
Emergent Factors in the Tourism Industry of Thailand

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Abstract: Tourism is an industry of crucial importance to the economy of Thailand. The rise of tourism from China, in particular, has been one of the few dynamic factors propping up the country in recent years. Yet the basic model of Chinese tourism in Thailand is a very basic one that has not developed very far from the zero dollar tourism approach that used to be used. However, despite numerous plans being announced for the future of the country's industry and manufacturing sector, very little appears to have been done to develop a new understanding of and approach to tourism, apart from the emphasis on wellness tourism. Consequently, this paper draws upon the results of a program of qualitative research conducted with a variety of stakeholders in Thailand's tourist sector aimed at trying to identify emergent forces and the possible future means of its development. These are reported on here and some initial conclusions drawn from the results.

Keywords: Tourism, Growth, Stakeholders, Chinese tourist, Thailand

1. Introduction

1.1 Research Background

Tourism is a major economic contributor for Thailand. The Tourism Authority of Thailand or TAT uses the slogan "Amazing Thailand" to promote Thailand globally. In 2015, this was supplemented by a "Discover Thainess" campaign. It is a fact that Thailand's tourism industry contributes towards a big GDP. About 10 years ago, the industry contributed roughly about 6.5% of Thailand's GDP, but over the years it has grown tremendously and it is estimated that it now contribute around 9% to 10% annually. Just by observing the number of tourists and hotels within Thailand, one would actually expect an even more substantial portion of GDP. By summing up everything within tourism industry chain, in 2012, tourist revenue amounted to a staggering 989,928 billion Baht. It is estimated that tourists spend around 4,800 Baht per day. And it is also estimated that tourist usually stay about 10 days for holiday in Thailand.

Data for 2015 on tourism receipts from international arrivals are also available now with 4.544 billion U.S Dollar or 1.457 trillion Baht was recorded with average expenditure per tourist of 15.14 U.S Dollar per day (Exchange rate at the time: 34.25 Baht/1 dollar). This is based on the data on tourism income in 2015 and arrivals by nationality and region for 2015.

Meanwhile, Thailand has consistently dominated the tourism industry regionally within Asia as one of the most popular regional travel destination in 2015. Famous for delectable street food and shopping, foreign tourists stayed a cumulative total of 107 million nights and spent \$15.2 billion in 2015, according to the destination index.

Tourism in Thailand represents a key contributor towards the economy, the objective towards economic development and promotion of tourism as The Eleventh Nation Economic and Social Development Plan (2012 - 2016) can be identified by improving the quality of life in Thailand. This is achieved by leveraging existing resources internally, leading towards self - sufficiency and poverty reduction. All the process is highly integrated by adjusting the production structure towards increasing the value (Value Creation) of goods and services based on knowledge and new innovation within the industry. This include fostering linkages between sectors to ensure higher production value towards the general public especially tourist.

One of the goals of the development and promotion of tourism in The 11th Nation Economic and Social Development plan developing (2012 -2016) is to improve the quality of life in Thailand by constantly developing quality and skilled people so that the local population is able to expand their knowledge, skill sets and income stability within the nation.

A strong and stable set of local community in terms of income and economic development would lead towards a more sustainable community in the future. However, there are many

emergent problems facing the tourism industry, many of which relate to the physical environment. For example, pressure on water resources particularly in the southern islands is intense and probably unsustainable, especially since Thailand's various industries continue to raise demand for water all across the country. Such islands also suffer from the lack of capacity available for dealing with garbage, which now occupies considerable amounts of some island areas. This is before taking into account the unpredictable effects of global climate change. Although some efforts have been taken to promote low carbon tourism, for example by DASTA (Designated Areas for Sustainable Tourism Authority), there remains the paradox that long-haul tourism, on which Thailand relies, requires an expenditure of carbon which could not be equaled by any measures taken while tourists are in country (Walsh & Apivantanaporn, 2015). Further, the principal increases in tourism arise now from Chinese travelers who routinely arrive as part of group tours and it is very difficult to interest them in more sustainable tourism events when their schedules are packed with the kinds of activity that people expect to witness (cf. Walsh & Techavimol, 2007). There is a tension between what government spokespeople claim for desired changes in the tourism industry, moving more towards wellness and the experience economy, and what is happening on the ground, where continued mass tourism poses other problems for people on the ground and the daily management of issues that arises as a result.

