami Beach
or		
Rejuvenation	<ul style="list-style-type: none"> - Complete changes in the attractions - Addition of a man made attraction - Uniqueness - Combined government and private efforts - Take advantage of previously untapped natural resources - Reorientation to new forms of recreation helping revitalize the older holiday trade 	Atlantic City's gambling casinos; Spa towns in Europe; Summer holiday village of Aviemore in Scotland

Figure 3-3 Butler's Tourism Area Life Cycle Model



Source: Butler, R. W. (1980), "The concept of a Tourist Area Cycle of Evolution: Implications for Management of Resources", Canadian Geographer

The decline stage does not always come right after the stagnation stage. Rejuvenation may occur depending on a tourist area's characteristics, uniqueness and efforts of changes in the attractions. The direction of the curve after the period of stagnation illustrated in Figure 3-3 can have several interpretations. Successful redevelopment could result in renewed growth and expansion as shown by Curve A. Minor modification and adjustment to capacity levels, and continued protection of resources, could allow continued growth at a much-reduced rate (curve B). A readjustment to meet all capacity levels would enable a more stable level of visitation to be maintained after an initial readjustment downwards (curve C). Continued overuse of resources, non-replacement of ageing plant, and decreasing competitiveness with other areas would result in the marked decline (curve D). Finally, the intervention of war, disease, or other catastrophic events would result in an immediate decline in numbers of visitors, from which it may be extremely difficult to return to high levels of visitation (curve E).

The TALC model is useful in interpreting and explaining the past and this is one of the prime attractions in the context of destinations that have reached their existing situation over an extended period of development. In the mature destination context, the model can be used strategically to stimulate action against decline (Baum, 1998). It should also be noted that the life cycle concept should be used as a tool in which to think about the development of different strategies. It is not meant to generate a definitive solution, but rather facilitate thinking about the development of marketing strategies for a particular life cycle stage (SMG, 2005).

Life cycle of film tourism destinations may differ from that of existing tourist areas because of the characteristic of the immediate and visible impact on tourism after release of a film. A film-induced tourism destination may be observed from its involvement stage, jumping exploration stage, because of its trait of emerging as a popular tourist site during film release (GDRI, 2006).

2. Methods of Analysis

Four Korean Wave film tourism destinations are selected for analysis. They are film locations for movie and TV dramas that due to successes after release in Asian countries of Korean Wave fever emerged as a popular destination by showing significant increases in foreign visitors. Four destinations are Shiri's Hill within a courtyard of The Shilla Hotel Jeju, a location of a movie *Shiri* that rewrote a record of Korean film history with the highest box office performance (cinema attendance of 6.2 million and earnings of 11 billion won) in Korea in 1999 and a large cinema attendance of 1.5 million in Japan in 2000 (NHN, 2007); Namisum in Chuncheon city, a location of a KBS TV series *Winter Sonata* that headed Korean Wave fever and created a called 'Yonsama syndrom' within Japan; All In House in Jeju, a location of a SBS TV series *All In*; Daejanggung Theme Park in Yangju, a location of a MBC TV series *Daejanggung* that succeeded Korean Wave fever following *Winter Sonata*.

This chapter examines visitation trends, life cycle of film effects on tourism and current status of the four destinations by analyzing annual or quarterly data of foreign visitors to the destinations through application of Butler's TALC model.

3. Results of Analysis

3-1. *Shiri*

Data of foreign guests at The Shilla Hotel Jeju are used for analysis because statistics of foreign visitors to the location were not collected separately.

Visitation Trends

In general, as in Table 3-1 and Figure 3-4, the number of annual foreign visitors to the location increased steadily until 2000 since 1998, and it has been on the decrease since 2001 although there was a slight increase in 2002 due to the mega event of 2002 FIFA World Cup. Particularly, visitor numbers in 2000 increased up to about 6%,

reaching its peak due to a success of *Shiri* after release in overseas (especially in Japan) in 2000, and Japanese took a large portion of over 80% of the total until 2001. Both share and number of Japanese visitors had dipped drastically ever since 2003 (see Table 3-2, Figure 3-6).

Life Cycle & Duration of the Effect on Tourism

Life cycle of a film tourism destination ‘Shiri’s Hill’, according to a result of trend curves as seen in Figure 3-5 and Figure 3-7, shows an almost similar pattern between total foreign and Japanese visitors to the location even though it is impossible to compare data of Japanese visitors before 2000, and its current status, in reference to characteristics of each stage in Butler’s model, appears to reside in stagnation stage, showing peak visitor numbers reached and low occupancy rates of Japanese visitors. Duration of *Shiri*’s effects on tourism last one year as a whole by showing an increase in visitors only in 2000, a year of release, but last two years in Japanese visits from 2000, showing a significant increase of Japanese after release, to 2001, showing a slight decrease.

Table 3-1 Annual Foreign Visitors to Shiri's Hill (The Shilla Hotel Jeju)

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006
Foreign Visitors	58,933	67,232	71,320	66,410	68,453	41,900	44,070	52,092	55,743

Source: Korea Tourism Organization, The Shilla Hotel Jeju

Figure 3-4 Annual Trends of Foreign Visitors to Shiri's Hill

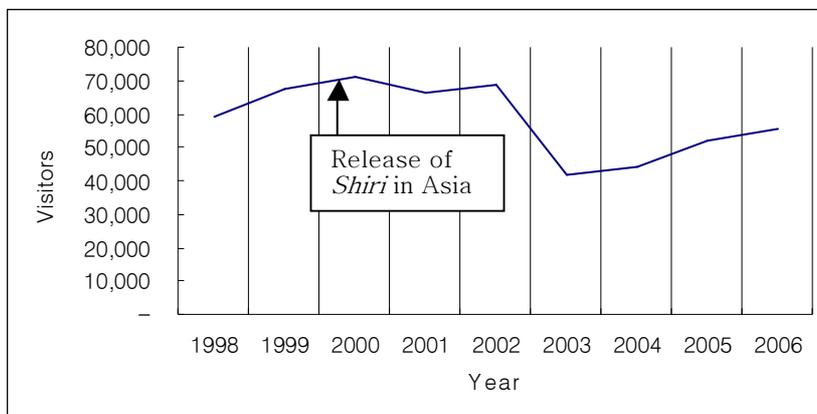


Figure 3-5 Trend Curves of Foreign Visitors to Shiri's Hill

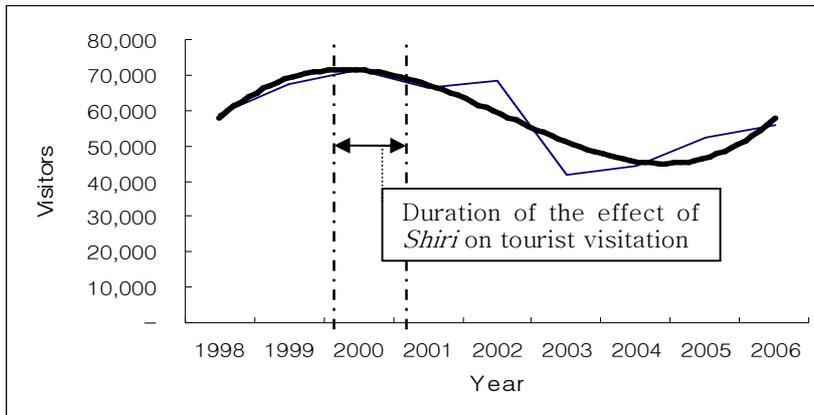


Table 3-2 Japanese Visitors to Shiri's Hill (Jeju Shilla Hotel)

Year	2000	2001	2002	2003	2004	2005	2006
Japanese	58,388	53,797	46,626	26,512	24,850	27,817	27,390
Share	82%	81%	68%	63%	56%	53%	49%

Source: Korea Tourism Organization, Shilla Hotel Jeju

Figure 3-6 Annual Trends of Japanese Visitors to Shiri's Hill

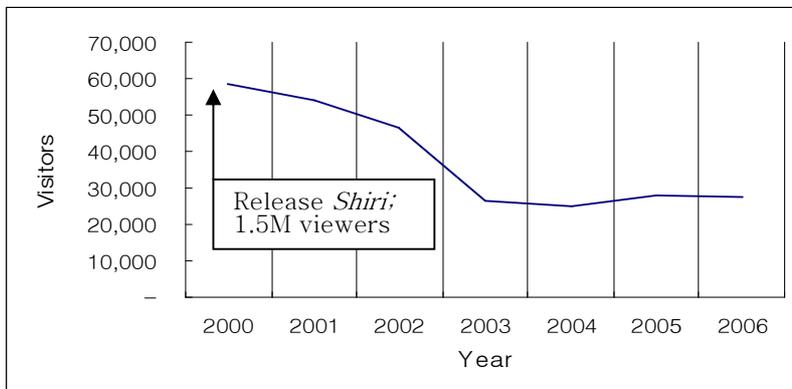
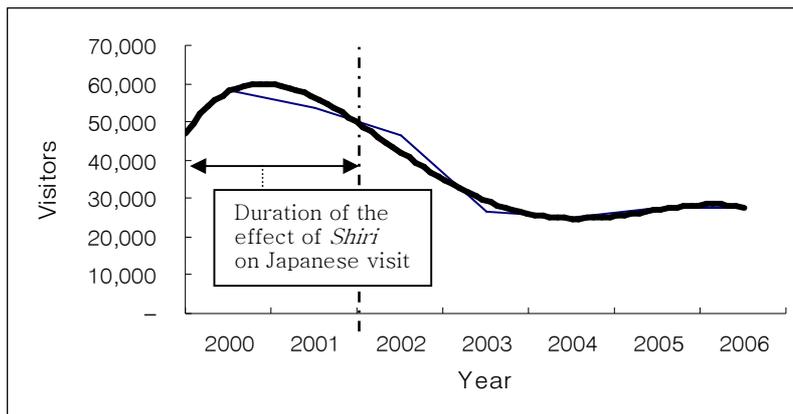


Figure 3-7 Trend Curves of Japanese Visitors to Shiri's Hill



3-2. *Winter Sonata*

Data of foreign visitors to Namisum, a backdrop of the most important scenes of the drama, are used for the analysis of life cycle of film tourism of foreign tourists induced by *Winter Sonata*. And for more detailed, corroborative analysis, studies of life cycle of film tourism by country are also made, classifying foreign visitors by nationalities.

Visitation Trends

While Namisum had been known to the locals from 1960s to 1990s for a tourist complex of natural scenery, romantic place, camping, family and pleasure-seeking resort, it was not known to foreign tourists until 2002 when the drama broadcast abroad. Foreign visitor numbers were almost nothing, at most 1,000 or so by 2001. Since second half of 2002, however, foreign visitors had increased sharply, reaching its peak of 296,448 visitors in 2005 and begun to decrease as from 2006 (See Table 3-3 and Figure 3-8). The rapid increase in foreign visitors seems to result from the success of *Winter Sonata*, starting to broadcast in major Korean Wave countries in 2002 and recording high audience rating, in addition, marketing efforts such as succeeding media release and events using star casts, which are all integrated to motivate Japanese and Southeast Asian tourists' needs to visit drama locations.

