



# THAILAND THE GREATEST STORY

IN GLOBAL  
TOURISM HISTORY

A 60TH ANNIVERSARY TRIBUTE TO  
THE TOURISM AUTHORITY OF THAILAND

Key  
Developments

# 2003

- 
- The World Youth & Student Travel Congress held in Pattaya, Oct 12
  - U.S.-led Invasion of Iraq and Gulf war
  - SARS Crisis



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# ADVANCING INTRA-REGIONAL TRAVEL VIA INDONESIA-MALAYSIA-THAILAND GROWTH TRIANGLE



**Mr. Mana Chobtham**

*Director, Agency for Coordinating Mekong Tourism Activities (AMTA)*

## **10TH IMT-GT SENIOR OFFICIALS MEETING 3 APRIL 2003 KANGAR, MALAYSIA**

Sawasdee-khrap, Selamat Pagi and good morning, ladies and gentlemen.

It is a great pleasure to be here today at the 10th Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT) Senior Officials Meeting. Allow me to compliment and thank our Malaysian hosts for their excellent arrangements.

We are meeting here at a very difficult time for the global travel & tourism industry. However, we have to move on and look ahead. And as we do so, it becomes obvious that the way ahead lies in promoting intra-regional travel. This has been one of our major objectives for a long time except that now it has assumed even more significance than before. Latest figures available show that in 2002, visitor arrivals into the IMT-GT region declined by 8.7% to 7.1 million. Conflicts, be they local, regional or global, are never good for tourism. Nevertheless, we have to press on and see what we can do in spite of the fact that people are not in a mood to embark on holiday travel.

We can be proud that sub-regional groupings like ours are playing a major role in promoting tourism, facilitating investment, creating jobs and supporting thousands of small and medium-sized enterprises (SMEs) which are the backbone of our economies. I think we are also a good example of how governments and the



private sector can work closely to build a strong and sustainable tourism industry.