1.2 Research Problem

As tourism is a key economic factor for Thailand and with the increase number of tourists each year, this research is an attempt to identify how the future of Thailand's tourism especially in the coming years as well as the key selling point of the tourism products or services of Thailand. This qualitative study will examine the key reason of the tourism products or services provided at the destination that attracted more tourists. Apart from that, this study will identify the improvement needed for all tourism stakeholders in Thailand especially the tour operators.

2. Literature Review

Historically, tourism concept was originated from Europe. Most of European preferred traveling and visiting beautiful and attractive places, and spending their time in other countries with their friends and family whenever they had free time. Such kind of movement becomes notable; and eventually, emerged as the business of tourism (Pearce, Morrison, & Rutledge, 1998). Since then tourism becomes a very common concept for every generation. Tourism can be described into different ways. Some tourists define tourism as a group of business that provides facilities and service to the tourists themselves. With the comprehensive services delivery, tourists can relax and enjoy their time during vacation holidays; and then release all the pressure from their normal routine job.

One of other definition of tourism given by WTO (2016), tourism is the provision of services for all travelers worldwide with an aim of income generation, recreating employment, economic contribution, promote better relationship with different countries, learning new cultures and experiences and etc. so, tourism does stimulate enormous investment infrastructures, create new employment and business, most of which can help to improve the living conditions of the local people.

In general, tourism does not only serve the travelers, but it also brings advantages back to both direct and indirect stakeholders whom providing the service and products for the travelers as well. Subsequently, tourism becomes a popular industry attracting a various local residents to form their business in the tourism sector.

2.1. Tourism business in Thailand

Based on the Master Card 2014 and 2015 Global Destination Cities Index (Hedrick-Wong & Choong, 2015), Bangkok was ranked number two of the world's top-20 most-visited cities, trailing only London. The Travel and Tourism Competitiveness Report 2015 published by the World Economic Forum (2015) ranked Thailand 35 of 141 nations. Among the metrics used to

arrive at the rankings, Thailand scored high on “Natural Resources” (16 of 141 nations) and “Tourist Service Infrastructure” (21 of 141), but low on “Environmental Sustainability” (116 of 141), and “Safety and Security” (132 of 141).

Among the reasons for the increase in tourism in the 1960s were the stable political atmosphere and the development of Bangkok as a crossroads of international air transport. The hotel industry and retail industry both expanded rapidly due to tourist demand. It was boosted by the presence of US GIs who started to arrive in the 1960s for rest and recuperation (R&R) during the Vietnam War.

Coincidentally, international mass tourism sharply increased during the same period due to the rising standard of living, more people acquiring more free time, and improvements in technology making it possible to travel further, faster, cheaper and in greater numbers, epitomized by the Boeing 747 which first flew commercially in 1970.

Thailand was one of the first countries in Asia to capitalize on this new trend. Tourist numbers have grown from 336,000 foreign visitors and 54,000 GIs on R&R in 1967 to over 29 million international guests visiting Thailand in 2015.

The average duration of stay in 2007 was 9.19 days, generating an estimated 547 billion baht, around 11 billion Euros. In 2015, 6.7 million persons arrived from ASEAN countries and the number is expected to grow to 8.3 million in 2016, generating 245 billion baht.

The largest numbers of Western tourists came from Russia (6.5 percent), the UK (3.7 percent), Australia (3.4 percent), and the US (3.1 percent). Around 55 percent of Thailand’s tourists are return visitors. The peak period is during the Christmas and New Year holidays when Western tourists flee the cold winter conditions at home.

Thailand has varieties of tourist attraction, people are hospitable, and highlighted as value for money in terms of destination. Thailand has emphasizes on the tourism industry for more than 60 years ago by setting up Tourism Authority of Thailand (TAT) which is specifically responsible for the promotion of tourism.

The main objective of the National Tourism Development Plan, 2012-2016, is to place Thailand among the top five destinations in Asia. Toward this aim, Thailand will enhance the international competitiveness of its tourism industry for generating more income which is targeted at two trillion Baht by actively promoted Thailand as a high-quality destination, targeting new markets and offering new niche products and services to attract more visitors from niche markets, particularly in five key sectors: golf, diving, ecotourism and adventure, weddings and honeymoons, and medical and wellness tourism (Apisitniran, 2017).

