

## ABSTRACT

# 8th Strategy Workshop for the Future of Jeju Tourism Advancement of Acceptance and Response System for Tourists - Management of Complaints -

August 26, 2016

## ■ Presentation: Tourist Complaint Center, the Idea Outside the Box

○ Presenter: Choi, Il-Tae (General Director of Institutional relations headquarters, Seoul Tourism Association)

### 1) Background

- In 2004, with the Safe City to Travel declaration of Seoul city, the government came up with comprehensive measures to address common complaints of travelers especially focusing on the area of shopping, taxi's overcharging practices, and difficult system to report and raise complaints on such unpleasant experiences.
- At that time, the system implemented to help travelers raise complaints and address such issues did not perform as well as intended. So a system for that purpose was required to accomplish the initial goals of providing satisfactory solutions to handle travelers' issues and to encourage cooperation between the private and the public sectors.
- To that end, the Seoul Tourist Complaint Center was established. As part of cooperative efforts between the private and the public areas, a Tourist Sheriff system was launched. Furthermore, a compensation system was introduced to help travelers get refunds or be compensated for their losses as a result of being swindled when they raised complaints to the Center.

### 2) Introduction of Seoul Tourist Complaint Center

- Seoul Tourist Complaint Center was established in November 2013 and officials of the Center visit the site of a complaint made by the tourist, such as being overcharged for a fare and mediate to resolve the issue.
- When a complaint from foreign travelers is reported to a Seoul Tourist Complaint Center, officials (Tourist Sheriff, Tourist Police, or staff of a Portable Tour Information Center) address the issues and conduct on-site inspections for the compensation on the losses of the travelers.
- For cases which can be resolved by a Seoul Tourist Complaint Center, the Center seeks

the cooperation of other related organizations. The final results of the issue are communicated to the travelers who initially raised the complaints and the Center receives their feedback.

### 3) Current operation of Tourist Sheriff system

- Tourist Sheriff is organized by around 180 local businesses or tour agencies in nine special tourist zones in Seoul. The Tourist Sheriffs conduct monitoring activities to prevent unfair practices against foreign tourists, on-site trouble-shooting and inspection of complaints, and cooperation with other related organizations (tourist policies, tour-information centers, or municipality governments).

### 4) Current operation of a fund for compensation

- The Center provides compensation directly to the victims of unfair tourism practices.
- In nine special tourist zones, Shinchon, and Hong Dae, compensation for the unfairly overcharged fees at shops, restaurants, or accommodations is provided. (Except for any losses from street vendors, public transportation, or tour program contracts. As to any unfair practices by a taxi driver, the driver and the taxi company are punished by the Seoul Metropolitan Government.)
- The amount of compensation varies up to a maximum of KRW 500,000 per person and is decided through a review of a committee Seoul Tourism Association. Such compensation shall be given in cash equivalent to the amount of the loss within a short period of time (within 30 days from the initial complaint) in principle. The fund was established in the private sector and local businesses in the special tourist zone of Seoul have voluntarily supported the fund.

### 5) Conclusion

- As Seoul is now facing the era of 10 million tourists' visiting each year, there should be efforts made to achieve qualitative growth in the tourism area. In this regard, actions have been made to resolve travelers' common complaints to encourage them to visit Seoul again.

## ■ DISCUSSION

### ○ Master: Lee Jae-Hong (Director General of Jeju Tourism Organization)

- I appreciate the participation of all the various organizations that are in attendance to present and discuss the subject of this seminar. In particular, I'm grateful to Director Choi, Il-Tae for his presentation on the current progress of the Seoul Tourist Complaint Center as an effort to make Seoul a Safe City to Travel in.
- Jeju is also turning its focus from quantitative growth to a more qualitative one. So

there will be many points worth benchmarking from Seoul's case. I expect that we will receive useful suggestions on how to improve the quality of our tourist level of satisfaction and I would also like to ask for various opinions from today's discussion panels.

○ Wang Jae-Wook (Deputy Manager of Tourism Information Team, Korea Tourism Organization)

- Last year, the Korea Tourism Organization identified around 1,000 complaints. Complaints on shopping, taxis, and accommodations have taken the largest share and inconvenience during the use of airports has also been witnessed. Many reports by inbound foreign travelers have been about being overcharged and unfriendly staff or tour-related businesses have also raised such complaints. In particular, complaints of being scammed by taxi drivers have taken a very high percentage of such complaints.
- As to the region, complaints were reported in the order of Seoul, Incheon, and Jeju. Complaints in Jeju are mostly about uncomfortable shopping, tour agencies forcing shopping, overcharged taxi fares, and difficulties in the use of accommodations. Chinese tourists raise more than 70% of such issues which is very high percentage.
- Korea Tourism Organization receives complaints and inconvenience reports via phone (1330), email, regular mail, or on their website. As to such complaints, the organization has been following up and analyzing such issues. When we look into the trend of the past few years, problems raising complaints constantly such as rip-offs have improved. But travelers still feel uncomfortable in a few other areas.
- We are also making efforts to improve the process of issue reporting. The Korea Tourism Organization has been working on building a system which allows for a simple way to raise a complaint and provides the owner responsible for the issue to directly address the problem.
- We are also attempting to solve problems fundamentally, we are notifying such complaints to the concerning organization on the area's acceptance for future improvement.

○ Kim Seung-Han (Head of Policy Planning Team, Jeju Tourism Association)

- Jeju Tourism Association receives complaints via Tour Information Centers and its secretariat office. Once such complaints are accepted, the Association notifies and transfer the issue to the concerning organization for the solution, or conducts an on-site check and then resolves the issue along with the concerning government department or organization through the operating Team of Healthy Tourism and Order Keepers.
- Complaints have been received through various channels and I think we need to build a unified channel for complaint-reporting and management system. Also, by systemizing a

compensation policy as Seoul did for the loss of travelers to raise satisfaction levels. The tourism industry also considers that if there is any mediating channel for the conflicts with tourists, issues could be solved more amicably.

