

Challenging times for Thai tourism

Thailand is a top tourist destination hosting nearly 30 million visitors a year, but with big numbers, come some big problems

David Beirman

9 March 2016

From civil unrest to terrorism and increasing threats against visitors, Thailand has a struggle on its hands to maintain its reputation as a safe tourist destination, writes David Beirman.

Thailand is among the world's top tourist destinations, hosting nearly 30 million international visitors in 2015, a rise of nearly 6 million in just a year. But its growing popularity makes it vulnerable, as the country struggles to balance tourism's 16 per cent total contribution to its economy annually with potential risks to its visitors, and a poorly regulated industry. Simply put, its reputation is at stake.

Thailand currently ranks 10th in the world as a destination, and number three in Asia after China and Hong Kong. In 2015 Thailand hosted 29.8 million international visitors, up from 24 million in 2014, including 900,000 from Australia.

This dramatic growth surge has exceeded the Thai Tourism Authority's most optimistic expectations. The industry now directly employs more than 2 million Thais, with tourism's direct contribution to GDP an estimated 8.6 per cent, according to the World Travel and Tourism Council. The economy is increasingly dependent on tourism.

But tourism's growing significance brings an attendant vulnerability. Thailand's popularity is largely predicated on being a safe, welcoming and high value-for-money destination. It's a fragile reality, however, as civil unrest, crime, acts of terrorism, natural disasters and the fear of pandemics can rapidly damage the country's appeal.

The industry has weathered many reputational storms. While it only recorded 12 cases of SARS in 2003, it was a victim of the media hysteria over SARS in Southeast Asia, with 1.5 million less tourists visiting Thailand than in 2002. The Indian Ocean Tsunami in December 2004 posed a greater challenge as half of the 12,000 tsunami deaths in Thailand were foreign tourists, many staying in seaside resorts in and near Phuket.

In more recent years, civil unrest centred in Bangkok in 2009-10 and more recently in 2014 have tarnished Thailand's peaceful image. This was exacerbated by terrorist attacks in central Bangkok in August 2015. Although the deadly conflict between Islamic separatists and the Thai military near Thailand's frontier with Malaysia has been festering for years, it's far off the tourist track.

Difficulties aside, Thailand has proven to be the very model of a resilient tourism destination. The <u>Thai Tourism Authority</u> (TAT), with considerable support from the Bangkok-based <u>Pacific Asia Travel Association</u> (PATA), are among the world's leading exponents of post crisis-tourism recovery. The Thai Tourism Authority is very quick to offer media and tourism industry leaders from primary source markets the opportunity to have a first-hand inspection of Thailand's recovery from a wide range of crises. Consequently, this exposure restores market confidence quickly.

However, while Thailand continues to excel in reacting to crisis events, its Achilles heel has been its reluctance to proactively address ongoing risks to tourists.

As a destination, Thailand has enormous appeal. It offers significant scenic and cultural diversity, a high-quality low-cost tourism infrastructure and people who are largely welcoming to tourists. However, mass tourism anywhere in the world attracts a criminal element and Thailand is no exception. Prostitution, opportunistic robbery, scams, rape and assaults are an unsavoury feature of some of Thailand's more popular tourism attractions and nightspots. Popular tourist nightspots such as Pattaya attract many cashed-up tourists who have shed their inhibitions and, at times their common sense, making them easy targets for opportunistic petty criminals and even violent criminals.

Of course some tourists in Thailand engage in risky behaviour, which can result in injury or death. Examples include the full moon festival, which attracts young revellers who'll drink and take drugs, with consequences including injury or death, or it could be tourists who hire motorbikes, for which they lack the skills or road sense for Thai conditions.

These may be behavioural choices, but the lack of regulation of businesses means that <u>Duty</u> of <u>Care</u> is an alien concept for some Thai tourism providers.

In November 2013 I was one of two keynote speakers at a conference in Bangkok, sponsored by the Thai Tourism Authority and PATA. The conference focussed on marketing safety and security in Thailand, and was attended by over 100 Thai tourism industry leaders. The main resulting message was that Thailand and the TAT should be more proactive in warning and advising international tourists about threats to their safety, and how to minimise their exposure to risks. Many countries have found that providing such information enhances their reputation as tourism destinations. Japan, South Africa, Trinidad and most Caribbean countries are just a few of that routinely do this.

The Thai tourism leaders were concerned that if they provided such warnings they would lose face in the eyes of prospective tourists by admitting there were dangers in travelling to Thailand. We pointed out that the governments of most of Thailand's key source markets already included such warnings in their travel advisories. The Thai Tourism Authority warmed to the argument, but the 2014 coup and changes within TAT resulted in no real action.

Thailand is literally banking on a significant growth in tourism over the next few years – it is widely forecast that by 2020, 50 million international tourists will visit the country. In February 2016, Mr Yuthasak Supasorn, Governor of the Thai Tourism Authority, expressed concern about Thailand's capacity to host such a large influx of tourists, and called for promotional marketing to focus on a more select, high-end tourism market.

Irrespective of the market Thailand seeks to attract, the future of Thai Tourism and its reputation will depend largely on Thailand's ability to proactively confront safety concerns. Like it or not, safety is now the leading motivational factor in destination choice, and Thailand's reputation rests on it.

This article is published in collaboration with <u>New Mandala</u>, the premier website for analysis on Southeast Asia's politics and society.

About the Author



David Beirman

Dr David Beirman is a Senior Lecturer of Tourism at the University of Technology Sydney. Management Discipline Group UTS Business School.