

Challenges to Thailand's Competitive Tourism Position

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The Royal Thai Government, Thailand

By



on the occasion of a meeting

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at the Ministry of Tourism and Sports, Bangkok

1. About PATA and the PATA Thailand Chapter

The Pacific Asia Travel Association is qualified to talk about travel and tourism trends

About PATA

Founded in 1951, PATA is the recognised authority on Asia Pacific travel and tourism. PATA provides leadership and advocacy to the collective efforts of nearly 100 government, state and city tourism bodies, more than 55 airlines and cruise lines, and hundreds of travel industry companies. In addition, thousands of travel professionals belong to dozens of PATA chapters worldwide. PATA is a not-for-profit organisation.

About the PATA Thailand Chapter

The PATA Thailand Chapter has over 100 member organisations from the private and public sector including hotels, tour operators, airlines, government agencies, educational institutions and related tourism specialists.

The Chapter is a voluntary not-for-profit membership organisation that supports the responsible development of the travel and tourism industry in Thailand. The Chapter organises tourism training seminars, disseminates useful information to its members and the media and supports the strategic objectives of PATA head office. The Chapter comprises both private and government sectors.

2. The Current Situation Affecting Tourism in Thailand

PATA Chapter members are concerned that Thailand may be losing its competitive tourism edge in the international marketplace

The Kingdom of Thailand has long been associated with successful international tourism with foreign inbound numbers rising from less than 100,000 per annum by the end of the 1950s to a record 14.46 million last year (2007).

Over the last 50 years these arrivals numbers have declined on only five separate occasions. The overall performance of the travel & tourism Industry has, therefore, been exceptionally robust over the longer term.

However, this success has not been in isolation. Many Southeast Asia destinations have similarly accepted tourism as a positive economic force and embraced it with appropriate resources and capital.

As a consequence – and even though the numbers have generally continued to improve for Thailand – the Kingdom now finds itself in a relative-share position with Southeast Asia similar to where it was back in the early 1990s.

The PATA Thailand Chapter is concerned that the tourism industry in Thailand may be moving into a negative cycle, or -- at best -- a period of stagnation.

This is supported by a variety of other tourism-related indicators including:

2.1 Slow arrivals growth

2.2 Air seat capacity is stagnant while competitors in the region grow

2.3 Investment uncertainties: Security in the Deep South and demonstrations on Bangkok streets hurt both investment and tourism.

2.4 Recurring negative issues covered by the Press: Continuous negative press reports on the present uncertain political situation and the problems in Southern Thailand are hurting Thailand's image.

2.5 Safety & Security:

- The situation of the PAD demonstrations to be solved soonest
- The Tourist Police force should be increased at all major tourist centres throughout Thailand

2.6 Unrest in the Deep South: To find a solution to the problems in Southern Thailand as this is a major concern

2.7 Education and Training: Our industry needs a primary focus on developing skilled manpower to take on the range of jobs required to be filled in an expanding economy.

The PATA Thailand Chapter would like to congratulate TCEB for its continued support of MICE Educational Programmes.

2.8 Lack of New Tourism Products: Thailand is falling behind in the development of tourism infrastructure compared to our Asian competitors who are developing theme parks, Formula 1 motor racing, casinos, integrated resorts and national parks with value-added attractions.

Thailand cannot survive on a reputation for good service, cheap food, sand and sun alone.

3. Tour Operator / Travel Agent Sector: Issues & Challenges

PATA Thailand Chapter's tour operators have pinpointed the following areas of concern that they believe should be addressed

3.1 Better facilities needed at Suvarnabhumi, Phuket and Krabi airports:

- To simplify the entry/exit procedures for Immigration at Suvarnabhumi, Phuket and Krabi airports; we suggest the Singapore or Malaysia models be used.
- Long processing time occurs during winter season when international/charter flights of all nationalities arrive and depart at similar times. More Immigration officers are needed at all airports, especially Phuket.
- One additional x-ray machines to scan luggage are needed at Phuket departure hall entrance. At present there are already two x-ray machines. One extra will mean a 50% increase in speed, thus reducing the queues

outside the departure hall. Suggest to move one of these x-ray machines from Don Muang Airport if possible.

3.2 Transportation

- To provide fuel subsidy to travel agents which have their own transportation in order to be competitive
- To encourage the easy availability of comfortable air-conditioned meter taxis at resort destinations such as Pattaya and Phuket.

3.3 Sustainable tourism

- To promote, encourage, support and help tourism companies with ideas, projects and initiatives which could help the development of carbon-free, renewable energy solutions for transport, air-conditioning and hotel garbage handling.
- We need to start limiting the use of plastic (e.g. plastic bags and bottles) and Styrofoam food containers at tourism destinations.
- Many affluent overseas tourists and tour operators now insist on only spending their money with responsible, sustainable hotels, tour operators and airlines that are environmentally certified.

Ends