

Session: **Sport facility management**

Abstract nr: **EASM-0190**

Regional Innovation and Its Effects: Case Study of a Stadium in Hiroshima

M. Harada¹, D. Oshimi¹, K. Matsui¹

¹*Waseda University, Sport Sciences, Tokyo, Japan*

hide0111jp@yahoo.co.jp

Background

Schumpeter (1912) provides five systems of innovation: (1) the manufacturing and development of a new product through creative activities, (2) introduction of a new method of production, (3) opening of a new market in a particular branch of production, (4) acquisition of a new source of supply of raw materials, and (5) establishment of a new organization in any industry. Uchida (2009), however, notes that in its original dictionary sense, innovation means “introducing a new thing” or “changing an existing thing” and further argues that today, it is possible to conceive of a mode of innovation that is not necessarily limited to the context of technology.

An original agent who fosters innovation is called an innovation actor. The sports industry has many such innovation actors who bring about innovative changes in local areas. This is illustrated by the introduction of new sports (e.g., Nordic walking), new facilities (e.g., stadiums), new leagues (e.g., independent leagues), and new mega sports events (e.g., the Olympic Games), and so on. Such actors induce a chain of innovations in local areas (Harada, 2008). However, no existing study has investigated the influence of a new facility as a possible actor.

In order to address this gap in the literature, this study focuses on the concept of service innovation. In examining the concept of service innovation, Berry et al. (2006) focus on two dimensions of benefits (core and delivery) and services (separable and inseparable). They explain four components of service innovations: (1) flexible solutions, (2) controllable convenience, (3) comfortable gain, and (4) respectful access. This study lends support to their concept of service innovations.

Objectives

This study chooses the Hiroshima Municipal Stadium (baseball park), which opened in 2009, as a subject of innovation and aims to clarify, on the basis of fieldwork, the economic and regional strategic effects that the stadium had on the local area and the regional innovation that it possibly facilitated.

Method

Semi-structured interviews were conducted with nine stakeholders. The interviews were carried out with stakeholders such as the media, real estate agents, tourism companies, and railway companies, who were selected on the basis of a preliminary survey. The main questions dealt

with the following aspects: (1) the economic, political, and strategic (regional) effects in the local area brought about by Hiroshima Municipal Stadium as an innovation actor and its impact on consumer behavior, and (2) the possible regional innovation induced by such effects. The qualitative data were analyzed within the framework of the grounded theory approach.

Results

The analysis revealed the following:

(a) Economic effects

- increase in train passengers on the day of a baseball game
- increase in customers at a hotel
- information on the positive aspects of the area made available to outsiders

(b) Some service innovation

(1) Flexible solutions

- Make extra trains available to spectators
- ? Increased convenience in transportation
- Ticket sales as a new business for tourism companies

? Promotion of streamlining

(2) Controllable convenience

- Using Twitter to maintain relationships between customers and employees
- ? Establish bilateral communication

(3) Comfortable gain

- Set up special accommodation facilities for customers with the tourism companies
- ? Acquire new customers

(4) Respectful access

- Create a map of the areas around the stadium with the assistance of local residents
- Town development through some events

?Renew one's awareness of resources available in the stadium area

Discussion

Analysis of the collected data showed certain economic effects and the four dimensions of service innovation. However, this study revealed the hurdles in regional town development, for example, (1) lack of collaboration between community development and the administrative operation of the stadium and (2) inefficient upgrading of transportation infrastructure. The possibility of community building through sports has been pointed out (Aoyama, 2009; Takahashi et al., 2003). Damanpour and Schneider (2006) suggested that the managerial, organizational, and environmental determinants of innovations should be considered. In other words, it is imperative to establish collaboration between the government, residents of an area, and innovators.

Conclusion

This study showed the economic effects of the construction of a new baseball stadium and the possible regional innovation it can bring about in the future. However, it also showed that there are no innovators involved. To ensure an active community life, we need to reconsider the social significance of public facilities and the implications of the establishment of these facilities from the perspective of town development.

Reference

Berry et al. (2006) Creating New Markets Through Service Innovation, MIT Sloan Management Review, 47(2):56-63.