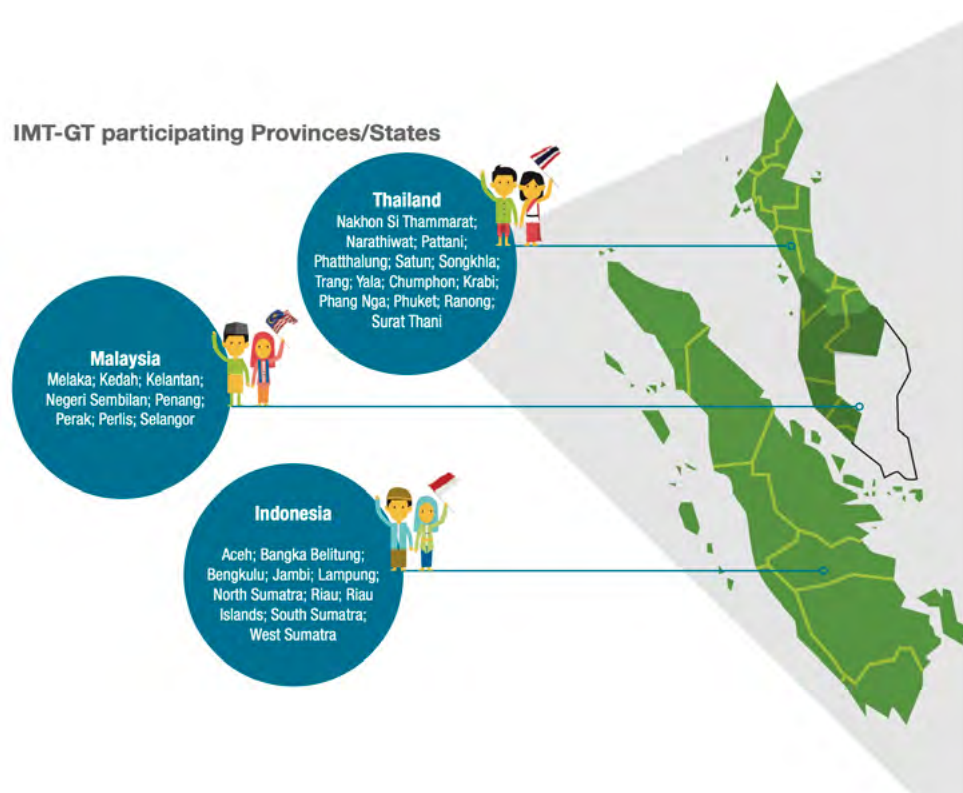
Ladies and gentlemen,

A lot of progress has been made over the years. This working group has now been repositioned as the IMT-GT Implementing Technical Group on Tourism (ITG) so that the focus may be more on implementation. This will help the ITG adopt a clear and systematic path to ensure that our marketing and development projects are in line with the overall regional action plan. In line with our new repositioned focus, we need to set in place a mechanism to track the implementation of these plans, including coordinating with other government agencies to overcome any impediments we may face.

The groundwork has clearly been laid. The TAT has supported a research study on potential target markets for the IMT-GT region to help us better define our strategy. Indonesia is to arrange the IMT-GT marketing training program in Medan, North Sumatra in 2003. Moreover, MITTAS, the private sector grouping, has been working closely with the National Tourism Organisations on marketing activities. These include formulation of tour packages, participation in travel fairs, fam trips, auto-ventures and others.

The TAT has worked with MITTAS and Indonesia to jointly create tour packages combining the main and secondary attractions of the IMT-GT region. The Marketing Task Force is also developing spa packages to compliment the present IMT-GT destinations. The new IMT-GT Road Map will cover Singapore-Malaysia-Thailand to promote overland and family tourism.

We have also participated in travel fairs like the ATF in Yogyakarta in 2002 and Phnom Penh





***“ Our senior ministers and indeed the people of our respective countries now want us to act rather than talk. Implementation requires both funding and commitment, and we will need to come up with both. ”***

in 2003, the PATA Travel Mart in Singapore in April 2002, and the IMT-GT Travel Fair in Medan, Indonesia. In October 2003, Indonesia is planning to organise a fam trip of travel writers from Netherlands, and Thailand is planning to organise one of writers from Japan. Moreover, the IMT-GT Auto-venture route Had Yai-Yala-Satun-Perlis-Penang-Medan is scheduled for 22-29 July 2003.

We are also hoping to move ahead with the development of the Langkawi-Tarutao environmental zone, which needs to be carefully managed. This pristine area is clearly one of the region's best selling points but we need to ensure that it does not get overrun by visitors and that the economic and ecological aspects are in balance.

While most of the visitors into the IMT-GT region are clearly overland travellers, we do need more flight capacity to bring visitors from other parts of ASEAN, India and China. National carriers of the member countries have been requested to consider opening a Had Yai - Medan flight. If the national carriers are unable to do so, this and many other potential routes should be opened up for the smaller privately-owned airlines to operate.

Ladies and gentlemen,

The IMT-GT sub-region is a very important component of our overall cooperation plans within the framework of ASEAN tourism. We play a critical role in promoting intra-ASEAN tourism, and our role will become more important with the implementation of the ASEAN Free Trade Area (AFTA) in 2003. Our senior ministers and indeed the people of our respective countries now want us to act rather than talk. Implementation requires both funding and commitment, and we will need to come up with both at this important meeting. I look forward to our deliberations and to a successful conclusion which we can positively report forward to our ministers and the general public.

Thank you very much and Sawasdee-Khrap.



# DEVELOPING THAILAND AS A HOLLYWOOD OF ASIA



**Mr. Suraphon Svetasreni**

*Director of Tourism Resources  
Development*

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## **SEMINAR ON FUTURE POTENTIAL OF THAI FILM INDUSTRY 24 APRIL 2003, BANGKOK**

Sawasdee-Khrap and good morning honoured guests.

I am very honoured and delighted to address this seminar about the future potential of the Thai film industry. Thank you all for being with us in a common forum designed to address issues related to making Thailand into a “Hollywood of Asia”.