To support for sustainable tourism development, it needs to have a proper planning and comprehensive strategic management. Interestingly, the tourism development planning should have a precise objective of what to achieve and what else needed to support.

3. Research Methodology

The study is particularly emphasized in obtaining information and feedback from the tourism stakeholders within Thailand.

The researcher has chosen to conduct qualitative research method for this study.

In conducting the research, the following key methodology was applied throughout the study;

1. Determine population and sample
2. Create tools for the research
3. Data collection

- 4. Preparation and analysis of data
- 5. The statistical methods used to analyze data

3.1 Population and Sample

The population data that was used in this study was obtained from hotel sector, tour operators, tour guides, TAT officers, and transportation officers. In total there were 30 respondents.

Sample Design

The data samples of this study were randomly selected within tourism business entities in Thailand consisting of 30 individuals for an in-depth interview through quota sampling approach. Table 1 represents the details information of the selected interviewees.

Table 1: Samples of interviewees

Tourism-Related Sectors	Samples
Hotelier	6
Tour Operator	6
Tour Guide	6
Tourism Authority of Thailand (TAT) staff	6
Transportation company staff	6
TOTAL	30

3.2 Tools for the research

The tools that were used in this study for data collection was a set of interview questions which consist of the followings;

- 1. What is your experience in the tourism industry?
- 2. What are the major issues in Thai tourism today?
- 3. How well the Thailand provides the services that tourist wants?
- 4. How will the tourist in the future be different from today?
- 5. How will tourist services provider have to adapt to the future?
- 6. Any other comments or suggestions?

3.3 Data Collection

When it comes to data collection, the study was conducted by following the steps as outlined below:

1) Secondary data

In the first step, the emphasis was placed towards studying the background of the topic, research problem, key objectives of the study, any relevant concepts, existing and past theories that is related to the research study, past findings and any other relevant information which were analyzed and processed towards a more concise and targeted information.

The source of all the information within the parameters as stipulated above was obtained from the relevant documents, books, journals, internet, tourism report, tourism statistics, research, thesis, conference, and etc.

However, the major concern is that only by just relying on this information might not give an accurate analysis and result to form an opinion or a judgment. It is simply not accurate to depend on all the above fact for the completion of this study and therefore, the researcher has decided that to make this study more reliable and at least represent a more valid and up to date information, a further step is needed. This can only be accomplished by seeking and getting the feedback and comment from an interview as well as participation from related stakeholders towards this study. Thus, a primary data is needed to complement the secondary data.

2) Primary Data

The second step is the interview. The interview will address all the issues identified and form the framework of the findings.

Primary data was gathered by random selection of the interviewees from the key stakeholders whom are already working within the tourism industry in Thailand. These are the subject matter experts who are directly involved towards the day to day activities related to Thailand tourism. These participants are from hotel sector, tour operators, tour guides, TAT officers, and transportation officers.

The interview was conducted over a period of 30 days between 1000 hrs to 1800 hrs from 15th December 2017 to 15th January 2018. All data collection was done thru a voice recording and short notes in a live physical face to face interview.

3.4 Preparation and data analysis

All data collected was analyzed using approved statistical methods. The process is as follows;

Interview

- 1) The researchers have conducted content analysis from all information or answers obtained from an interview.
- 2) After the contents have been organized into a group that has similar meaning, the frequency distribution has been used for the findings from an outcome of the repeating content.
- 3) Analysis of data for the purpose of education. Presentation and analysis in the form of description (Descriptive Analysis).

3.5 The statistics used to analyze data

The statistics used to analyze data are as follows;

- 1) Content Analysis
- 2) Frequency distribution
- 3) Descriptive Analysis

4. Finding and Discussion

4.1 Research Finding

The aim of this study is to figure out how the future of Thailand's tourism industry will look like, by using open – ended questions to the randomly selected of the interviewees from the key stakeholders of hotel sector, tour operators, tour guides, TAT officers, and transportation officers. After all data has been analyzed, the conclusion from each interview questions is as follows.

Question: What are the major issues in Thai tourism today?

