

---

## SUMMARY

---



### Enhancing Competitiveness and Vitalization of Urban Hot Springs Tourism Districts

Lee Syunguk, Kim Taehwan, Cho Panki, Kim Joongeun, An Sohyun, Jeong Yeonjun,  
Yun Jundo, Yim Youngsik, Timothy Lee

**Key words:** Urban Hot Spring Tourism District, Urban Regeneration, Large Vacant Facilities,  
Urban Competitiveness, Tourism Competitiveness

Urban tourism creates jobs and plays as a key economic engine in urban areas. In the past days, hot spring tourism in Korea has played as a major role in regional growth. However, the decline of the hot spring tourism is being accelerated due to the deterioration of its facilities and tourism trend shift. The closure of hotels, condominiums, and resorts has led to a sharp decline in urban jobs and increasing large vacant spaces which causes economic downturn and deterioration of the entire city. Hot spring resources themselves have high potential in terms of urban regeneration and revitalization. However, there are limits for urban competitiveness utilizing only hot spring resources. In order to restore urban competitiveness, it is necessary to consider new models by linking hot springs with local resources. Therefore this study aims to suggest new developing models for enhancing the vitality of hot spring tourism districts, and

---

introducing strategies for securing urban competitiveness with policy directions to support them.

To find out the decline status and major issues of the hot spring tourism districts, this study uses various research methods such as literature review, statistical analysis, expert FGI, and surveys of residents and merchants. In order to analyze the decline diagnosis of the hot spring tourism district, 54 tourist attractions (tourist site, tourist park, special tourist zone) in Korea were selected as the analysis targets and being analyzed based on the major tourism factors. As a result, the following decline characteristics and issues were derived.

First, the hot spring districts has a unique decline cycle unlike the other types of tourist attractions. As the other types shows a repeated cycle of decline and revitalization, hot spring districts shows a steady decline since its boom. Considering the tourism trend shift and the importance of urban tourism, Korean hot spring districts has reached to its limits for natural revitalization by itself. Also due to the nature of Korean hot springs, it is difficult to combine with other industries or contents. Therefore it is a period to invest on deteriorated infrastructures and push forward a urban regeneration project to revitalize hot spring districts.

Second, considering the characteristics of tourist attractions, a differentiated regeneration strategies are needed to revitalize tourism districts. Recently, the Korean government is running the Urban Regeneration New Deal project to revitalize declined urban areas. This project focuses on CBD and residential areas. However, the decline index of tourism attractions resulted differently from the general urban decline. This results suggests that the general urban decline indicators mismatches with the tourism attractions and needs to generate a tourism decline indicator based on commerce and consumption activity of visitors. Therefore, a new diagnosis tool such as transient population

---

and tourism business sales index are needed to respond against the tourism district decline.

Third, a new competitiveness strategy is need for ‘Special Tourist Zone’ in Korean tourism districts. In the analysis of this study, the loss of competitiveness of ‘Special Tourist Zone’ had a significant effect on the decline of hot spring tourism districts. The ‘Special Tourist Zone’ were designated to attract foreign tourists since 1993 with the enactment of the ‘Tourism Promotion Act’. However, this special zones has loosen their distinctions from the general commercial areas and could not respond to the tourism trend shift which resulted as urban decline. Therefore, it is necessary to improve its legal system and strengthen the effectiveness for attracting tourists into the ‘Special Tourist Zone’.

To respond against the issues above, this study suggests a new strategy to vitalize hot spring tourism districts along with strengthening the competitiveness of the entire city. To vitalize hot spring tourism districts this study introduces three fundamental principles; Place marketing, Tactical urbanism, and Do it yourself strategy. For strengthening the competitiveness of the city this study introduces new six strategic models with the combination of hot spring attractions and regional resources. The six models(Hot Spring + @ Model) are ① Hot spring + related new industry, ② Hot spring + MICE business, ③ Hot spring + smart city, ④ Hot spring + nature friendly leisure, ⑤ Hot spring + health care, ⑥ Hot spring + urban tourism.

To support the principals and ‘Hot Spring + @ Model, this study introduces the following policies in terms of urban and tourism sector.

In the urban policy sector, regeneration strategies that reflect the socio-economic characteristics of tourist destinations should be developed, and must clarify the role of public and private sectors to strengthen regional-based

---

competitiveness. First of all, this study introduces a new type of ‘Urban Regeneration New Deal’ project for tourism districts to promote a small-scale regeneration strategy that can induce long-term change by short-term application. In order to diagnose the decline of tourist attractions, new indicator for tourism zones must be developed such as transient population and tourism business sales. Also, the role of public and private sectors should be strengthened for the reuse of large vacant spaces. Lastly, regional competitiveness should be strengthened by linking the tourism and urban master plan.

In terms of tourism policy, a unique characteristic of Korean hot spring must be discovered to strengthen international competitiveness. Also new hot spring tourism business should be developed to respond the social environment shift. Therefor, this study introduces ‘International Hot Spring Tourism Hub Development Project’ to promote and develop a Korean unique hot spring tourism business. This project shall actively utilize the potential resources of hot springs such as well-being and health care in response of population reduction and aging. In order to revitalize hot spring tourism districts, it is necessary to develop a age-friendly design guideline. This guideline must reflect the characteristics of visitors and seek possibilities to improve urban environment along with hot spring resources. In addition, the government must continuously analyze the changes in lifestyles and consumption trends, and improve ‘Special Tourist Zone’ system to achieve a sustainable tourism business.