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Creativity and Traditional Cultural Accommodations in Sustainable Community Development: The Case of ‘Hanok-stay’ Program in South Korea

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Abstract

This paper reviews the development policies of traditional cultural accommodations as community development from the perspective of creative tourism. The *Hanok-stay* program in South Korea is chosen to examine the challenges and opportunities posed by the process of developing and promoting the place-based cultural accommodation sector. The selected case sites are reviewed through the related themes of ‘service and product’; ‘sales and marketing’; ‘planning and development’; and ‘policy’. The result of the review illustrates the evolution of the traditional cultural accommodation sector in the context of creative tourism and highlights the tension that exists between the provision of traditional experiences through the use of modern technologies.

Keywords: creative tourism; traditional accommodation; place branding; sustainable product development; cultural asset; *Hanok-stay*

1.0 Introduction

In creative tourism-based community development, creative skills are key factors in fostering national economic prosperity by differentiating diverse fields producing tangible products and intangible services (Florida, 2003, 2008; Organization for Economic Cooperation and Development [OECD], 1996; Shyllit & Spencer, 2011; Stevenson, 2014; Stolarick, Denstedt, Donald & Spencer, 2010). ‘Creative

economies' provide new impetus for global economic growth (OECD, 1996). The notion of individual creativity underlines the concept that has great potential to improve economic conditions through the production and consumption of knowledge (Department for Culture, Media and Sport, 2001).

Many governments around the world have emphasized the promotion of economic activities through the development of creative industries which collectively form a creative economy (Hesmondhalgh, 2007). This term is used to refer to a range of knowledge-based economic activities that make connections between places and people through the application of skills, technology or talent for the generation of intangible cultural products that incorporate creative themes and experiences (Lee, Wall, Kovacs, 2015; Lee & Wall, 2014; OECD, 2014). Although different definitions and interpretations exist, there is widespread agreement that the creative industries are comprised of advertising, architecture, art, crafts, design, fashion, film, music, publishing, and so on (Department of Culture, Media and Sport, 2001; Howkins, 2001) which are strongly linked to culture and its commodification (Mitchell, 2013; Mitchell, Atkinson & Clark, 2001; Mitchell & Randel, 2014; Shannon & Mitchell, 2011; Sullivan & Mitchell, 2012). As a result, policy makers have attempted to foster networking, research and development, and entrepreneurial activities related to culture. Hence, the term 'cultural industries' is often used and they are seen as being an integral part of creative economies (Evans & Foord, 2008; Richards, 2011).

Tourism is closely involved in the sharing and experiencing of culture, and is intimately associated with the creative economy. Since culture is a fundamental aspect of tourism (United Nations World Tourism Organization [UNWTO], 1985), the links between culture and tourism is an important aspect of tourism product/program development (OECD, 2009). As the concept of a creative economy has been discussed and promoted so the notion of 'creative tourism' has been spawned to encourage the pursuit of differentiation and specialization of tourism products and programs in destinations around the world. Some of the examples are: Creative Economy, Prince Edward County, Canada and Creative Economy, Muskoka, Canada; Creative Austria; Creative Paris; developing creative service industries in Hangzhou, China; design-induced tourism in Milan, Italy; contemporary art and tourism on Setouchi Islands, Japan; Hallyu and technology-based tourism in Korea; Wellington, Creative Capital of New Zealand; and Creative tourism in Santa Fe, United States (OECD, 2014).

Creative tourism is an extension of the concept of cultural tourism to incorporate intangible cultural heritage and modern creativity (Richards & Raymond, 2000), but there appears to be no single best accepted definition of creative tourism. However, the definition of creative tourism as defined by United Nations Educational Scientific and Cultural Organization [UNESCO] (2006) and the 'Creative Cities Network' has been widely used as follows: creative tourism is "travel directed toward an engaged and authentic experience with participative learning in the art, heritage or special character of a place, and it provides a connection with those who reside in the place and create the living culture" (UNESCO, 2006, p.3). Cultural tourism and creative tourism overlap, but the former often tends to focus more on a nation's heritage while the latter emphasizes intangible cultural assets, creative participation and networks (Richards, 2011; Richards & Raymond, 2000; UNESCO, 2006).