I think we will all agree that a thriving film industry in Thailand can play a major role in promoting a proper ‘image’ of Thailand world-wide. In terms of income, image and visitor arrivals, there is little doubt that the film industry can contribute positively to a thriving travel & tourism industry, too. However, we also have to learn from past experiences and understand that cultural, social and environmental sensitivities also have to be addressed and managed. Therefore, the Tourism Authority of Thailand firmly believes that both must go hand in hand so that the benefits may be mutual and long-term. I will speak a little more about this later.

The Thai film industry has been come up well over the past few years. There have been many opportunities for us to raise the standards of Thai movies to an international level, in terms of both business and international festivals overseas. I would like to compliment and congratulate all those who are working in the Thai and international movie business for their strong efforts in this regard.



***“ The TAT has also been given responsibility for marketing the country and attracting more international filmmakers to Thailand for film production. ”***

Thailand is becoming increasingly popular as a shooting location for film-makers. The public sector, the coordinating group of the film business, which now comes under the Ministry of Tourism and Sports, is considering ways to make it easier for overseas filmmakers to get work permits and comply with other regulations to ensure that their projects are facilitated quickly and within budget. We are trying to make it possible for permission to be given for VDO advertisement shoots within one day, and no more than two weeks for feature-length films.

Moreover, the TAT has also been given responsibility for marketing the country and attracting more international filmmakers to Thailand for film production. At the moment, we are not doing too badly. During 2000-2002, the number of shoots for feature movies, long advertising spots, television programmes and music videos rose from 402 to 481. More significantly, the budgets involved in these shoots rose from 450 million baht to 1,401 million baht per year during that period. During the first two months of 2003 alone, a total of 85 shoots were under way in Thailand with a budget of over 750 million baht. This translates into substantial revenue for Thai film industry companies and personnel. Most of the shoots involved Japanese units, followed by European countries, India, Hong Kong, the United States and Australia.

Apart from the opportunities that have emerged for more international film-making in Thailand as well as for Thai movies to be shown in other countries, Thai people too are becoming avid movie-goers. This is another good sign for the industry.

It is not just international movies which are becoming more interesting for Thais, Thai movies too are gaining popularity. For example, in 2002, there were only nine Thai movies showing in local theatres. This rose to 26 movies in 2002, and to more than 60 movies in 2003. It appears that the golden era of Thai movies is making a comeback. This time, Thai movie-makers are targeting not just the domestic market but are preparing to make their mark abroad as well.

Ladies and gentlemen,

Last January (2003), the TAT organised the Bangkok International Film Festival. The main objectives of the event were to raise Thailand to a leadership status in terms of Asian film festivals as well as to promote Thailand as a center for international movies. The focus was on improving the quality of Thai movies as well as creating opportunities for international movies which want to penetrate the Asian market by using Thailand as the venue for their shoots. In future, TAT plans to develop the festival as a major event for the Thai and international film industry.





The festival received a lot of positive reactions from both the Thai and international participants. However, we still have a lot of ground to cover before claiming the title of “Hollywood of Asia”. We realise that this will depend on:

- The strength of the film industry in Thailand;
- The activities of our regional competitors (Hong Kong, Korea, Japan, India and China);
- The readiness of our services in the movie making business;
- Source of budget; and
- The support of the government.

In terms of government activities, I can tell you that all organizations involved in supporting and facilitating the film industry, such as the film business coordinating group, the Ministry of Tourism and Sports, the Department of Export Promotion and the Tourism Authority of Thailand (TAT), have concrete strategies in place and will follow through on these in future.

In March 2003, the Board of Investment (BOI), the Department of Export Promotion and the Fiscal Policy Office (FPO) conducted a seminar with the private sector to identify ways to improve Thailand’s competitive position internationally. This includes ways to make Thailand as a regional center of film production, right across the board from pre-filming preparations to post-filming work. The related benefits for tourism are quite clear.