Life Cycle & Duration of the Effect on Tourism

Life cycle of a film tourism destination 'Namisum', according to a result of trend curve as seen in Figure 3-9, shows a typical S curve pattern, and its current status

appears to reside in stagnation stage, showing characteristics of peak in visitor numbers reached and well-established image but no longer fashionable with a sign of decrease in foreign visitors. Life cycle of film tourism in early Korean Wave countries such as Japan and Taiwan shows a similar pattern, but a different one from newly emerged Korean Wave countries like Singapore, Indonesia and Thailand. Duration of *Winter Sonata*'s effects on tourism as a whole last four year or so from late 2002 to early 2006, despite its difference in countries.

Table 3-3 Annual Foreign Visitors to Namisum

Year	2000	2001	2002	2003	2004	2005	2006
Foreign Visitors	581	1,308	21,329	107,689	267,590	296,448	228,869

Source: Korea Tourism Organization, Chuncheon City, Tourism Knowledge System, Namisum Inc.

Figure 3-8 Annual Trends of Foreign Visitors to Namisum

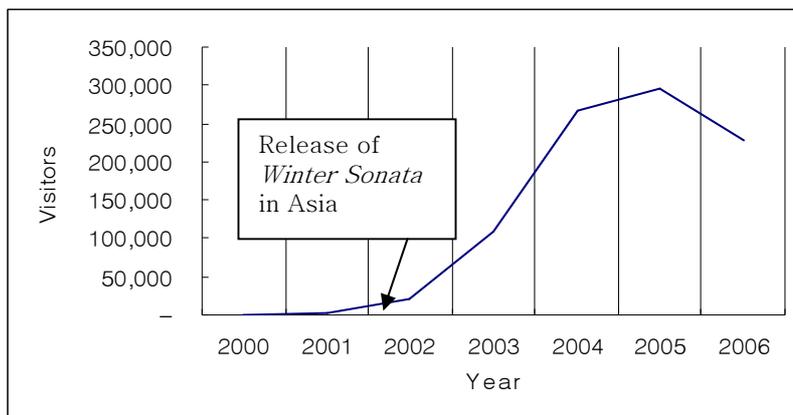


Figure 3-9 Trend Curves of Foreign Visitors to Namisum

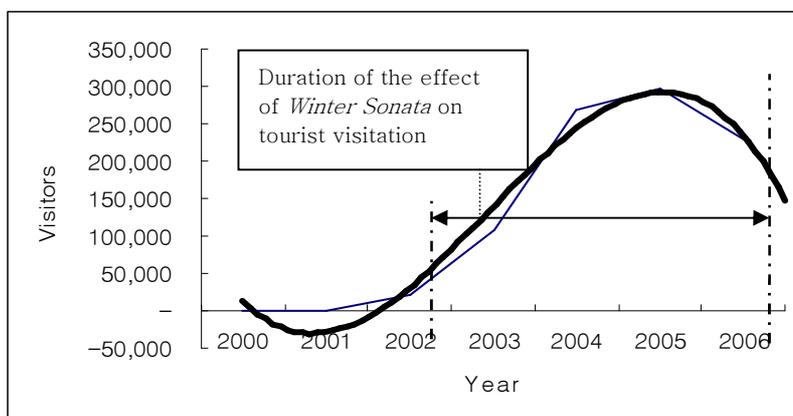


Table 3-4 Overseas Broadcastings of *Winter Sonata*

Country	Taiwan	Hong Kong	Japan	Singapore	Malaysia	Indonesia	Thailand
Average Rating	2.87%	8%	14% (20.6%)	-	6%	2%	1.55% (2.6%)
Period	2002. 4. ~	2002.4. ~6.	2003.4. ~2004.8.	2003. 3. ~	2002.8. ~11.		2003.1. ~4.
Channel	GTV	ATV	BS2, NHK	CH U	TV3	RCTI	ITV

Source: Korea Tourism Organization

() The highest rating

The results of life cycle analysis of film tourism to Namisum in terms of visitor numbers by country are following below.

- Japan

Visitation Trends

As soon as *Winter Sonata* had been first broadcasting in Japan via NHK satellite BS2 in April 2003 and rerun in December, Japanese tourists began to be seen in Namisum since late 2003. With increasing popularity of the drama, NHK decided to broadcast it through a regular nationwide channel from April to August 2004, recording unprecedented high audience rating (average 14%, highest 20.6%). This created a ‘boom of Winter Sonata’ in Japan, motivating Japanese to visit the location Namisum with a sharp increase from late August 2004 and reaching its peak in the same year. It is particularly acknowledged that NHK’s through marketing strategy as well as its status of public image and trust in Japan made such a success. However, Japanese visitors were on the decrease from 2005 and dropped in large in 2006 (See Table 3-5 and Figure 3-10).

Life Cycle & Duration of the Effect on Tourism

Life cycle of film tourism to Namisum by Japanese is a typical pattern of film tourism destination, showing a rapid increase of tourists during and after release and a fall with diminishing film effects. Duration of *Winter Sonata*’s effects on tourism last two years or so from late 2003 to early 2005 which is rather short compared to that of the

whole, in spite of high performance in rating, creating sensation and long period of exposure of the drama in media. Its current status appears to reside in decline stage, showing peak reached and rapid drop in visitor numbers (See Figure 3-11).

Table 3-5 Japanese Visitors to Namisum

Year	2002	2003	2004	2005	2006
Japanese	-	3,726	108,303	103,478	33,796

Source: Korea Tourism Organization, Namisum Inc.

Figure 3-10 Annual Trends of Japanese Visitors to Namisum

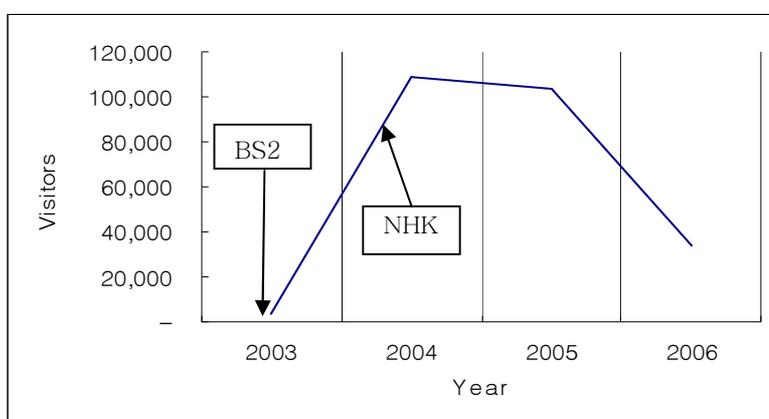
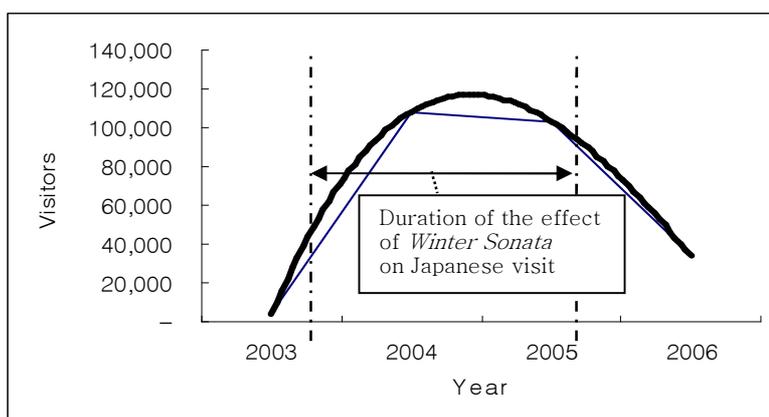


Figure 3-11 Trend Curves of Japanese Visitors to Namisum



- Taiwan

Visitation Trends

With a big success of *Winter Sonata* after release in Taiwan in April 2002, Taiwanese visitors to Namisum had increased from 2003 until 2004. Meanwhile, another Korean

TV series *Daejangum* succeeded broadcasting from May to August 2004 and created a boom of Daejangum, which, as integrated with *Winter Sonata*, not only strengthened motivation of Taiwanese visits but also generated a new linking tour product of the two drama locations. With its impacts, Taiwanese market was still growing by 2005, reached its peak in the same year, but showed a slight decrease from 2006 (See Table 3-6 and Figure 3-12).

Life Cycle & Duration of the Effect on Tourism

Life cycle of film tourism to Namisum by Taiwanese shows a similar pattern to that of Japanese. Its current status appears to reside in stagnation stage, showing peak in visitor numbers past and well-established image but no longer fashionable with a sign of decrease. Duration of *Winter Sonata*'s effects on tourism last four years or so from 2003 to 2006 (See Figure 3-13).

Table 3-6 Taiwanese Visitors to Namisum

Year	2002	2003	2004	2005	2006
Taiwanese Visitors	-	72,605	123,999	132,785	113,297

Source: Korea Tourism Organization, Namisum Inc.

Figure 3-12 Annual Trends of Taiwanese Visitors to Namisum

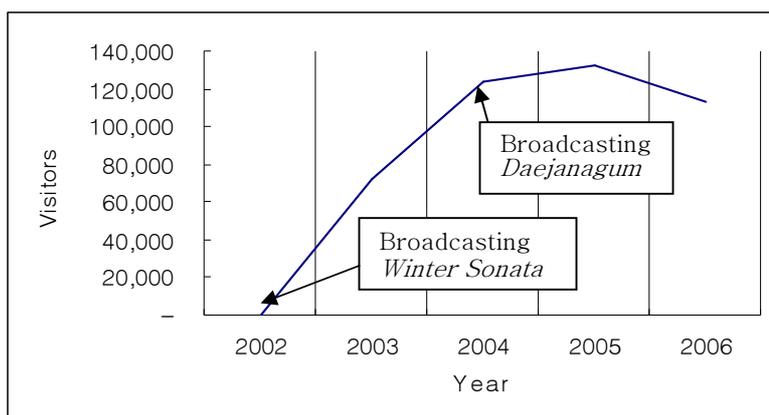
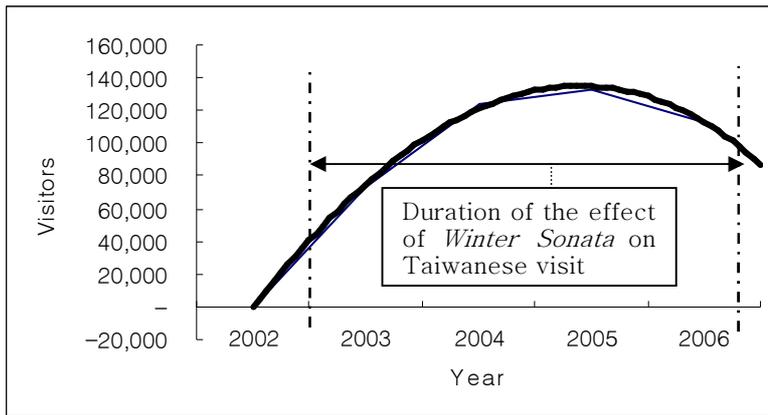


Figure 3-13 Trend Curves of Taiwanese Visitors to Namisum



- Hong Kong

Visitation Trends

After broadcast of *Winter Sonata* in 2002, visitors have been gradually increasing for a long time from 2003 until lately. In particular, with a great success of *Daejanggum* in early 2005, its visitor numbers saw a sharp increase in 2005 and they are still on the rise in 2006 (See Table 3-7 and Figure 3-14).