In the context of the creative economy, visitors can actively participate in the culturally-related learning experiences, develop their skills and creative potentials and, in doing so, assume the role of a producer and a consumer simultaneously (Richards, 2011; Tan, Kung & Luh, 2013). Ultimately, creative tourism is expected to produce added values both experientially and financially, expand tourism demand, and encourage participation in innovative tourism from the perspective of visitors by motivating their engagement in creative activities (OECD, 2014). It also reinvigorates tourism products, produces a creative atmosphere, and bolsters an image of destinations as a place brand. Traditional cultural facilities have potential to differentiate themselves in the creative tourism-based place branding strategy.

The accommodation sector can play a leading role in the development of creative tourism by utilizing the unique cultural characteristics of a country's traditional architecture and other expressions of culture. Traditional cultural accommodations may be part of a country's territorial assets, having distinctive cultural attributes that draw attention from visitors, entrepreneurs and the host community. In the context of a creative economy, Stolarick et al. (2010) identified 'technology', 'talent', 'tolerance' and 'territorial asset' as the major contributors to regional development. The establishment of clusters of traditional accommodations with positive cultural, economic, and environmental qualities in an attractive setting can enhance a place's competitiveness (Lee et al., 2015; Lee & Wall, 2014). In these respects, according to OECD (2009), South Korea's lodging industry is well-placed when compared to other countries in Asia. For instance, 'Temple-stay', a specifically themed lodging facility program, which offers Korean Buddhist cultural experiences, is a well-established tourism product in Korea.

However, research on the traditional cultural accommodation sector is scarce. Moreover, development strategies are commonly focused heavily on economic growth through building more modern lodging facilities. There are increasing concerns about such development strategies because they undervalue local culture and promote the homogenization of visitor experiences. In order to differentiate its product, South Korea is making use of its rich traditional architectural legacy called *Hanok-stay*, which has become a vibrant and distinctive part of the hospitality and tourism industry.

The *Hanok-stay* program in Korea was launched in late 1980s with the intention that it would preserve the cultural heritage, and It has become a widely-recognized brand to increase sales and profits in the lodging industry (Oh, 2012; Ryu, 2012). It reflects changing views on development, services and marketing under evolving national tourism development policies. The initiative prompts the need to examine how traditional cultural accommodation facilities can exercise 'creativity' in contributing to the community development by promoting hospitality and tourism industry as part of the development process. Accordingly, this policy review paper provides two of the traditional cultural accommodation facilities as a process of sustainable community development based on distinctive territorial assets from the perspective of creative tourism. The objective of the study is to illustrate the challenges and opportunities posed by representative cases of *Hanok-stay* in South Korea by reviewing the development policies. The review is structured by the integrated themes of 'product and service', 'sales and marketing', 'planning and development', and 'policy'.

2.0 Context

A highly creative branding strategy involves not only the creation of a catchy phrase or slogan, but also product development and marketing (Kotler, Haider, & Rein, 1993). In the age of globalization, differences between places are especially important in the creative economy (Florida, 2003) and they can be turned into competitive advantages of destinations. In this sense, traditional cultural accommodations can play a significant role in the development of a tourism place brand in that their authentic characteristics become a competitive product in the creative tourism cluster (Lee et al., 2015; Lee & Wall, 2014).

Many national cultural assets have become important tourism attractions and the promotion of creative tourism has become the global cultural trend in recent years (OECD, 2014). There is a movement to utilize the concept of creative tourism by leading organizations such as Creative Tourism New Zealand, Creative Tourism Austria, Creative Paris and Creative Economy in Muskoka, Canada to name a few. The conversion of distinctive territorial assets into competitive tourism products has attracted many visitors to different tourism destinations for unique experiences of culture, people and history (OECD, 2009). Such tourists' desires often include an interest in special accommodations. Although the first impressions of a country may begin at the airport, various accommodations are often the first location in which genuine exposure to the host country's architecture and other aspects of its culture can be developed. Thus, traditional cultural accommodations can be unique establishments that expose their clients to important aspects of the host culture. They are valuable assets that are part of a living legacy that can be conserved and shared with visitors. They can play a crucial role as anthropological materials that testify to past lifestyles and livelihoods (Caspo, 2012; Picon, 2013).

Culture has always been important in tourism experiences but it is taking new forms in creative tourism. This is clearly seen in the case of K-pop culture and the promotion of clean technologies in South Korea (OECD, 2014), and the country has invested in the development of its distinctive cultural places and has attempted to position itself as a world creative destination. *Hanok-stay* is part of this new emphasis on creative tourism.