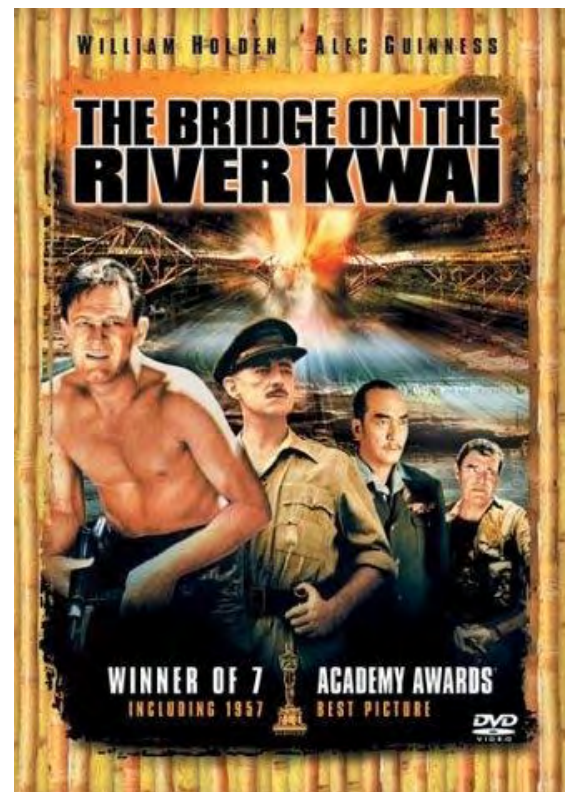
Ways being considered to support the film industry include:

- Granting specific Board of Investment privileges.
- Lower taxes and customs duties for importation of filming equipment and material.
- Exempting international performers from paying income taxes in Thailand.
- Low interest loans from the Bank for Small-Medium Enterprises (SMEs bank) for Thai companies wishing to get involved in the business.
- Facilitating issuance of visas and work permits for international film experts.

Once these steps are tackled, we expect our film industry to be well prepared to compete with other countries. We also welcome the opportunity to hear from other speakers who are well experienced in the business about what else can be done to make Thailand the Hollywood of Asia.

Ladies and gentlemen,





Before I end, allow me to point out that any cooperative endeavor must be a two-way street. While we in Thailand will do everything possible to facilitate your efforts, we would also appeal to foreign film-makers to ensure that all their activities are within the context of our social, cultural and environmental laws and norms. We are all aware that a number of films shot in Thailand have faced problems which led to considerable criticism in the media. It is in not in your interest or ours to experience these problems in future.

This will require a good deal of self-enforcement and self-regulation on your part. I am sure you don't want government officials to find out through the media that things that are not being done according to the regulations. In other words, we will do our utmost to uphold our end of the bargain but we would also like to hear assurances from you that you will uphold yours.

Before I end, please allow me to read out some quotes from the Taipei Times newspaper of Taiwan on 26 January 2003 published after the Bangkok International Film Festival. It says:

"How did Thailand do it? How did it create legions of movie fanatics when, just a few years ago, people there could hardly afford to buy a movie ticket? [Since Asian financial crisis in 1997-1998]. As in Korea, the Thai Film industry in the last three years has become one of the fastest-growing movie industries in Asia. Locals call the recent phenomenon the 'Thai New Wave'.

"It seems that, like Korea, Thailand has emerged as one of the innovative forces in modern East Asian Cinema. In Bangkok alone, there are 300 quality screening venues for movies. These factors



helped Bangkok become the host of last year's Cine Asia Convention. This Asia-Pacific Film Market had held in Hong Kong over the previous eight years and now relocated to Thailand.

“The bustling Bangkok Film Festival may be over for this year, but the battle between the two Asian stars – Korea and Thailand – has just started.”

Ladies and gentlemen, please allow me to conclude on that note. Once more, thank you for giving me the opportunity to address you today. I wish you all a successful seminar, and a fruitful and productive stay. Thank you very much, and Sawasdee- khrap.