Life Cycle & Duration of the Effect on Tourism

Life cycle of film tourism to Namisum by Hong Konger shows a pattern of style in PLC model, showing renewed interests with another film. Its current status appears to reside in rejuvenation stage, showing changes in attractions caused by success of a new drama. Duration of *Winter Sonata*'s effects will last more than four years from 2003 to 2006 onwards, because of an effect of *Daejanggum* (See Figure 3-15).

Table 3-7 Hong Konger Visitors to Namisum

Year	2002	2003	2004	2005	2006
Hong Konger Visitors	-	2,588	2,659	4,419	5,218

Source: Korea Tourism Organization, Namisum Inc.

Figure 3-14 Annual Trends of Hong Konger Visitors to Namisum

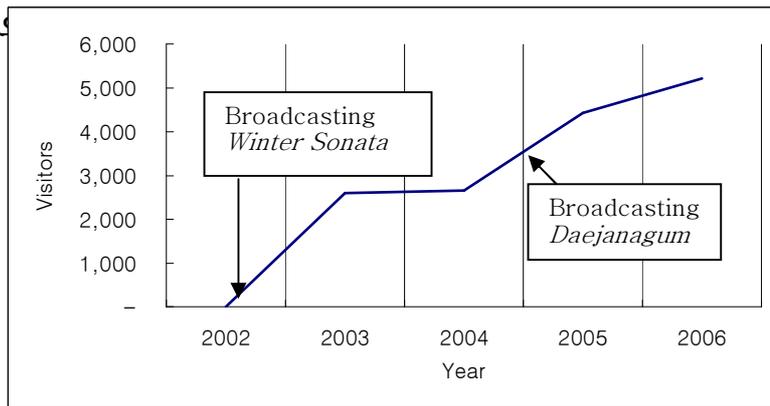
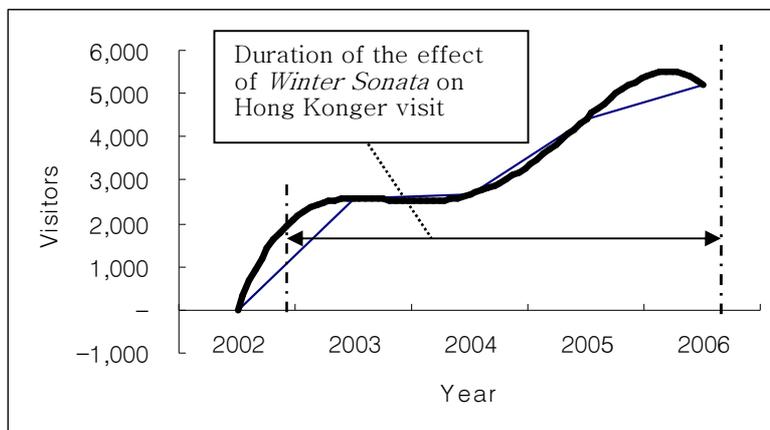


Figure 3-15 Trend Curves of Hong Konger Visitors to Namisum



- Singapore

Visitation Trends

Singaporean visit trends show a similar pattern to that of Hong Konger. With a tremendous popularity of *Winter Sonata* after its broadcast in Singapore in 2002, Singaporean visitors began to be seen in Namisum from 2003, stagnating until 2005, and doubled in 2006 (See Table 3-8 and Figure 3-16). It seems to result from synergistic effects of a drama *Daejanggum* broadcast in July 2005, strengthening motives of Singaporean visits to Korea and generating tour packages linking the two drama locations.

Life Cycle & Duration of the Effect on Tourism

Like Honk Kong, life cycle of film tourism to Namisum by Singaporean shows a pattern of style, and its current status appears to reside in rejuvenation stage, showing changes in attractions. Duration of *Winter Sonata*'s effects will last more than four years from 2003 to 2006 onwards (See Figure 3-17).

Table 3-8 Singaporean Visitors to Namisum

Year	2002	2003	2004	2005	2006
Singaporean	-	10,808	9,850	10,061	20,124

Source: Korea Tourism Organization, Namisum Inc.

Figure 3-16 Annual Trends of Singaporean Visitors to Namisum

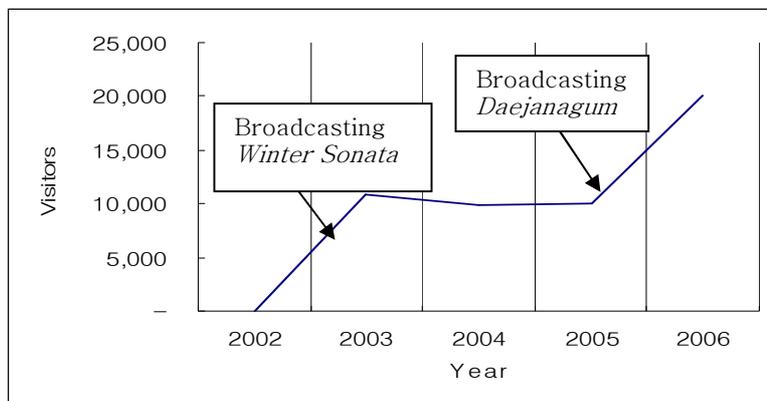
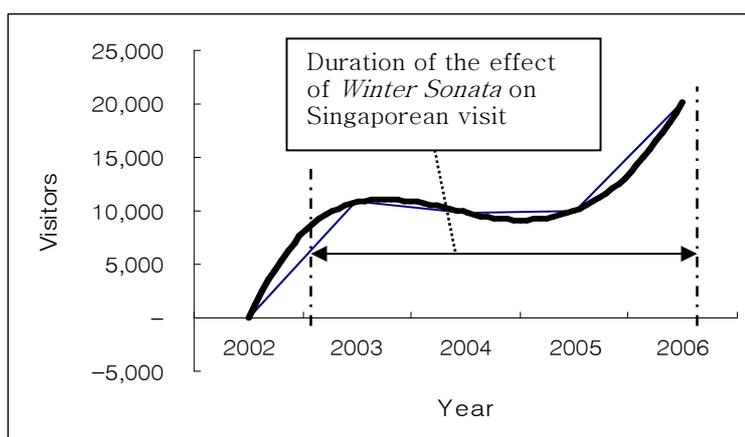


Figure 3-17 Trend Curves of Singaporean Visitors to Namisum



- Malaysia

Visitation Trends

Malaysian visit trends show a similar pattern to that of Hong Kong, except for decline from 2006. With an escalating image of Korea due to a tremendous popularity of *Winter Sonata* in Malaysia, Malaysian tourist's motives of visiting Korea were strengthened and, as a result of increasing demands in Korea tour products, lots of tour packages visiting locations of *Winter Sonata* were for sale in Malaysia in 2003, generating a sudden increase of visits. While its growth was stagnant during 2004, due to a tremendous popularity of *Daejanggum* during its release in late 2004 and early 2005, it was growing again by showing a rebound in 2005. However, since 2006 Malaysian customers' preference to Korean drama location tour products had been weakened, and hence Malaysian visitors to Namisum showed a decrease in 2006 (See Table 3-9 and Figure 3-18).

Life Cycle & Duration of the Effect on Tourism

Life cycle of film tourism to Namisum by Malaysian shows a similar pattern to those of Hong Kong and Singapore, and its current status appears to reside in stagnation stage, passing through rejuvenation stage due to *Daejanggum* effects. Duration of *Winter Sonata*'s effects last three years or so from 2003 to early 2006 (See Figure 3-19).

Table 3-9 Malaysian Visitors to Namisum

Year	2002	2003	2004	2005	2006
Malaysian Visitors	-	18,100	18,035	26,330	21,213

Source: Korea Tourism Organization, Namisum Inc.

Figure 3-18 Annual Trends of Malaysian Visitors to Namisum

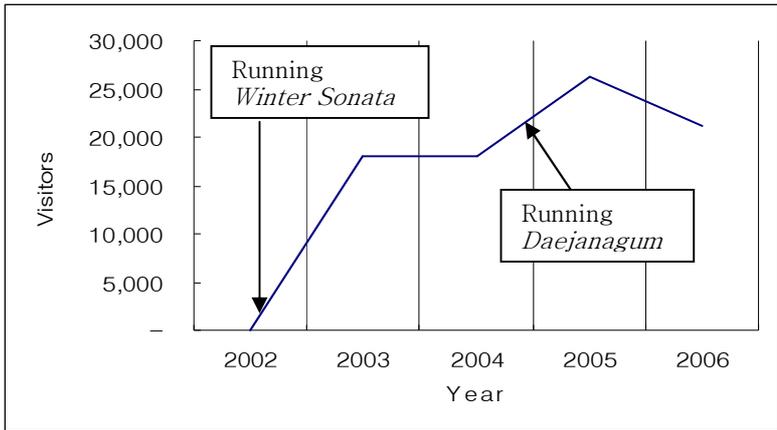
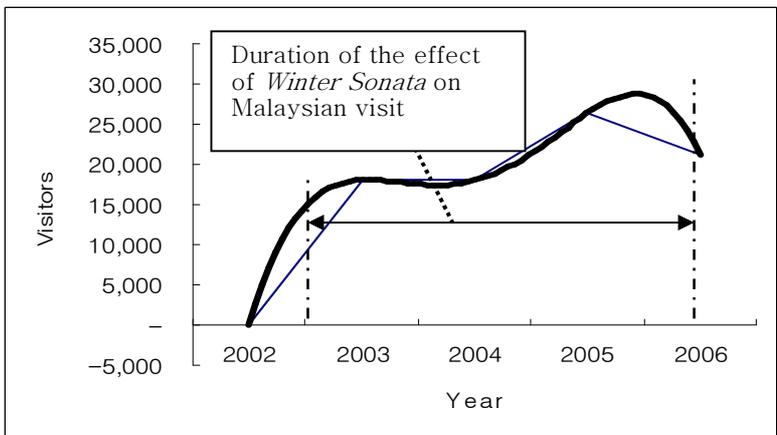


Figure 3-19 Trend Curves of Malaysian Visitors to Namisum



- Indonesia

Visitation Trends

Indonesian visit trends show the almost same pattern as that of Hong Konger. After broadcast of *Winter Sonata* in Indonesia in late 2002, Indonesian visitors have gradually increased from 2003 until lately. After broadcasting a new Korean drama *Daejanggum* in late 2004 and early 2005, Indonesian visitors had rebounded in 2005 and continued to grow until 2006 (See Table 3-10 and Figure 3-20). It seems to result

from *Daejanggum*'s synergy effects with *Winter Sonata*, strengthening motives of Indonesian visits to Korea and generating tour packages linking the two drama locations.