Traditional cultural accommodations can offer authentic experiences in an aesthetically-arranged facility built in a traditional architectural style. In combination with the intangible heritage that they house, they can provide access to the local population and their traditional way of life. However, there is no accepted single definition for cultural accommodations and the concept is elusive to define. The key word 'culture' is related to 'arts' from an aesthetic point of view; a 'way of life' from an anthropological perspective; and the 'cultivation of the mind' from the Latin origin (Williams, 1961, 1976). Thus, traditional cultural accommodation can be defined as accommodation in an historic property, which retains some earlier architectural arrangements, thereby providing access to aspects of traditional culture to serve the interests of tourists. It is associated with valued landscapes, landmarks and prestigious buildings, such as palaces, monuments, castles and temples that belong to individuals or communities, as well as more modest places with vernacular architecture (Shackel, Smith, & Cambell 2011; Xie, 2015). These aesthetic and historical qualities are of importance in the development of traditional cultural accommodation and particularly when such places exist in abundance, they can be a great territorial asset in the provision of cultural tourism experiences. In order to better understand the opportunities and

challenges of such initiatives, this paper reviews the development policies that promote the *Hanok-stay* program in South Korea.

3.0 Methods

Research methods will be discussed in two parts. First, the situation in the study area will be described and two specific examples of the *Hank-stay* program and the information sources will be discussed.

3.1 The Study Area and the Selected Cases

The accommodation sector in South Korea encompasses hotels (general hotels, family hotels, Korean traditional hotels and hostels) and resort condominiums. Typical western-style hotels have experienced substantial growth and, for the past three decades, the number of tourist hotels has steadily risen by about 5% annually (Ministry of Culture, Sports and Tourism, 2014) and occupied over three quarters of the offerings by 2008 (see Table 1). This shows that the lodging industry in Korea has developed mainly focusing on the western style hotels instead of exploring the concept of creative accommodations rooted in local culture. However, in recent years there has been substantial growth in businesses that provide accommodation in traditional Korean houses. Statistical evidence of Traditional Korean Housing Experiencing business houses and Hanok-style guest houses as well as the list of Korean traditional hotels can be seen in Tables 2 and 3.

Table 1. *Accommodations Establishments in South Korea*

Accommodation Type	2008	2009	2010	2011	2012	2013
Tourist Accommodations	815	838	861	893	963	1099
Tourist Hotel	610	621	630	644	680	740
Family Hotel	44	52	55	58	70	87
Korean Traditional Hotel	1	1	2	3	5	5
Hostel	-	-	-	6	28	75
Condominium	160	164	174	182	180	192
Traditional Korean Housing	-	10	320	444	608	668

Source: Ministry of Culture, Sports and Tourism. (2014).

The market for Korean tourism continues to expand and the number of foreign entrants to South Korea grew from 5.2 million arrivals in 2001 to 9.8 million arrivals in 2011, an increase of 90.3% (Ryu, 2012). Since 2008, international tourist arrivals have increased annually by around 10 %, with over 12 million arrivals in 2013. At the same time, the number of domestic tourists has also expanded with the result that the accommodation sector has not been able to meet the market demand. According to the Ministry of Culture, Sports and Tourism, Ministry of Public Administration and Security, Ministry of Land, Transport and Maritime Affairs, Seoul Metropolitan Government & Gyeonggi Province (2010), while the average annual increase of foreign arrivals for five years was 8%, hotel rooms only increased by less than 4% annually, and the shortage of lodging facilities in Korea was expected to increase. The Ministry of Culture, Sports and Tourism (2012) suggested that there would be

a shortage of at least 5,000 rooms in the city of Seoul alone in 2015. As a result, the Korean government has attempted to address the imbalance between supply and demand by proposing the development of additional forms of accommodation, such as *Hanok-stay*.

Table 2. *Number of Traditional Korean Housing Experiencing Business Houses & Hanok-style Guesthouses by Region*

Region	Hanok Experience Business House	Hanokstay Certified Guesthouse
Seoul	68	21
Busan	-	-
Daegu	7	-
Incheon	3	3
Gwangju	1	-
Daejeon	-	-
Ulsan	1	1
Sejong	-	-
Gyeonggi	15	6
Gangwon	20	5
Chungbuk	18	2
Chungnam	18	6
Jeonbuk	65	36
Jeonnam	203	32
Gyeongbuk	202	38
Gyeongnam	47	9
Jeju	-	-
Total	668	159

Source: 2013 Annual report on tourism trends & Hanokstay website (MCST, 2014).