- Tour Information Centers have been operated within Jeju province. But we also need to provide services which may guide travelers in popular tourist locations where many travelers gather, as Seoul did via its Portable Tour Information Service. Furthermore, travelers need to be able to get easier assistance about their tour in Jeju via channels such as Call Center services.

○ Go Min-Jeong (Tour Information Center at Jeju Welcome Center, Jeju Tourism Organization)

- Tour Information Center is a place not only for providing tour guidance but also for receiving complaints on travelers' tour experiences. When any complaint about a taxi or accommodation is received, on-site trouble-shooting is not available for us. So we try to resolve the issue via phone communication with those who are in conflict with the tourist. Otherwise, we transfer the issue to the concerning department or trouble-shooting dedicated center.
- As we can't conduct on-site trouble-shooting, unlike Seoul's Portable Tour Information Center, there are limitations in our capabilities. We are continually working to assist travelers in the best way possible. But in order to improve our level of assistance, we require more support such as allocating more manpower.

○ Oh Sun-Aeh (Head of Jeju 120 Call Center)

- Though the Jeju Call Center is trying to solve travelers' issues with help from BBB Korea's interpretation service, through our three-way calling system there have been some challenges. In some cases interpreters have not been fluent in terms of language used in the tourism industry, and have therefore been lacking a professional touch in terms of communication.
- Due to the island's characteristics, inquiries on transportation take up the largest portion. But when any complaint is received, there are difficulties in some cases of identifying who or which department is applicable for the complaint or finding the necessary information proves challenging. To address such cases, there should be a cooperative system which can connect us with tourism information and the concerning originations.

○ Oh Heung-Wook (Head of Travel Customer's Right Center, Korea Customer Agency)

- As to Korean customers, we identify what happened and collect related facts and then

resolve the issue or provide mediation. If mediation fails, a civil law suit or punishment can be pursued. As to the foreign customers, we cooperate with overseas consumer right agencies such as the National Consumer Affair Center of Japan. So when an issue is raised, such complaints are received in the applicable country of the foreigner and then let the nation's agency solve the issue.

- If sufficient information or explanation is provided, generally the situation can be resolved. But there are problems for some businesses in Jeju. Of course, some other businesses, even though they are small or medium sized companies, have a customer-oriented system providing highly satisfactory services. To implement such model cases and have them become the new norm, there should be efforts to improve our acceptance by providing training and require verification of service quality for Jeju businesses.
- When a tourist experiences an unpleasant situation or lose their money, there is a lack of a systemic channel to report such experiences. The Tourism Complaint Center shall be established in easily accessible places so that tourists should be able to conveniently submit their complaints. Also, as for the follow-up of such complaints, cooperation among organizations and government agencies within the province shall be built so that when any complaint is received, adequate measures shall be taken through cooperative actions of such organizations.

○ Kim Hui-Soo (Researcher of Tourism Policy Lab, Korean Culture, and Tourism Research Institute)

- For continuous management of customers, complaints play a significant role. In the tourism sector, a great deal of effort has been made resolve such issues. When a complaint is raised, follow-up measures and management shall be conducted and I expect Jeju to make progress in these areas.
- When I think of a Compensation Fund for Tourists, what I'm concerned about is the absence of or insufficient promotions on the policy. In reality, only when tourists are made aware of the policy, the issue can be solved on a consistent basis. Though funding is very critical and difficult task, we should appreciate that such a fund was built even in a small scale. Efforts to expand such a small fund would be needed afterwards.

○ Moon Seong-Jong (Tourism Business Professor, Halla University)

- Complaints that occur in Jeju need to be managed systemically. Complaints have been received through various channels, but we need to go one step further, we need to identify the cause of each complaint from the point of comprehensive management.

- 1330 Calls managed by the central government are well promoted and many foreign travelers have used the channel. But due to the limited understanding in Jeju, for Jeju travelers, the 1330 Call is not a good solution. In this regard, a cooperative system between the Korea Tourism Organization and Jeju should to be considered.
- We need to work more on systemically managing and following-up on the cases of various tourism complaints and provide more training for the handlers of such complaints in order to improve our satisfaction level of tourists over time. On top of this, inter-organizational cooperation engaging tourism associations and the Korea Tourism Organization is necessary for greater improvement of acceptance for tourists from the governments' side. Such cooperation should not be limited to the province's organizations, but should also include cooperation with organizations within the nation.

○ Oh Chang-Hyun (Head of Tourism Industry Office, Jeju Tourism Organization)

- As part of our efforts to realize qualitative growth of tourism in Jeju, we aim to attract more individual travelers (F.I.T. travelers). To expand F.I.T. tourism, better acceptance of a tour destination is clearly necessary. To that end, we need to ensure that tours in Jeju are stable. I think Seoul's cases can be a model example for Jeju's efforts.
- To comprehensively manage complaints from tourists, we need to build a cooperative network among related organizations, induce more engagement from the private sector, and operate Portable Tour Information Centers. Regarding the Portable Tour Information Centers, Jeju is currently working on introducing the system. There should also be a solution to provide better trouble-shooting in terms of tourists' complaints in various areas such as language and transportation via a type of tourist situation room.

- Jeju Tourism Organization is proactively suggesting various policy solutions to provide measures to solve pending issues in this regional society.
- We would like to come up with more reasonable and forward-looking alternative solutions that can be made based on the results of this workshop in order to contribute to the increased quality of life for Jeju residents and to the region's development.



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