Life Cycle & Duration of the Effect on Tourism

Life cycle of film tourism to Namisum by Indonesian shows a similar pattern to that of Hong Kong, and its current status appears to reside in consolidation stage, showing slow growth of visitor numbers. Duration of *Winter Sonata*'s effects will last more than four years from 2003 to 2006 onwards (See Figure 3-21).

Table 3-10 Indonesian Visitors to Namisum

Year	2002	2003	2004	2005	2006
Indonesian Visitors	-	1,664	1,913	2,788	3,406

Source: Korea Tourism Organization, Namisum Inc.

Figure 3-20 Annual Trends of Indonesian Visitors to Namisum

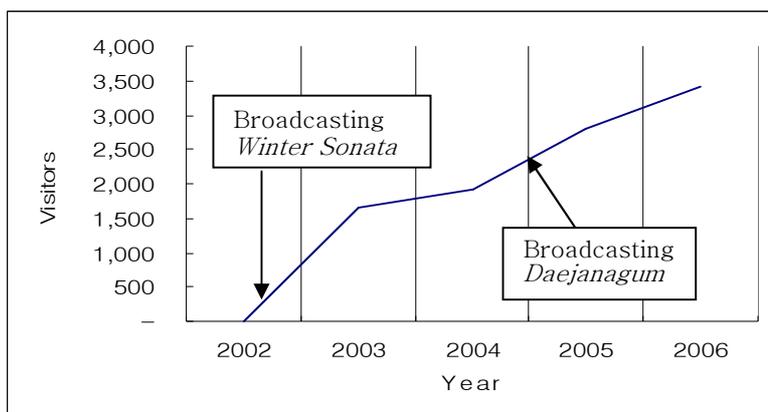
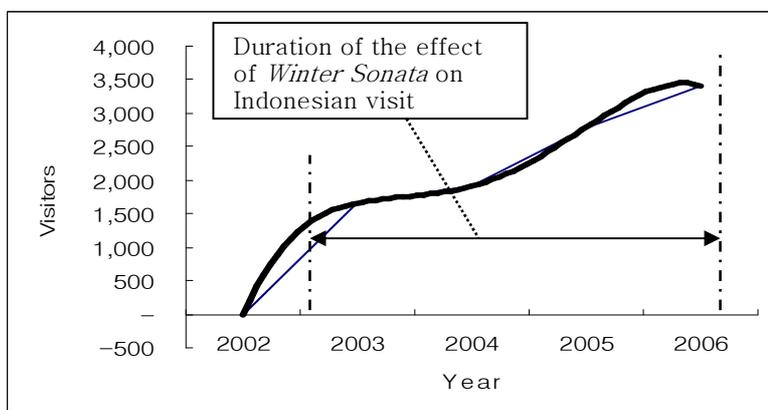


Figure 3-21 Trend Curves of Indonesian Visitors to Namisum



- Thailand

Visitation Trends

Thai visit trends show a different pattern from those of countries above. After broadcast of *Winter Sonata* in early 2003 and its rerun in early 2004, visitors have been increasing from 2004 until lately. In particular, after broadcast of a new Korean drama *Daejanggum* in late 2005, Thai visitors in 2006 had grown 2.5 times of the previous year 2005 (See Table 3-11 and Figure 3-22). It also seems to result from *Daejanggum*'s synergy effects with *Winter Sonata* on potential Thai tourists.

Life Cycle & Duration of the Effect on Tourism

Life cycle of film tourism to Namisum by Thai shows a pattern of continued rising upward tendency, and its current status appears to reside in development stage, showing a rapid growth in visitor numbers, due to *Daejanggum* effects. Duration of *Winter Sonata*'s effects will last more than three years from 2004 to 2006 onwards (See Figure 3-23).

Table 3-11 Thai Visitors to Namisum

Year	2003	2004	2005	2006
Thai Visitors	-	2,050	6,895	16,940

Source: Korea Tourism Organization, Namisum Inc.

Figure 3-22 Annual Trends of Thai Visitors to Namisum

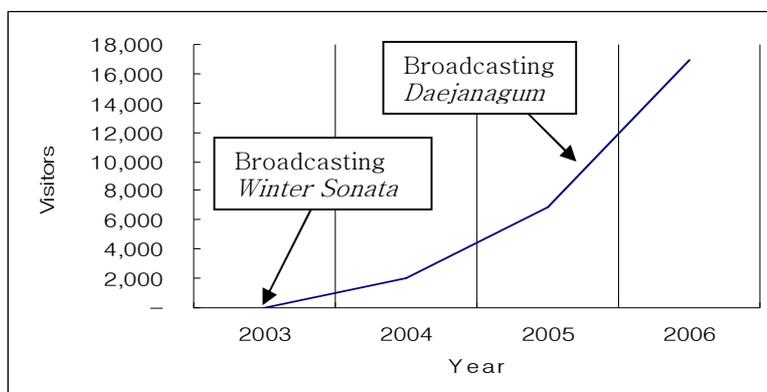
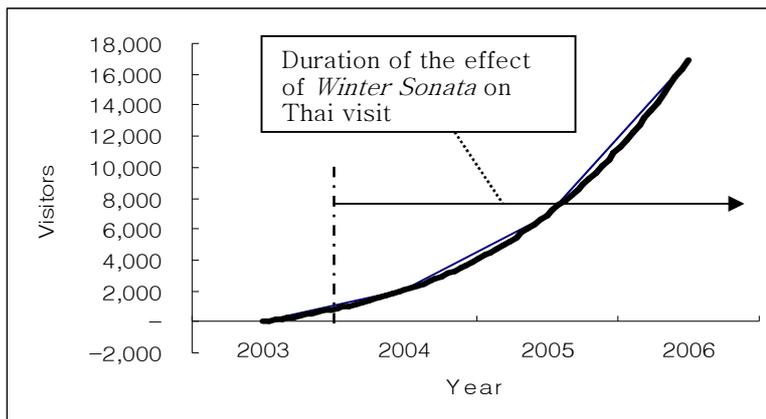


Figure 3-23 Trend Curves of Thai Visitors to Namisum



3-3. *All In*

Data of foreign visitors to All In House in Supjichoji of Jeju with boastful, beautiful scenery, a set of a drama *All In*, are used for the analysis of life cycle and duration of film tourism of foreign tourists induced by the drama. Since the original set was destroyed by a typhoon striking Korea in June 2003 right after release of the drama and rebuilt for two years as the Korea's first drama memorial hall that opened for tourist visit in June 3, 2005, role of the location as a film tourism destination was insignificant, despite popularity of the drama All In during broadcast in Taiwan and Hong Kong markets in second half of 2003 (See Table 3-12). However, in Japan, the drama was broadcast via NHK TV from April to September 2005, far beyond its first release abroad, and recorded a relatively high audience rating of average 8% and highest 11.1%. Therefore, considering the characteristic of TV drama that has an immediate impact on tourism after release, it is took for granted that Japanese are taking over 80% of the total of foreign visitors to All In House. And because the data of foreign visitors to the location for analysis are statistics of a short period of one and a half years, studies of life cycle and duration of film tourism are made by using quarterly foreign visitor trends, and analysis by country is made only on Japanese visitors, a major market for *All In*.

Visitation Trends

In general, as in Table 3-13 and Figure 3-24, the number of foreign visitors to All In

House increased sharply after its grand open in second quarter of 2005, and it has been on the steady increase with rise and fall until lately. The same result can be applied to Japanese visit trends (See Table 3-14 and Figure 3-26) because Japanese visitors take the majority of the total market.

Life Cycle & Duration of the Effect on Tourism

Life cycle of film tourism to All In House, according to trend curves as seen in Figure 3-25 and Figure 3-27, shows the same pattern between total foreign and Japanese visitors, and its current status, in reference to characteristics of each stage in Butler's model, appears to reside in consolidation stage, showing slow growth of visitor numbers. Duration of *All In*'s effects on tourism will last more than two years from 2005 to 2006 onwards because All In House is still for sale in Japan as an option with Jeju tour package.

Table 3-12 Overseas Broadcastings of *All In*

Country	Taiwan	Hong Kong	Japan
Average Rating	0.9% (1%)	4%	8% (11.1%)
Period	2003. 6. ~ 7.	2003. 10. ~ 11.	2005. 4. ~ 9.
Channel	GTV	ATV	NHK

Source: Korea Tourism Organization

() The highest rating

Table 3-13 Quarterly Foreign Visitors to All-In House

Quarter	'05 1/4	'05 2/4	'05 3/4	'05 4/4	'06 1/4	'06 2/4	'06 3/4	'06 4/4
Foreign Visitors	-	1,569	8,814	10,985	8,721	13,046	11,756	14,106