Table 3. *List of Korean Traditional Hotels*

Region	Hotel	Registration Date	No. of Rooms
Jeju	The SEAES Hotel & Resort	July, 1991	26
Incheon	Eulwang Tourism Hotel	May, 2004 (February, 2005)	44
Kyungbuk	Ragung, Shilla Millennium Park	July, 2010	16
Jeonnam	Hanok Hotel Young San Jae	October, 2011	21
	Jirisan Family Hotel	October, 2003	124
	Hanok Hotel O Dong Jae		
Total	5 Hotels	-	231

Source: 2012 Annual report on tourism trends (MCST, 2012).

In order to explore this phenomenon, two establishments were selected for investigation, reflecting the availability of data, and the willingness of interviewees to take part in this study one in a small town in the south of the country and the other in the capital city of Seoul.

3.1.1 The case of Jirye Artist Colony. Jirye Artist Colony is an old-style *Hanok* house that initiated and led the *Hanok-stay* program and was in operation even before the *Hanok-stay* program was initially in force. The property has its long history of over 360 years and is located in Andong, South Korea, which is a place with a long history of Korean Confucianism. Residences in a small village were initially established by a public official in the Joseon Dynasty, which dates back to the fourteenth century, and family members have lived in the area since that time. In 1989, Jirye Artist Colony, with 14 rooms, started to welcome artists and tourists to work or rest as an accommodation facility. The property is managed and operated by a married couple. The number of visitors to gradually increased to a peak of over 5,000 in 2009, but has since declined to some 3,000 arrivals in each of the most recent four years (S.H. Kim, personal communication, September 5, 2014).

3.1.2 The case of Moon Guesthouse. Moon Guesthouse is a modernized *Hanok* house in the city of Seoul, South Korea that offers a number of experience programs. It was built 600 years ago on the original site of *Unhyeongung* (palace) and was the residence of King Gojong in the Joseon Dynasty. It was turned into a guesthouse late in 2011. The current property owner started living in the house in 1974 and remodelled it for business purposes recently. The guesthouse is close to a number of prominent attractions in Seoul (e.g., Insa-dong, Bukchon Hanok Village, and four main palaces). Such great accessibility has attracted a large number of visitors to the guesthouse. International tourists comprise approximately 70% of the total number of arrivals, which contrasts with other *Hanok*-style guesthouses that depend more on domestic visitors (J.Y. Lee, personal communication, October 17, 2014). The two cases are located in very different settings. Each has been in operation for at least a decade and, therefore, can be regarded as examples of successful *Hanok-stay* programs.

3.2 Information Sources

This study reviews the development policies on creative tourism in the traditional cultural accommodation sector in South Korea. Thus, initially, secondary research was used to gain an overview of the tourism industry in South Korea and, especially, to gather information on traditional cultural accommodations. Data were drawn from two main sources: the public sector (the Ministry of Culture, Sports, and Tourism) and the private sector (the two case organizations).

Quantitative data were sourced from government annual reports, strategy papers, accommodation websites, and press releases. The statistical evidence can corroborate the qualitative case studies that rely on a small number of informants (Tellis, 1997; Yin, 2014). The case studies involved direct email communications with the accommodation executives of each establishment. Then semi-structured interview and participant observation were used. Interviews are one of the most significant sources of case study information as interview participants may suggest remedies for problems or offer insights into occurrences (Tellis, 1997). The semi-structured personal interviews were scheduled with 6 individuals from 4 different accommodations of varying sizes according to the availability of interview respondents. The interview process was active and interpretive so as to be able to listen attentively (Jennings, 2010). Researchers also visited and stayed at the lodging facilities to observe infrastructure, services, and tourist behaviors. Observation is an intensive form of field work where the researcher is absorbed in the culture under project (Patton, 2002). Observations made by the researchers provided additional information to corroborate remarks associated with the interviewees' comments made during the interview process.

4.0 Findings and Discussion

This study reviews the operation of traditional cultural accommodations or *Hanok-stay* to identify the challenges and opportunities that exist from the perspective of their contributions to the formation of a creative tourism economy. The themes of product and service, sales and marketing, planning and development, and policy will be considered in turn.

4.1 Product and Service

Hanok-stay in South Korea is a specialized program focused on the provision of traditional cultural experiences. Jirye Artist Colony emphasizes the offering of genuinely traditional experiences by taking advantage of an old-fashioned house and an environmentally-friendly strategy that includes a foraging activity in the surrounding natural environment. Also, ancestral rites are practised: the memorial service is considered as descendants' obligation indicating respect to ancestors under the influence of a family tradition that stresses Confucian culture. This can provide a valued experience for visitors.