The negative impact of mass tourism toward natural resources and culture of Thais are going to be influenced by Western style.

The negative impact of mass tourism toward natural resources, natural resources should be preserved. Thailand has no proper government entities who responsible for protecting our natural resources. And Thai people need to be aware and learn to protect our resources by ourselves too. Human resources are also played an important roles in tourism industry, Thailand need to keep educating our people in tourism industry to have a hospitality and excellent service (Not to cheat tourists) to compete to other countries that are also the choice of tourist destination.

The uniqueness of Thai culture need to be protected, Thailand has beautiful culture; we respect each other, and always welcome tourists from all over the world with heart and hospitality. For example, men protect women, wife respect husband, and younger people respect elderly. And Thailand is the land of smile.

Question: How well the Thailand provides the services that tourist wants?

A complete range of services is available in Thailand, such as hotel, we have full range of hotel, for example, 2 - 5 star hotel, international hotel chain or cheaper guesthouse.

We have every mode of transportation, for example, taxi, BTS/MRT, van, car, coach, boat, cruises. Tourists have variety of choices for them to choose depend on their budget.

Thailand has many and variety of tourist attractions, for example, nature, trekking, water fall, river cruises, international cruises line, temple, zoo, shopping, night market, local village, beach, hi-end department stores. Tourists can travel around Thailand with different scenery, for example, Bangkok is city living with rich of culture, Chiang Mai is natural scenery with local experiences, Koh Samui is relaxing beach with many of 5 star resorts and many small islands around the area. Tourists can travel to each destination in Thailand with affordable price.

Question: How will the tourist in the future be different from today?

In the future, tourists will arrange the trip and travel on their own by using online channels, for example, book tickets, book hotel, using Google maps to go from place to place. Tourists will have less dependent on tour operators.

The behavior of tourist in the future is obviously being different from today type of travelers. It has been predicted that in future most travelers or tourist will be highly technological driven. Destination information, customize online travel, seamless payment channel and travelling option will be all available thru a mobile devices such as smart phones or tablets. Future tourist will be travelling towards more remote and new destinations, and travelling cost is predicted to be lower than what it used to cost today due to competition and oversupply of product in the market. We will see as well more tourist within the category of senior citizens as these are the people with the excess wealth and unlimited time for them to spend during retirement age.

Question: How will tourist services provider have to adapt to the future?

The tourist service providers should have other language skills, not only English. And should learn, adapt, and keep updating to the new technology especially the online tools.

In the future, price factor alone is no longer the criteria in any business to keep their balance sheet clean. Tourist Service Provider has to provide a consistent excellent service to their list of clientele in the form of new digital application via mobile devices such as smart phone or tablet. Customer interaction is expected to be at 24 hrs basis 7 days a week. Keeping customer

informed and being readily available at the moment notice is one of the prime criteria to stay competitive in this travel industry. In future, customer will be more demanding and the ability of the tourist service provider to be flexible in accommodating the customer demand will ensure repeat business and thus excellent word of mouth reference for the travel company.

Question: Any more comments or suggestions?

Natural ecological system of Thailand which is limited and if not protected will lead to artificial tourist attraction.

Despite of the obvious benefit of tourism that contributes economically towards the nation GDP, the other concern is the impact it create both at social and cultural level as well as environmental level. From social and cultural perspective, the increase volume of traffic could lead to overcrowding situation and poor sanitation which could lead to diseases that could affect both tourist and local. The intrusion of foreign tourist may create cultural misunderstanding and to a certain extend the local community could be copying the lifestyle of the foreign tourist and the result could be a long term loss of customs and traditions. From the environmental perspective, mass tourism will lead towards overdevelopment which comes at the cost of nature. More forest area would have to go in order to reclaim the natural resources for the tourism development. Due to more footfall and traffic, more transport, more noise, improper waste disposal all of which will lead to pollution increase in that area and thus upset the ecological balance of the region.

4.2 Discussion

Thailand is now moving away from mass tourism toward value added tourism. The government has included "medical and wellness tourism" in the 10 target industries to be given a major boost as new engines of growth, under the "Thailand 4.0" policy, by developing Thailand as a medical and wellness tourism hub. Thailand 4.0 requires the country to switch to a value-based economy driven by innovation. Major drivers of the economy must switch from commodities to innovative products, from industry to innovative technology, and from manufacturing to services.