# THAI-MYANMAR TOURISM CAN GROW IN SPITE OF POLITICAL DIFFERENCES



**Mrs. Juthamas Siriwan**

*Governor*

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## **OPENING REMARKS: THAILAND- MYANMAR COOPERATION MEETING 12 MAY 2003 YANGON, MYANMAR**

Minglabar, Sawasdee-kha and good morning,  
distinguished delegates, ladies and gentlemen.

It is a great pleasure to be here today at the Thailand-Myanmar Tourism Cooperation Meeting. It is always a pleasure to be in Myanmar. Allow me to compliment and thank our hosts for their excellent arrangements which I am sure will go a long way towards helping this meeting reach a fruitful and mutually beneficial conclusion.

It has been nearly five years since our respective governments signed the Thailand-Myanmar Tourism Cooperation Agreement right here in Yangon on 24 July 1998. Since then, our two countries have had their differences on various issues at a higher political level. However, at our tourism level, there is much that we can do to move strongly forward. In both our countries, tourism plays a significant role in generating foreign exchange, jobs and economic well being, which is specially important in the current regional situation.

Close bilateral cooperation can allow tourism to help foster and stimulate cultural exchange, boost friendship and mutual understanding and promote peaceful coexistence between our two peoples. Such bilateral cooperation is well within the context of our



wider regional forums such as the Greater Mekong Subregion and Association of Southeast Asian Nations, of which we are both proud members.

Distinguished delegates,

As we look to the future, there are four areas of cooperation that we can build upon. Each of them covers a different field and thus makes the entire agreement much more comprehensive and forward-looking.

Firstly, in the field of marketing, we have a very good promotional slogan, “Two Countries, One Destination.” This means we need to work on designing and facilitating tour packages that will allow tourists to travel by air, land and sea between Thailand and Myanmar. Currently, five airlines operate between the two countries, with 21 flights per week, covering not just the main cities of Bangkok and Yangon but also Chiang Mai and Mandalay. The value of these routes can be substantially enhanced by opening more air and land routes.

Secondly, looking ahead, we need to explore the possibility of opening up new potential tourism destinations, like Ngapali and Putao. The Putao is considered to be ideal for niche market tourism like soft adventure, mountain trekking and culture, especially for visitors from Asia and Europe. The opportunities for doing this are immense and should be carefully explored.



Thirdly, we need to focus on raising the standards of our tourism products and services, as well as accommodation to bring them in line with the Two Countries, One Destination strategy. Service delivery is very important because it leads to more word-of-mouth marketing and both referral and repeat traffic. Sales of high-quality souvenirs play a major role in creating more revenue and jobs for local people. Perhaps we can help improve the quality of their product design and make it more suited to customer requirements. At the same time, we cannot ignore the extremely important issue of Human Resource Development. Here, I would like to offer the assistance of the TAT's Hotel and Tourism Training Institute (HTTI) for students from Myanmar. We will be pleased to discuss this further during our deliberations.

Finally, distinguished delegates, we can do a lot more to promote public-private partnership, especially in the field of tourism investment. Here, the Myanmar delegation may wish to consider



***“ Thailand would like to propose a comprehensive master plan be prepared to chart the future of bilateral tourism development for the short- and long-term periods. ”***

ways to promote investment in ski resorts which would clearly become the only such places in the entire ASEAN region, and could go a long way towards helping to broaden the packaging options. Both Thailand and Myanmar are traditionally associated with culture and heritage, and having hot or rainy weather, so I am sure it will come as a very pleasant surprise to many people that it is possible to ski in this part of the world.

Other areas of investment opportunities that we can look at include restaurants and beverages, especially local beverages, tour operating companies specializing in niche-market products like soft adventure, mountain trekking and ecotourism, and river-cruising companies along our many very scenic rivers. These will also go a long way towards promoting the survival of our small and medium sized enterprises.

