

Development and Management of Tourism Products: The Thai Experience

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INTRODUCTION

Many developing countries have relied upon tourism as a means of acquiring foreign exchange, generating income and creating employment for the local people. Even in newly-opened socialist countries like Indochina and Eastern Europe, high hopes have been placed on tourism as the pioneering sector to bring quick economic benefits with little investment. In Thailand, after the Asian crisis in 1997, tourism has become one of few bright spots in the Thai economy and has managed to propel the sagging economy to a certain extent.

The success of Thai tourism has promoted some of its neighbors to emulate aggressive tourism promotion campaigns. Increasing price competition within the region has raised concern over long-term sustainability. New products, based on natural resources, cultural heritage and traditional wisdom have been exploited to achieve maximum tourism income. Shopping has also been added as one of the tourist attractions.

The strategy of selling nature and culture have been severely criticized as having transformed both, but not for the better. Moreover, the benefits of tourism are believed to be unevenly distributed between large and small tourist operators, while costs, if any, are shouldered by locals who have derived no direct gain from tourist promotion. These are some of the concerns that prompt a revaluation of tourism development for the coming years. This paper investigates some of the issues faced by and strategies used by Thailand to promote tourism.

GROWTH AND FUTURE PROSPECTS

Compared with the world's top tourist destinations such as France, Italy and Spain, which each host between 35 and 70 million visitors a year, the Thai tourist economy — accommodating 8-10 million international tourists — cannot be considered large (Table 1). Measured in relation to Gross Domestic Product (GDP), however, Thailand's tourism income is quite significant. Compared to tourist arrivals in countries endowed with the world's wonders such as Egypt (with 3.21 million tourists) and other Asian countries such as India (with 2.36 million tourists), the Thai tourist industry has clearly been an economic success.

Tourism in Thailand reached a significant size for the first time in the 1990s (Table 2). The period during the country's Sixth National Economic and Social Development Plan (1987-1991) could be called the "Golden Age of Thai Tourism," when tourism income, estimated at 50 billion baht in 1987, doubled within 3 years (Table 2). By 2001, the total number of