Source: Korea Tourism Organization, All In House

Figure 3-24 Quarterly Trends of Foreign Visitors to All-In House

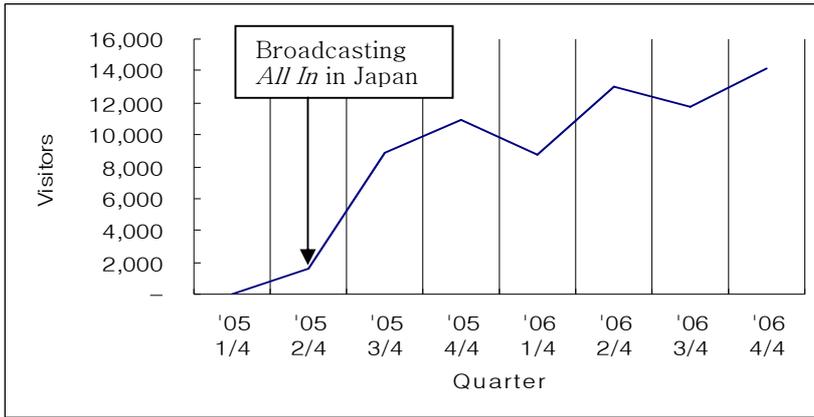


Figure 3-25 Trend Curves of Foreign Visitors to All-In House

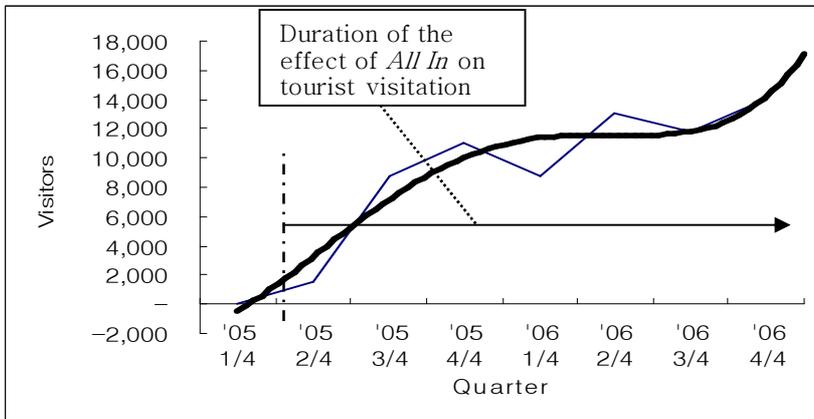


Table 3-14 Quarterly Japanese Visitors to All-In House

Quarter	'05 1/4	'05 2/4	'05 3/4	'05 4/4	'06 1/4	'06 2/4	'06 3/4	'06 4/4
Japanese	-	1,255	7,051	8,788	6,977	10,437	9,405	11,285

Source: Korea Tourism Organization, All In House

Figure 3-26 Quarterly Trends of Japanese Visitors to All-In House

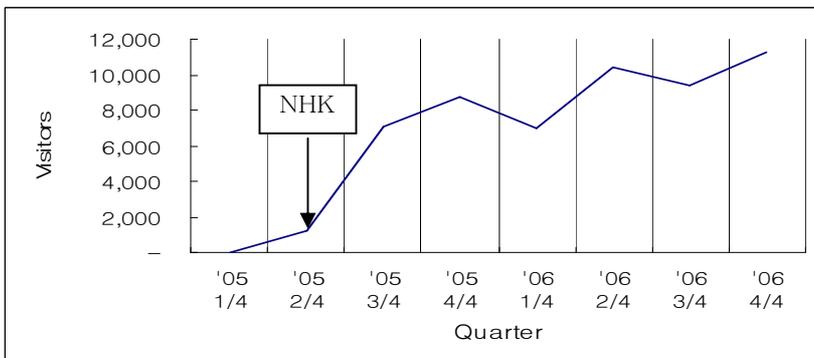
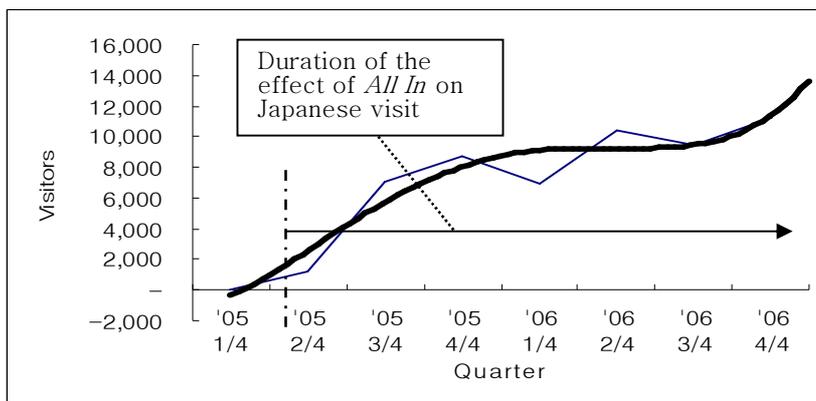


Figure 3-27 Trend Curves of Japanese Visitors to All-In House



3-4. *Daejanggum*

Because of statistics of a short period of two years, quarterly data of foreign visitors to Daejanggum Theme Park, a main set of the majority of drama scenes, are used for the analysis of life cycle and duration of film tourism of foreign tourists induced by *Daejanggum*. And for more detailed, corroborative analysis, studies of life cycle and duration of film tourism by country are also made.

Visitation Trends

Daejanggum, first introduced in Taiwan in May 2004, recorded a high audience rating of average 1.5% and highest 6.22% and had been rerun more than five times, which is a big hit, considering 1% of the average rating in Taiwanese broadcasting because of its fierce competition. Due to the success and boom of *Daejanggum*, Taiwanese visitors to the location increased in 2005. The drama, then in 2005, was broadcast in major Korean Wave countries including Hong Kong, China and Japan, and it also achieved unprecedented high rating performance in their broadcasting history (See Table 3-15), which strengthened motives and needs of potential tourists to visit Korea.

In general, as in Table 3-16 and Figure 3-28, the number of annual foreign visitors to the Theme Park increased steeply in 2005 since its grand open in December 2004,

and showed a continued growth up to 31% increase in 2006. On the other, taking a look at Table 3-17 and Figure 3-30, quarterly foreign visit trends show a different pattern. The number of foreign visitors increased steeply each quarter during 2005, and it was on the steady increase with rise and fall during 2006. These patterns appear obvious in trend curves at Figure 3-29 and Figure 3-31. By comparison, the annual trend curve shows a steep growth, whereas the quarterly trend curve shows a steep increase in its early phase and a slowdown in its growth rate in its latter part.

Life Cycle & Duration of the Effect on Tourism

Life cycle of film tourism to Daejanggum Theme Park, according to a pattern of trend curves as seen in Figure 3-29 and Figure 3-31, generally shows a continued rising upward tendency. Its current status, making an application of its quarterly trend curve, appears to reside in consolidation stage, showing slow growth of visitor numbers after a rapid growth in its early phase. However, the current status by country is by and large in decline stage, except for newly emerging Korean Wave countries. Duration of *Daejanggum's* effects on tourism as a whole will last more than two years onwards, whereas duration effects by country seem to last a shorter period, one year or so. Longer duration effects of the whole are because of the recent equilibrium of increase and decrease of annual foreign visitors by country origin to the Theme Park. While visitors from Taiwan and Hong Kong were on the decrease, visitors from newly emerged Korean Wave countries such as Malaysia, Singapore and Thailand were on the rise in 2006 (see Table 3-16).

Table 3-15 Overseas Broadcastings of *Daejanggum*

Country	Taiwan	Hong Kong	Japan	Singapore	Malaysia	China	Thailand
Average Rating	1.5% (6.22%)	37.5% (47%)	13.6% (19%)	-	-	4% (9%)	11% (16%)
Period	2004. 5. ~ 8.	2005.1. ~ 5.	2005.10. ~2006.11.	2005. 7. ~	2004.11. ~2005.2.	2005.9. ~ 10.	2005.10. ~2006.3.
Channel	GTV	TVB	BS2, NHK	CH 55	TV8	Hunan TV	CH3,7,9 ITV

Source: Korea Tourism Organization

() The highest rating

Table 3-16 Annual Foreign Visitors to Daejanggum Theme Park

Year	2004	2005	2006
Foreign Visitors (Total)	-	183,385	240,951
Japanese	-	19,378	101,556
Taiwanese	-	61,507	33,534
Hong Kong	-	52,016	7,239
Chinese	-	15,368	30,855
Malaysian	-	-	24,609
Singaporean	-	-	11,982
Thai	-	-	21,291
Others	-	35,116	9,885

Source: Korea Tourism Organization, MBC Global Media

Figure 3-28 Annual Trends of Foreign Visitors to Daejanggum Theme Park

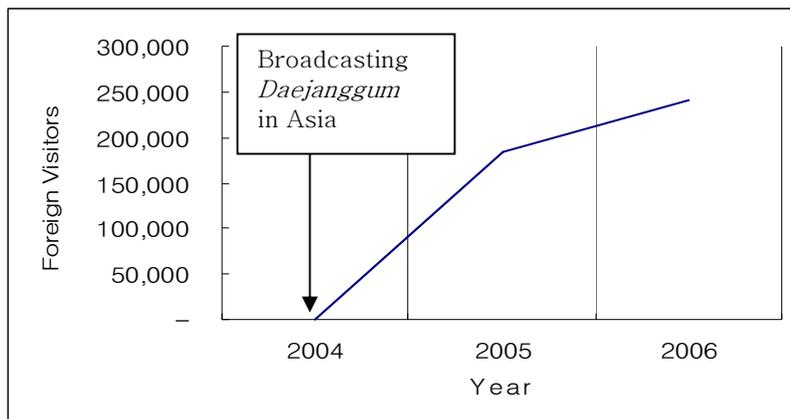


Figure 3-29 Trend Curves of Foreign Visitors to Daejanggum Theme Park

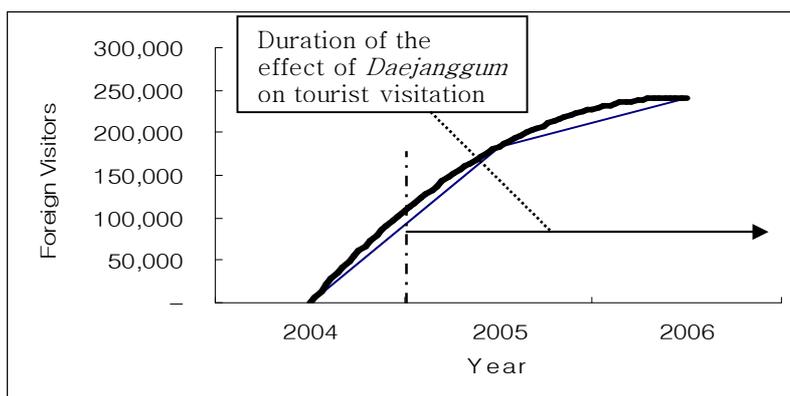


Table 3-17 Quarterly Foreign Visitors to Daejanggum Theme Park

Quarter	'05 1/4	'05 2/4	'05 3/4	'05 4/4	'06 1/4	'06 2/4	'06 3/4	'06 4/4
Foreign Visitors	23,447	47,179	55,829	61,852	49,573	69,895	55,121	66,362