Distinguished delegates,

Thailand would like to propose a comprehensive master plan be prepared to chart the future of bilateral tourism development for the short- and long-term periods. Such a plan can help us identify the travel trends which in turn will help us more precisely pinpoint the kind of products and services we need to focus on. It will also help us assess the potential of various markets and pinpoint the impediments and obstacles that we need to overcome. In essence, a proper planning process will go a long way towards helping us boost our bilateral cooperation and build upon the promise of our marketing theme, Two Countries One Destination.

I look forward to further discussions on these issues. Once more, please allow me to thank our hosts for your warm welcome and generous hospitality.

Thank you very much, ce-zu tin-ba-deh and Sawasdee-kha.



# HOW THAILAND DEALT WITH THE SARS CRISIS



Mr. Pradech Phayakvichien

*Advisor*

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## **WORLD TOURISM ORGANISATION 28 MAY 2003 MADRID, SPAIN**

Sawasdee-khrap and good morning ladies and gentlemen.

On behalf of Tourism Authority of Thailand (TAT), I am very honoured to join other speakers in welcoming you all to The WTO meeting today. Thank you all for giving me a chance to update you with the latest SARS situation in Thailand.

Please allow me first to update tourism situation in Thailand in 2002.

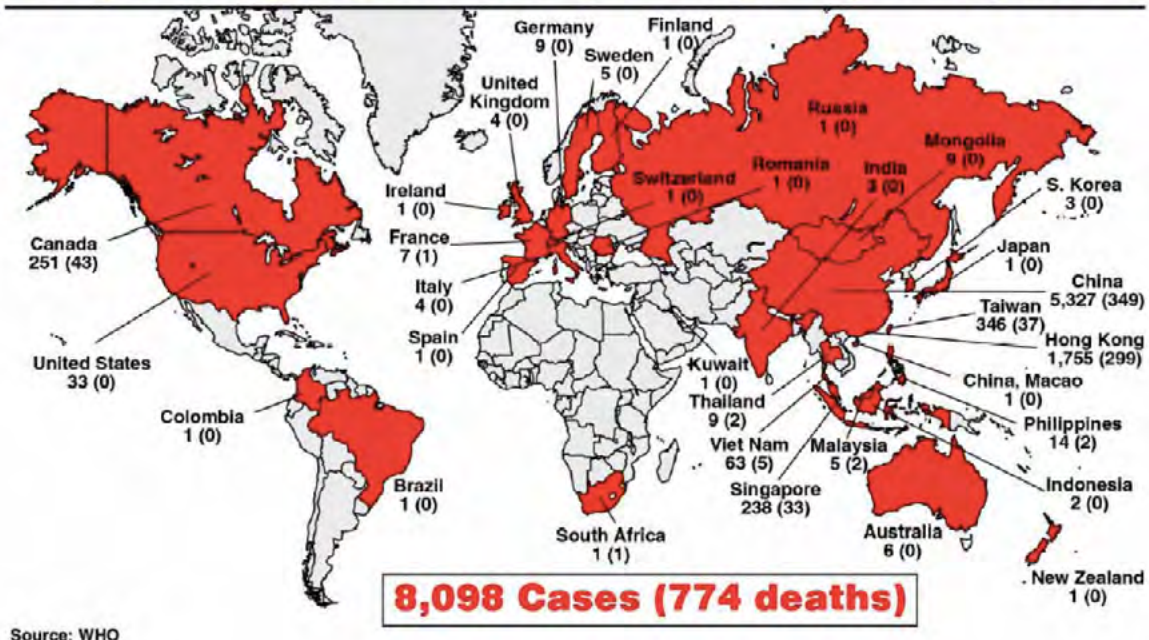
In 2002 total arrivals to Thailand increased 7.33% to 10,799,067 over 2001. The growth was above the 3% of the world's average growth. Total tourism earnings were 332 billion baht, up 11% over 2001.

However, the war between the U.S. and Iraq and the SARS crisis led to a decline in international visitors, especially from Asian market. Arrivals to Thailand declined in the first quarter of 2003, especially in March (-12%) and in April (-40%). If the situation continue, Visitor arrivals to Thailand is forecasted to decline by 10% in 2003 and tourism revenue by 30,000 million baht.

