



P1 (S1): Brokerage and Closure in Japanese Hot-springs Resorts: Empirical Study on Social Capital

Masayuki Kanai

Yamagata University

Inns and hotels in a hot-springs resort are not only competitors but also comrades with each other. They are competitors because they scramble for the same visitors, whereas they must share costs and burdens for publicity and promotion works for assembling guests in order to activate the resort as a whole. According to social capital theory, there are two types of social networks (or resources), brokerage and closure (Burt 2005). The former predicts that the ties to the actors outside ones own group would bring him/her novel information or business chances, so he/she has an advantage to competitors inside the group. The latter suggests that a dense network within a group could promote communication and solidarity, so they become more likely to cooperate. In this article, we investigate the role and function of brokerage and closure networks in hot-springs resorts, using social survey data of 51 resorts (779 inns). (1) As to the management of each inn, the ties to the inns outside its own resort (ex. inviting a lecturer) have a significant positive effect on performance, whereas the ties to the actors inside the resort have a significant negative effect on management. This implies that not the closure but the brokerage type of networks are useful to improve management of each inn. (2) As to the promotion activity or the community building of a resort, the factors which have a significant effect are; an organization which coordinate the allocation of hot-springs, an industry lateral organization for the community building, frequent talks among inn owners on the community building, keen participation in festivals of the community, landladies being born in the community, having similar educational achievements and ages. These variables indicate the dense communication and homogeneous members, both of which are the typical characteristics of closure networks.