Source: Korea Tourism Organization, MBC Global Media

Figure 3-30 Quarterly Trends of Foreign Visitors to Daejanggum Theme Park

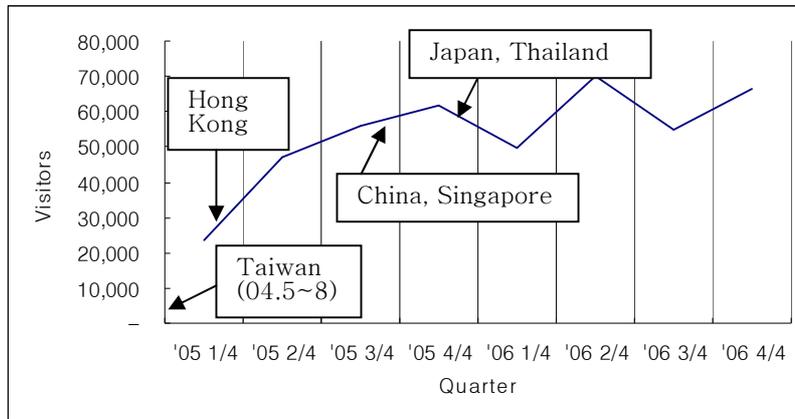
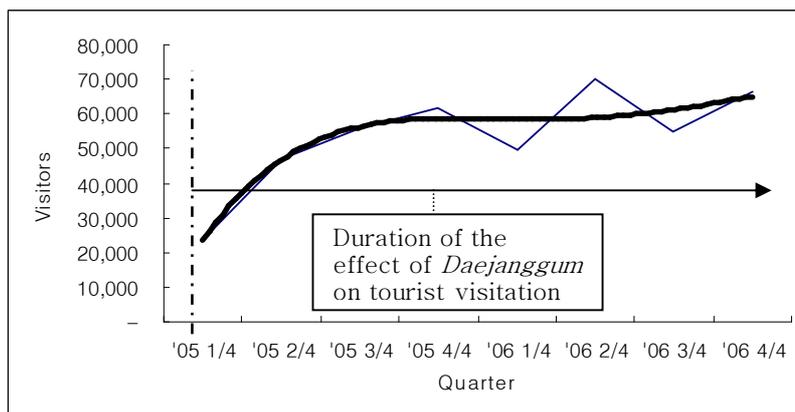


Figure 3-31 Trend Curves of Quarterly Foreign Visitors to Daejanggum Park



The results of life cycle analysis of film tourism to Daejanggum Theme Park in terms of visitor numbers by country are following below.

- Japan

Visitation Trends

As soon as *Daejanggum* had been first broadcasting in Japan via NHK satellite BS2 in October 2004 and created a sensation in Japan, Japanese tourists began to be seen in the Theme Park since early 2005, but its number was insignificant. With increasing popularity of the drama, NHK decided to broadcast it through a regular nationwide channel from October 2005, recording unprecedented high audience rating (average 13.6%, highest 19%) since *Winter Sonata*. This created a ‘boom of Daejanggum’ in

Japan, motivating Japanese to visit the location with a steep increase of a double in the fourth quarter of 2005 from the previous quarter. And as the drama *Daejanggum* had appealed to a wider range of audience like men and young ladies, while *Winter Sonata* to middle-aged women, Japanese visitors continued to grow by the end of its broadcasting, November 2006, reached its peak in visitor number, about 30,000, in the third quarter of 2006, and were on the decrease from the fourth quarter (See Table3-18 and Figure 3-32).

Life Cycle & Duration of the Effect on Tourism

Life cycle of film tourism to Daejanggum Theme Park by Japanese is a typical S curve pattern, showing a rapid increase of tourists during and after release. Its current status appears to reside in stagnation stage, showing a slight decrease of visitor numbers after its peak reached. Duration of *Daejanggum*'s effects last two years or so from 2005 to 2006 (See Figure 3-33).

Table 3-18 Quarterly Japanese Visitors to Daejanggum Theme Park

Quarter	'05 1/4	'05 2/4	'05 3/4	'05 4/4	'06 1/4	'06 2/4	'06 3/4	'06 4/4
Japanese Visitors	257	659	5,089	13,373	19,903	25,960	29,832	25,861

Source: Korea Tourism Organization, MBC Global Media

Figure 3-32 Quarterly Trends of Japanese Visitors to Daejanggum Theme Park

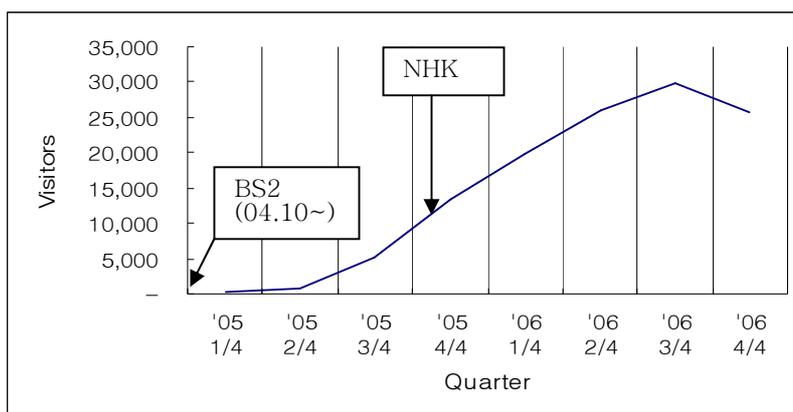
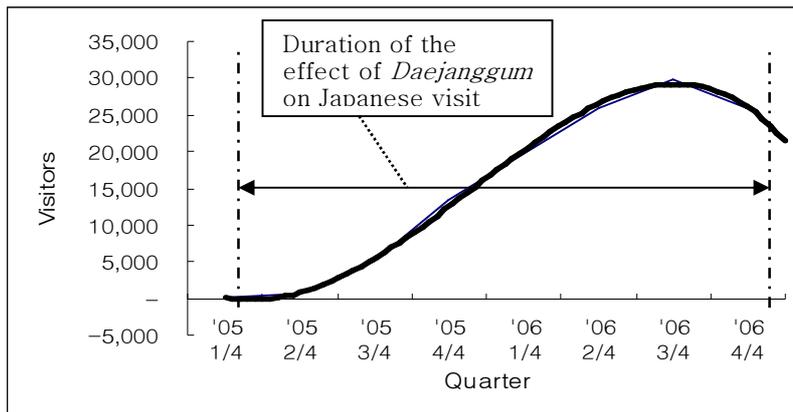


Figure 3-33 Trend Curves of Japanese Visitors to Daejanggum Theme Park



- Taiwan

Visitation Trends

As *Daejanggum*, with a record of high audience rating, succeeded in Taiwan after release in May 2004, Taiwanese visitors to the Theme Park had increased rapidly from the first quarter of 2005, reached its peak in visitor numbers, about 20,000, in the third quarter of 2005, and were on the decrease from the fourth quarter of 2005 until lately (See Table 3-19 and Figure 3-34). By comparison with the long growth period (about 3 years) of Taiwanese visitors induced by *Winter Sonata*, it is too short, 3 quarters only, despite its high rating performance and 5 times rerun. It seems because of rising voices of protectionism of Taiwanese films against foreign (especially Korean) film imports and local media release of antipathy towards Korean entertainment industry, after a social sensation of ‘*Daejanggum boom*’ in Taiwan.

Life Cycle & Duration of the Effect on Tourism

Life cycle of film tourism to *Daejanggum* Theme Park by Taiwanese shows a pattern of short rapid growth and rather long steady decrease or stagnation. Its current status appears to reside in decline stage, showing a continued decline of visitor numbers from the fourth quarter of 2005. Duration of *Daejanggum*’s effects last less than one year (See Figure 3-35).

Table 3-19 Quarterly Taiwanese Visitors to *Daejanggum* Theme Park

Quarter	'05 1/4	'05 2/4	'05 3/4	'05 4/4	'06 1/4	'06 2/4	'06 3/4	'06 4/4
Taiwanese	12,742	18,866	20,110	9,789	6,417	11,283	9,053	6,781

Visitors								
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Source: Korea Tourism Organization, MBC Global Media

Figure 3-34 Quarterly Trends of Taiwanese Visitors to Daejanggum Park

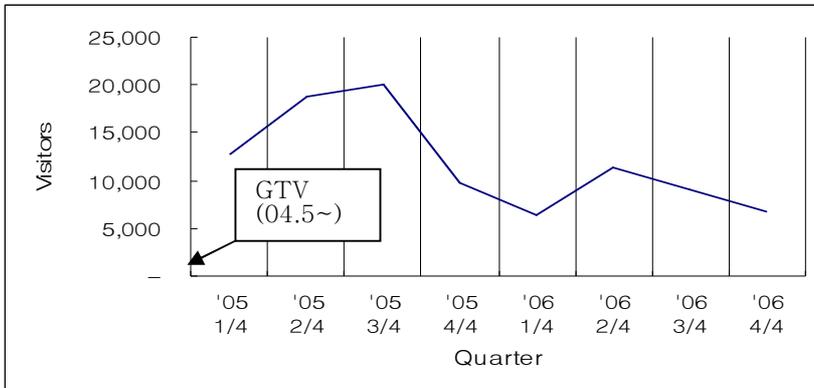
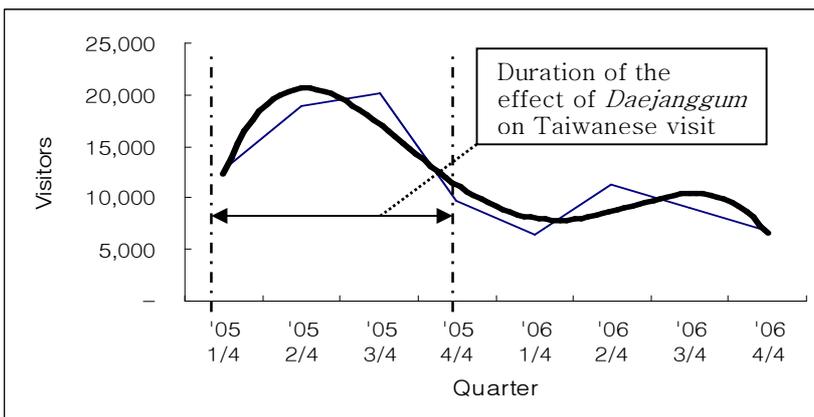


Figure 3-35 Trend Curves of Taiwanese Visitors to Daejanggum Theme Park



- Hong Kong

Visitation Trends

Visit trends of Hong Kong tourists show a similar pattern to that of Taiwanese. As *Daejanggum*, with an unprecedented record of the highest audience rating (average 37.5%, highest 47%) in Hong Kong broadcasting history, succeeded in Hong Kong after release via a Hong Kong commercial TV, TVB, in early 2005 and culminated Hong Konger's interests in Korean culture, Hong Kong visitors to the Theme Park had increased rapidly from the first quarter of 2005, reached its peak in visitor

numbers, about 20,000, in the third quarter of 2005, and were on the decrease from the fourth quarter of 2005 until lately (See Table 3-20 and Figure 3-36). By comparison with the long growth period (over 4 years) of Hong Kong visitors induced by Winter Sonata, it is too short, 3 quarters only, despite its highest rating performance. It seems because of easy access to experience of Korean culture at many shops and restaurants related to Korean culture in downtown Hong Kong without personally going to Korea, due to a deep-rooted position of Korean culture in Hong Kong after a social sensation of ‘Daejanggum boom’.