TAT says it will move towards Thailand 4.0 with five mechanisms: sustainable tourism management; development of environmental factors and infrastructure to support tourism; modern marketing for future changes; establishment of tourism enterprises and start-ups based on innovation; and an efficient network of private and public agencies here and overseas throughout the tourism supply chain. While the environmental factors will be taken into account as tourism infrastructure is developed, modern marketing will work to keep pace with technology and fast communications.

A case study: from the news on 1 Feb 2018 of Koh Chang, a role model of the Thailand 4.0 agenda.

The government has accepted in principle seven projects proposed by the residents and business operators of Koh Chang. Prime Minister Prayut said he hoped the seven proposed projects would transform Koh Chang, the country's second largest island after Phuket, into a model of eco-tourism city, with quality and safe farm products, skilled labor, strong community and efficient natural resources management.

The seven proposed projects include: development of a road around Koh Chang; Klong Prao reservoir project; garbage separation plant project; project for feasibility study and design of a waste water treatment facility; public pier project; health system development project to accommodate the need of tourism business and a manpower training center to produce personnel in tourism and service sector. These projects are aimed at a new form of destination management in which local attractions are reorganized and repackaged into sustainable destinations which are monetized, both to help provide resources to ensure sustainability and also to make sure that money remains in the area in which it is generated. One important

problem with tourism, particularly in Thailand, is that it can be used to generate revenue but most of that money is drained from the local economy and back to Bangkok or otherwise into the pockets of large-scale investors. That is because most money is spent on food and beverages imported into the area or else on accommodation on hotels and guest houses owned by external investors. If, as the governmental institutions have intended, local destinations offer opportunities for tourists to spend their money productively – international tourists in particular are unlikely to spend much money on traditional Thai cultural institutions (e.g. wats) unless they are met with a substantial (and often unwelcome) entrance fee. Encouraging local tourists has, in this case, an additional benefit as well as promoting gross numbers of qualitatively changing the nature of tourism and expenditure during it. This is because Thai people are more familiar with local cultural practices, self-evidently and, therefore, more willing to spend money on cultural activities. In the current research, few respondents appeared to be aware of these issues and scarcely mentioned them; instead, they were more likely to be focused on everyday problems and issues. There is an opportunity, as a result, for the opening of new channels of communication between actors within the tourism industry at different levels and at different stages of development of the sector.

For the data above we will see the gap of what the government is trying to do and what the people understand.

5: Conclusion and Recommendation

5.1 Conclusion

This research provides an understanding of how the future of Thailand's tourism will look like in a broader view from all key stakeholders in tourism industry. This study will benefit the government, tour operators, society, and the researcher. Government department will be guided on what should be prioritized to improve the tourism products. Tour operators will be guided on what should be adopted in selling their tour package to the tourists. For the researcher, this study will help to understand more on the future of Thailand's tourism.

Tourism is an industry that unites the interests of both the public and the private sectors and they need to work together in order to develop the sector in a desirable and appropriate manner. Thailand's developmental state strategy has not always been optimal in this regard, in that it has been difficult to discern the stable and predictable flows of resources required, in addition to the genuine social capital required to attract people to the cultural-experience economy of contemporary tourism. This in turn means that there are potential opportunities for improvement in terms of enhanced coordination between actors in the tourism industry at better levels and the more efficient sharing of information. There is a role for academic research in this regard, since it is necessary to take an independent view of these issues and provide an objective assessment of the facts and the gaps between vision and practice. Implementing these changes subsequently may not need an academic input directly, although that is likely to be helpful nevertheless.

5.2 Research Limitations

One problem has been the research limitation on timing, for an in-depth interview need the same availability of timing for both interviewer and interviewee. And the open – ended questions needed more time for the interviewees to think and sometimes the interviewees have to ask the questions back to the interviewer due to the answer can be varies upon the understanding of the readers. And if the researcher had more time for the period of data collection, the researcher can get more interviewees to answer the interview questions.

5.3 Suggestion for the future research

It is recommended to do more research for marketing strategies that can be used by tour operators to attract more customers to buy their tour packages. This marketing strategies need to compete or being an option to attract customers who tends to travel on their own by using online channels (less dependent on tour operators).

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