Moon Guesthouse provides a range of programs on Korean traditional culture. The house offers classes in calligraphy, traditional musical instruments, *pansori* (Korean musical story telling performance), tea ceremony, drawings, and Korean etiquette. Tourists can also try on *hanbok* (traditional Korean clothes) with an offering of approximately 100 different pieces of clothing.

As different services and products appeal to different target markets, *Hanok-stay* has a business model that acknowledges a variety of different customer values. However,

the provision of traditional cultural experiences is the product concept in *Hanok-stay*. This reflects the concept of creative tourism in regard to authentic learning activities, skill development, and value co-creation. However, for *Hanok-stay* programs, the adoption of traditional hospitality in the offering of accommodation is a key requirement. In the early stage of the businesses, both Jirye Artist Colony and Moon Guesthouse struggled to provide such hospitality that provided professional services but differentiated them from other establishments. In part this reflects the fact that the scope of traditional Korean experiences that can be offered in such accommodations is somewhat limited. Accordingly, it is a challenge to find a balance between the provision of the basic functions of accommodation and the provision of creative hospitality services.

4.2 Sales and Marketing

Hanok-stay has been grown with the support of government programs in policy development and marketing, with branding activities supported by the ‘Korea Tourism Organization’ (KTO). The term *Hanok-stay* was coined by the KTO that created the *Hanok-stay* certification system for the provision of credentials to high-quality *Hanok* accommodations. The certification titles are accorded to accommodation facilities registered as a ‘Traditional Korean Housing Experience Business’ that meet the standards in respect to kindness, customer service, facility convenience, stability, cleanliness, and traditional experience programs. Certification is considered to be a valuable tool to improve marketing opportunities by influencing visitor behaviours (Esparon, Gyuris & Stoeckl, 2014; Wu & Jang, 2013).

Members can be assisted by accreditors regarding promotion and infrastructure improvement. Tourists can rely on the certification as an indicator of reputation and service level. A quarter (159 houses) of the registered facilities achieved the *Hanok-stay* certification in 2013 (Ministry of Culture, Sports and Tourism, 2014). Certified members are listed and promoted on the *Hanok-stay* website operated by the KTO. It is a useful online marketing tool for small accommodation facilities which lack a marketing budget. It is linked with the KTO’s official website that provides simple information on *Hanok-stay* programs in English, Japanese and Chinese, thereby promoting establishments efficiently and effectively that could not otherwise communicate in multiple languages to international tourists. A number of *Hanok* accommodations communicate with potential guests through social media (e.g., blogs or online café), which does not require a large initial investment.

The selected accommodations were developed and operated based on their own sales and marketing strategy for different target markets. Both Jirye Artist Colony and Moon Guesthouse run their own homepages to post important announcements, answer queries and take reservations. Jirye Artist Colony tends to have many repeat customers based on trust and loyalty built through word-of-mouth branding using social media. The beauty and historicity of Jirye Artist Colony has been introduced as *Gotaek/Jongtaek* in ‘The Michelin Guide’ and ‘The Wall Street Journal’. The satisfaction rate of foreign tourists is much greater here than at many other traditional accommodation facilities (Ministry of Culture, Sports and Tourism, 2014).

Moon Guesthouse focuses on providing Korean traditional cultural experiences in a professional manner and offers customized programs for group tourists. Many foreign group tourists, such as students and companies, are attracted to the guesthouse to experience aspects of unique Korean culture. Moon Guesthouse has achieved satisfactory results in the inbound market and the majority of the

guesthouse's clients are foreign tourists. The facility has been frequently seen on Korean TV programs, which attracts international tourists who are big fans of the 'Korean Wave' cultural movement (Chan, 2007; Lin & Huang, 2008).

4.3 Planning and Development

Traditional cultural accommodations pre-date the national government's official *Hanok-stay* program. The initial project was launched in the late 1980s with the intention to utilize old-fashioned houses as tourism products. This project helped Jirye Artist Colony to open its doors as an accommodation facility and it was designated as the first cultural art village in South Korea. In 2004, the Ministry of Culture, Sports and Tourism (MCST) launched another project to support the operation of *Hanok* houses as experiential accommodation facilities (Oh, 2012). This project facilitated the improvement of infrastructure in both the quality and quantity of accommodations.