Life Cycle & Duration of the Effect on Tourism

Life cycle of film tourism to Daejanggum Theme Park by Hong Konger represents a similar pattern to that of Taiwanese, showing a short rapid growth and rather long steady decrease or stagnation. Its current status appears to reside in decline stage, showing a continued decline of visitor numbers from the fourth quarter of 2005. Duration of *Daejanggum’s* effects last less than one year, a short span despite a significant social sensation of the drama in Hong Kong (See Figure 3-37).

Table 3-20 Quarterly Hong Konger Visitors to Daejanggum Theme Park

Quarter	'05 1/4	'05 2/4	'05 3/4	'05 4/4	'06 1/4	'06 2/4	'06 3/4	'06 4/4
Hong Konger	5,745	17,596	20,474	8,201	3,815	2,300	877	247

Source: Korea Tourism Organization, MBC Global Media

Figure 3-36 Quarterly Trends of Hong Konger Visitors to Daejanggum Park

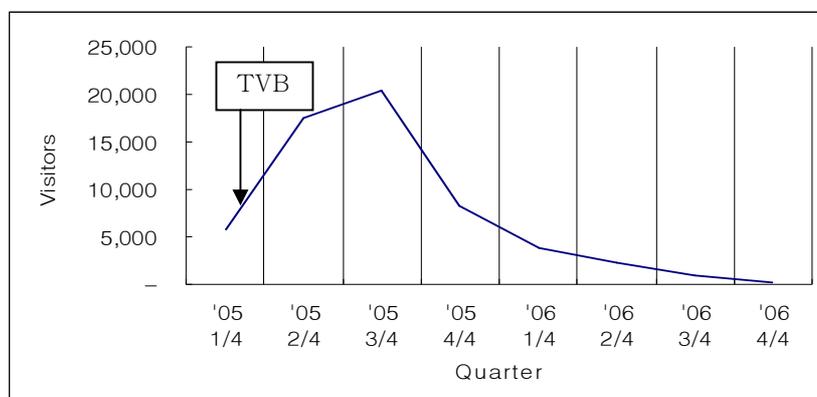
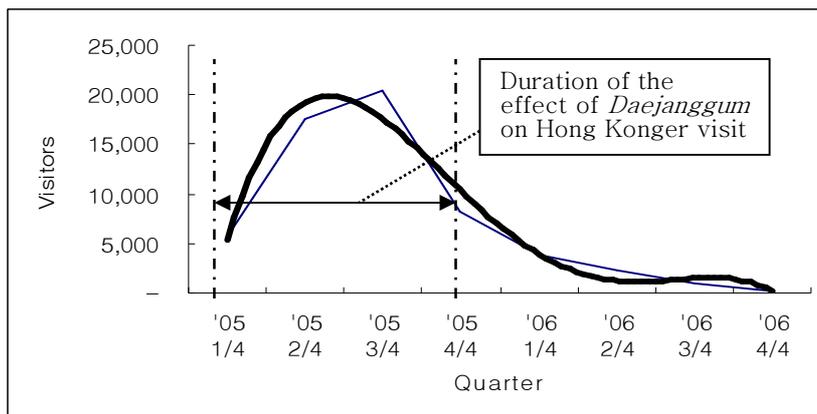


Figure 3-37 Trend Curves of Hong Konger Visitors to Daejanggum Park



- China

Daejanggum was on the air via Hunan Cable TV in China in September 2005 and succeeded in generating ‘Daejanggum boom’ with high rating performance of average 4% and highest 9%, a No. 1 program at the same time period nationwide. Its rating performance was quite significant, comparing to average (3~4%) of other No. 1 programs. It had influence on enhancing interests of Chinese in traveling Korea to experience the same atmosphere or feeling in the drama, and it also increased popularity of Korean drama and culture despite a growing antipathy against Korean Wave that was rising around Chinese entertainment industry.

Visitation Trends

After the first broadcast of *Daejanggum* via local TVs in 2004, Chinese visitors to the Theme Park had increased gradually from the first quarter of 2005, reached its peak in visitor numbers, about 10,000, in the second quarter of 2006, following its broadcast nationwide in China in the third quarter of 2005, and were on the decrease from the third quarter of 2006 until lately (See Table 3-21 and Figure 3-38).

Life Cycle & Duration of the Effect on Tourism

Life cycle of film tourism to Daejanggum Theme Park by Chinese shows a pattern of slow ascent and descent curve. Its current status appears to reside in decline stage, showing a continued descent of visitor numbers from the third quarter of 2006.

Duration of *Daejanggum*'s effects last one and a half years (See Figure 3-39).

Table 3-21 Quarterly Chinese Visitors to Daejanggum Theme Park

Quarter	'05 1/4	'05 2/4	'05 3/4	'05 4/4	'06 1/4	'06 2/4	'06 3/4	'06 4/4
Chinese Visitors	259	3,953	4,896	6,260	4,931	10,568	8,703	6,653

Source: Korea Tourism Organization, MBC Global Media

Figure 3-38 Quarterly Trends of Chinese Visitors to Daejanggum Theme Park

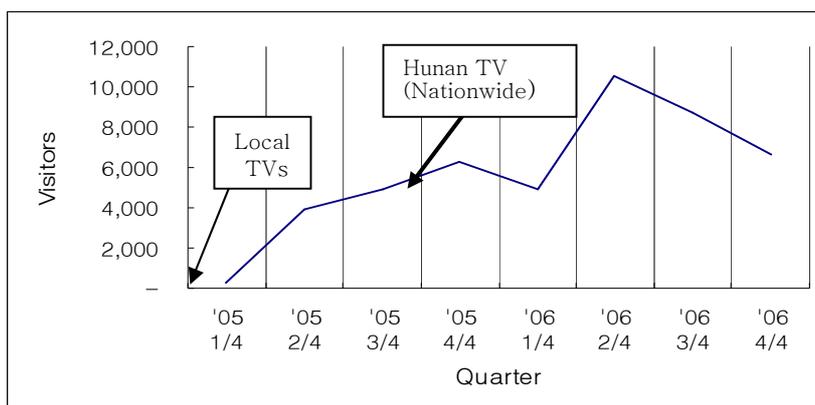
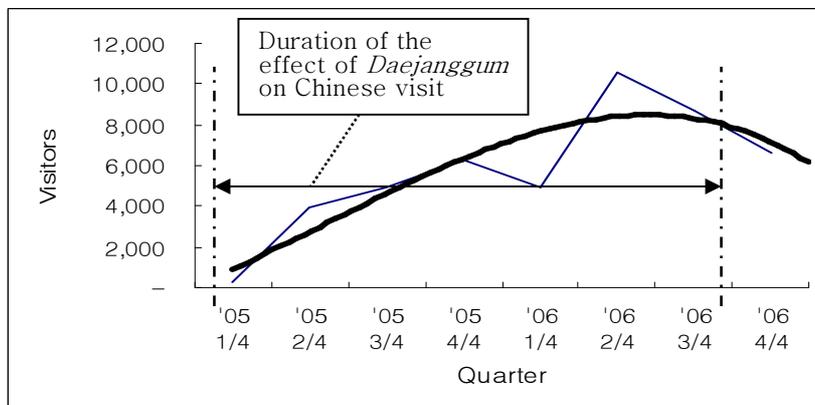


Figure 3-39 Trend Curves of Chinese Visitors to Daejanggum Theme Park



4. Summary

Results of above analyses on life cycle of four destinations, in general, prove the typical pattern of life cycle of film tourism that shows a rapid increase of visitors with success of a film after release and a fall or decline of visitors with diminishing film effects. It is also verified that life cycle, pattern and current status of the four film tourism destinations not only vary by country, but also they are different from those of the whole visitors. Duration of films' effects on the four destinations last, on the

whole, one cycle of two or three years, although it is different by films and countries, ranging from one year to four years or more. The interesting thing is found that the life cycle of film tourism destination could be prolonged by continued success of a new film, linking its location to another. Especially, the synergy effects of *Daejanggum* found in the analysis of a location of *Winter Sonata*, Namisum, are very suggestive in establishing a sustainable film tourism development plan.

Table 3-22 Summaries of Analysis Results

Analysis Subjects		Data Period	Effect Duration	Visitation Trends	Current Status
<i>Shiri</i> (Shiri's Hill)	Whole	1998 ~2006	1 year	- Overall decreasing after a year - Peak in visitor numbers in 2000, the release year of the film	Stagnation
	Japan	2000 ~2006	2 years	- Same as the whole, but rapid drop of visitor numbers from 2003	Stagnation
<i>Winter Sonata</i> (Namisum)	Whole	2000 ~2006	4 years	- Continuously growing from 2002 until 2005 the peak year, beginning to decline from 2006 - Typical S curve shape	Stagnation
	Japan	2002 ~2006	2 years	- Showing a typical attribute of film tourism: rapid change of visitation after release - Bowl shape curve	Decline
	Taiwan	2002 ~2006	4 years	- Continuously growing until 2005, Beginning to decline from 2006, Showing the effect of joint product with another drama 'Daejanggum' - Looks like Bowl shape curve	Stagnation
Analysis Subjects		Data Period	Effect Duration	Visitation Trends	Current Status
<i>Winter Sonata</i> (Namisum)	Hong Kong	2002 ~2006	Over 4 years	- Regrowing after stagnation because of the release of a new drama 'Daejanggum' - Style curve shape	Rejuvenation
	Singapore	2002 ~2006	Over 4 years	- Same as Hong Kong	Rejuvenation

	Malaysia	2002 ~2006	3 years	- Beginning to decline after experiencing stagnation and rejuvenation by 'Daejanggum' - Style curve shape	Stagnation after rejuvenation
	Indonesia	2002 ~2006	Over 4 years	- Slow growth	Consolidation
	Thailand	2003 ~2006	Over 3 years	- Continuously growing with the synergy effect of 'Daejanggum' - Moving upward curve shape	Development
<i>All In</i> (All In House)	Whole	2005 ~2006	Over 2 years	- Up and downs, but increasingly growing - Curve shape is Moving up with ups and downs	Consolidation
	Japan	2005 ~2006	Over 2 years	- Same as the whole	Consolidation
<i>Daejanggum</i> (Theme Park)	Whole	2004 ~2006	Over 2 years	- Maintaining increase: decrease from major Korean Wave countries, but increase from newly emerging market - Continuously growing curve	Consolidation
	Japan	2005 ~2006	2 years	- Overall growing since early 2005, but beginning to decline from 4th Quarter of 2006 - Typical S curve shape	Stagnation
	Taiwan	2005 ~2006	1 year	- Rapid increase and decrease - Continuously declining shape	Decline
	Hong Kong	2005 ~2006	1 year	- Same as Taiwan	Decline
	China	2005 ~2006	1.5 years	- Steady increase and decrease - Shallow Bowl shape curve	Decline

IV. Conclusion and Recommendations

1. Implications for Film-induced Tourism Marketing

Destination placement in films and TV dramas is an attractive marketing vehicle that

increases destination awareness, enhances destination image, and results in significant increases in tourist numbers. Film tourism offers destinations the opportunity to generate significant incremental revenue, tourist visits, and economic development.

An essential element for the success and sustainability of film tourism is the perception of how long a film's effects on tourism will last and what patterns it will be likely to have, which will be useful in managing destinations to become sustainable, popular tourist sites. Conception of such lifecycle and pattern at the outset of the development of film tourism can make it possible to deploy an effective, productive master planning and marketing activities, resulting in success of film tourism. Also, through consideration of such lifecycle and changing tourist's patterns and tourism environments, decision-making on when the innovation of destination, product and service through a new planning and strategy should begin can take place, resulting in extension of destination life cycle to remain as a popular tourist site.

Two types of film tourism life cycle according to a film's appeal or inducement to tourists can be suggested by the results of this study and their lives are different from each other. One is the contents, or software, type that includes films like the TV drama '*Daejanggum*', using tradition and culture in daily life, such as foods and clothes, for their stories. Life cycle of film-induced tourism using *Daejanggum*, even if there are some differences in life cycle by country, is on the whole one to two years or so, showing a relatively short duration of film tourism effects. It seems because of easy access of local peoples to experience of Korean culture at many local Korean culture related shops and restaurants in countries of 'Daejanggum boom' without personally going to Korea, due to local reproductions of major contents featured in *Daejanggum*. The other is the physical, or hardware, type that includes films like TV dramas of '*Winter Sonata*' and '*All In*' and a movie '*Shiri*', using places with beautiful sceneries in association with love stories of star couples in film. Life cycle of film-induced tourism using these films is, on the whole, two to four years, showing a relatively long duration of film tourism effects. It seems because, unlike

Daejanggum, attractions of these film locations are mainly their own unique physical features, or specific geographical and environmental features that cannot be reproduced or copied by others. This typology suggests that films with a unique physical location, like Namisum in *Winter Sonata*, which cannot be seen or experienced abroad, would be more effective in attracting foreign tourists to locations, whereas films with software contents have their limitations in generating actual tourism. Therefore, to combine both of finding new software contents continuously and linking physical locations or popular tourist areas is recommended as an effective and well-directed means in extension of film tourism life cycle. Practically, in the analysis of life cycle of *Winter Sonata* film tourism (destination), the existence of a composite film tourism type, linking locations in the two dramas of *Winter Sonata* and *Daejanggum* that created a synergistic effect on attraction of film tourists, can be found. And its life cycle had been prolonged by more than four years. It implies that the ultimate type of film tourism success will be ended in a complex or clustered film center with both software and hardware elements.

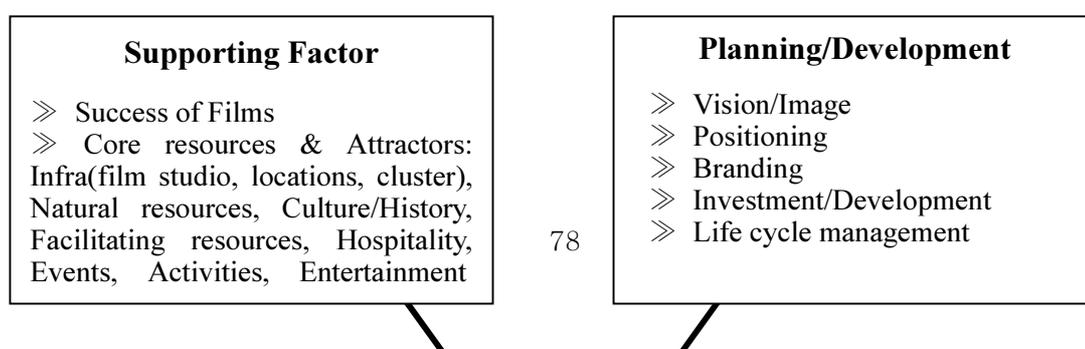
Generation and sustainability of film tourism depend on the success of film and its enduring tourism attractions. In particular, a film's success relies on the role and coverage of its distribution channel, as well as its contents. Despite the excellence of its contents, a film's impacts on the audience aren't that significant if its distribution channel covers a limited area, reaching small-sized groups of customers. This study also verifies that the status, coverage and public image of a distribution channel, such as TV broadcasting and cinema groups, determine the level of audience ratings or box office performance that largely measures the success of a film. For instance, the use of a nationwide TV broadcasting in Japan (NHK) and Hong Kong (TVB) had greater impacts on tourist visits to Korea, resulting in rapid increases of visitors from the countries by recording higher unprecedented ratings, than in Taiwan and China where used local or satellite TV stations. Therefore, in order to maximize tourism effects created by a film's success, such efforts should be made to choose influential broadcastings or cinemas as distribution channels when exporting films.

To succeed in film tourism, destinations should acknowledge film as an opportunity to showcase their appeal to viewers, or potential tourists, and be proactive in promoting their locations to film producers. It is very important for destinations to establish a comprehensive master plan and marketing strategy from the beginning of film production to capitalize on a future success of film. A variety of marketing activities both before and after release of a film are also important to facilitate film tourism. Also, finding new film storylines relevant to the location and innovating marketing activities in response to changing market trends are necessary to draw a regular arrival of large numbers of visitors that the sustainability of tourism mainly depends on. Finally, a joint promotion approach among government agencies, tourism organizations and entities, and film industry that works together on a coordinated strategy is necessary for the effective deployment of marketing activities in line with objectives to promote the location as a popular tourist destination.

2. Key Factors and Virtuous Circle Model for the Success and Sustainability of Film-induced Tourism

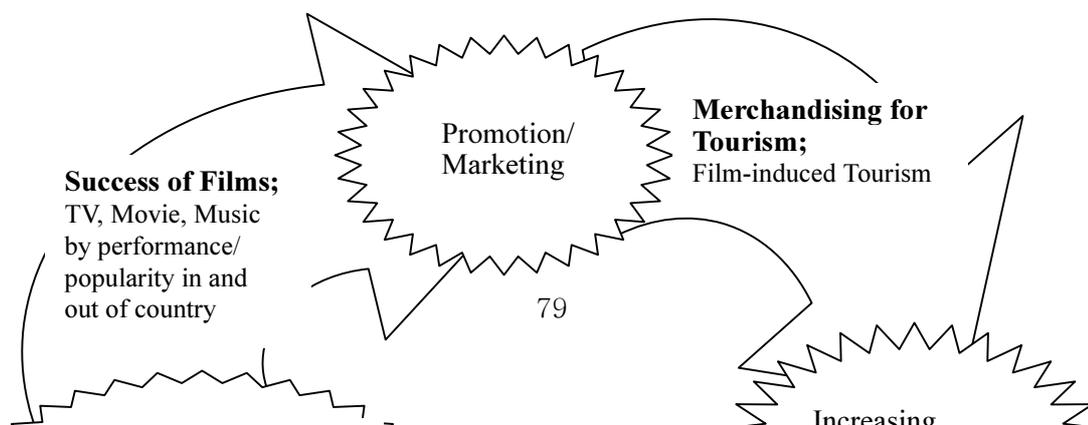
Based on a review of the secondary research related to film tourism cases, Figure 4-1 is a model to present the key influences on Korean Wave film-induced tourism. The model suggests that key elements for competitiveness and sustainability of Korea film tourism will depend on the following four factors: supporting factor, planning/development, destination management, and promotion/marketing.

Figure 4-1 A Model for Competitive & Sustainable Korean Wave Film-induced Tourism Development



Film tourism is a multi-layered process that starts with filmmaking. It can be seen as a circular effect. Ideally, a destination promotes a film and the film promotes the destination and collaborative campaigns with the film industry are the most powerful way to induce film tourists. In general, a destination induced by a film presents a fashion pattern of PLC patterns (see Figure 3-2). Therefore, life cycle management of film tourism destination is needed to prolong its life through efforts of changing its fashion pattern into the style pattern like the proven synergistic effect of *Daejanggum* on *Winter Sonata* locations, or to make an alteration on the destination so as to become reborn or recycled as an enduring tourist area. Figure 4-2 is to present a virtuous circle model for the success and sustainability of Korean Wave film-induced tourism.

Figure 4-2 A Virtuous Circle Model for Korea Film-induced Tourism



3. KTO (Korea Tourism Organization) Roles

KTO needs to carry out the dual function of attracting film production and dealing with the issues once it arrives. Sales-focused initiatives should be conducted by KTO on a regular basis. The film industry (including TV broadcasting) will make their films regardless and the challenge for tourism organizations is to correctly capitalize on a film's success, by capturing its essence and running with it. Getting on board at the outset of a film production is crucial for destinations. The ability to recognize promotional opportunities and act in anticipation of demand is critical to maximizing benefits. Hiring a public relations agency is one option. Another is to offer producers' tours, which have been very successful for some destinations. KTO thus should be offering informative and attractive scouting trips to filmmakers.

National tourism organizations are usually the bodies driving tourism of the country, and the same in film tourism. They should deal with strict licensing, copyright issues and stars, as most tour operators can't afford to pay for the use of a name. In the same

manner, KTO needs to collaborate more with film industry, distributors and stars because this correlates highly with film tourism success. KTO could even make films or TV series as a partnership, giving it more control over what productions are made at which locations. An increasing number of marketers have adopted the role of program producer themselves. There is no reason why KTO cannot be more active in the production of films. And cost, ease of production, skills and facilities are as important as authenticity in location selection. For example, destinations like New Zealand, Britain and Singapore have been luring film producers with a supporting scheme, such as tax incentives or a refund of production costs.

Another significant contributor to film tourism success is the group of marketing activities promoting the film locations themselves. Although the generation of publicity is considered to be the most important contributing factor for film tourism, KTO should consider putting more effort into having guided tours or film walks, promoting hotels and houses used in films, packaging attractions to lengthen stays, and producing film maps and location guides for tourists. These activities are proven to have more influence in attracting film tourists. This would respond to the apparent increasing desire of film tourists to visit attractions that they have seen in films.

4. Future Research Direction

This study is with its limitations. The results are representative of analyses of foreign visitors' trends in four Korean Wave film tourism destinations. It should also be acknowledged that film tourism is a complex and dynamic concept, and success and sustainability depends on a number of factors outside the control of a destination. Therefore, further research is needed to examine other factors relating to film tourism. For example, there is a need for more research into the correlation of film tourism success with box office or audience rating performance. It would be beneficial to construct an operational model to estimate the films' effects on tourism and prepare effective plans for sustaining film tourism. Such research could explore further the

visitation impacts of various film genres and locations.

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