The first step in the project was to renovate old-fashioned *Hanok* houses and to equip them with necessary amenities, including spaces for eating. The next strategy was to create experiences in various ways based on cultural themes and activities. *Gotaek/Jongtaek* houses have been upgraded to become gracious traditional accommodation facilities, differentiating them from other old-fashioned *Hanok* houses (Oh, 2012). A pilot project was initiated in 2011 with several traditional *Gotaek/Jongtaek*, including Jirye Artist Colony, and this innovative project is still in progress. Under this project, the government provides financial assistance for the purchasing of Korean traditional furniture, arts and crafts, and ornaments to upgrade the interior of the facilities. Consequently, Jirye Artist Colony, as an example, has been improved greatly and has become a luxurious facility that offers traditional Korean experiences in a sophisticated manner. This facility renewal and marketing project has been supported by a business program called 'Traditional Korean Housing Experiencing Business'.

4.4 Policy

The tourism industry is supported and/or restricted by a number of laws and regulations, which directly and indirectly influence business activities. The principal duty related to tourism policies is to establish a systematic framework to monitor the development process and provide various programs of support, including financial investment. The traditional cultural accommodation sector is supported by MCST in South Korea and 'Traditional Korean Housing Experiencing Business' is the main agency that provides support programs. This organization was established by the 'Tourism Promotion Act'. It focuses on promoting Korean cultural experiences and not just lodging facilities for tourists. Accommodations registered as a Traditional Korean Housing Experiencing Business should possess more than one means of providing traditional cultural experiences in addition to the basic function of accommodation.

As described earlier, *Gotaek/Jongtaek* and *Hanok*-style guesthouses are classified as Traditional Korean Housing Experiencing Business. The major difference between the two groups of facilities is related to their cultural value: i.e., under the law, *Gotaek/Jongtaek* needs to satisfy the added condition of being designated as a cultural property by the 'Cultural Properties Protection Law' or the 'Preservation of Traditional Buildings Act' (Her, 2004). This legal standard acts as a good indicator of Korean tradition by protecting traditional architectural values. Yet, such

requirements also constitute legal barriers for business operations, especially when refurbishing facilities. For example, Jirye Artist Colony had difficulties in upgrading its facility to create customized products and programs to meet guests' needs. Permission was required from the 'Cultural Heritage Administration' when it was necessary to improve the conditions of simple bath and shower facilities to provide convenient services. Many operators of *Gotaek/Jongtak* have argued that removal of the strict regulations is needed as they limit the economic opportunities significantly.

In addition, the criteria of the guesthouse regulations for businesses are not very clear. The policy of Traditional Korean Housing Experiencing Business appears to fail in providing precise guidelines for guesthouse businesses. For example, Moon Guesthouse could have been registered as an urban private room rental business for foreign tourists or as an inn or motels depending upon the operators' decision. However, the guesthouse business is administered by the 'Public Health Control Act' that has only an indirect relationship to tourism. Under such an imprecise system, many unlicensed accommodations operate and this can have a negative impact on the provision of high quality hospitality services and experiences in the traditional cultural accommodation sector. Evidently, the policy issues are connected strongly to broader business service and marketing contexts, and appropriate legal boundaries have yet to be established.

5.0 Conclusion

The *Hanok-stay* program in South Korea has been considered as a case of traditional cultural accommodation facilities and key themes of product and service, marketing, planning and development, and policy have been addressed. The findings demonstrate that traditional cultural accommodation facilities have a potential from the perspective of creative tourism. However, there is potential for greater differentiation and specialization in the products and services offered by *Hanok-stay* and a need to match these with interested market segments. Importantly, in marketing activities, small and formerly locally-oriented traditional cultural accommodations have found ways to promote themselves to international markets. For example, Jirye Artist Colony and Moon Guesthouse have effectively utilized the online marketing tools provided by national tourism agencies to improve their communications with both domestic and international tourists.

Considerable issues in planning and development, and policy that emerged in this study include the leadership of the major tourism agencies that is revealed in both the provision of financial support and online marketing. The *Hanok-stay* program has been influenced strongly by government policies and success has been dependent upon the transformation of the private sector through the establishment of strong public and private sector partnerships, as well as collaboration among the various stakeholders participating in the traditional cultural accommodation sector.

The *Hanok-stay* program highlights a profound paradox that underpins the provision of many heritage tourism products. Visitors, many of whom are urban and sophisticated, expect to experience high quality products and programs, including modern comforts in buildings that retain an atmosphere imbued with tradition and culture. At the same time, success depends on the wise utilization of modern clean technologies, particularly for marketing. Creativity is required to forge a marriage between the 'old' and the 'new' sectors to offer the niche products that are being sought increasingly by discerning clientele.

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