Positive impact for Thai tourism is the decrease in Thai Outbound to other Asian countries due to SARS epidemic. However, growth of the domestic market still not much due to the losing pace among some travellers. Therefore, urgent campaigns are needed to stimulate



## Cumulative Reported Cases of Severe Acute Respiratory Syndrome (SARS), Sept. 26, 2003



the domestic market in order to substitute with the decline of the international arrivals. Thus, this will help to increase revenue to substitute with loss among the hotel and tour operator, transportation and other tourism-related sectors.

Thailand is SARS-free. We have not had a single new case since late April. In fact, we are so sure of our position that our prime minister has just announced that we will automatically insure the medical costs of anyone who can prove that they contracted SARS while visiting Thailand.

### SARS SITUATION IN THAILAND

Thailand has put in place an intensive surveillance system designed for the highest sensitivity to detect SARS. Reports of illness suspected of SARS are publicly encouraged.

During 11 March to 22 May 2003, over 500 reports came in from public and private hospitals as well as various agencies and the people. These cases passed through initial screening, subsequently 259 cases underwent detailed investigation, and finally 8 probable cases and 23 suspect cases of SARS were identified. The probable and suspect cases were taken care of in the hospital under strict isolation and infection control. Among the probable cases, 3 cases were foreigners and 5 were Thai travelers from SARS affected areas; two of the cases died while other five had recovered and were later discharged and only one remained in the hospital. Among the suspect cases, six foreigners and 17 Thais, all but one had recovered and were later discharged (situation as of 22 May 2003).



All the probable and suspect cases were imported. None of the contact persons of these cases has developed an illness suspected of SARS. Therefore, Thailand remains the country without local transmission.

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## **SARS PREVENTION AND CONTROL STRATEGIES**

Prevention and control strategies have been established with goals to detect all cases of respiratory illnesses suspected of SARS, as well as their contact persons who might have contracted the infection; and to contain all infections that might result from these cases and their contact persons, with the maximum effectiveness and precaution. These strategies include:

- Intensive surveillance on travelers
- Strengthened the national disease surveillance and control of SARS
- Strengthened hospital capacity to manage SARS cases
- Public information and education

### **A. Intensive surveillance on travelers**

Surveillance on travelers from SARS affected areas is established to ensure early detection and effective control imported infection by the implementation of the following measures.

#### Pre-departure screening

The Ministry of Public Health coordinates with airlines to conduct pre-departure screening passengers from SARS affected areas. The passengers are temperature checked and queried on the history of SARS risk exposure. Passengers with illnesses suspected of SARS will not be allowed to take the flight.

#### Detection of illness on board

Air crew will carefully observe passengers on board. Should a passenger be identified with symptoms suspected of SARS, he or she will be taken care of to prevent the spread of infection according to WHO recommendations on air travel, and the air crew will alert the port health authority about the ill passenger before landing of the plane.

#### Filling out health questionnaires

Passengers from SARS affected areas are required to provide information on their identity and contact address, and to check out history of illness, in a health questionnaire distributed on board along with a health beware card.



### **The questionnaire will be collected at disembarkation.**

#### Screening passengers on arrival

Passengers on arrival from SARS affected areas will undergo medical screening at the port of entry. Travelers without fever may proceed on to the immigration control. Individuals with fever will receive detailed medical check-up including chest x-ray. Those diagnosed as suspect or probable cases of SARS will be taken care of in the hospital with strict infection control.

#### Notification of illness during stay in Thailand

Travelers from SARS affected areas are urged to consult local physicians whenever they become ill during the stay in Thailand, and to inform the attending physicians about the history of travel to SARS affected areas, as recommended in the health beware card. The physicians will subsequently notify the Ministry of Public Health about the illness, and the information will enter SARS surveillance system

### **B. Strengthened national disease surveillance and control of SARS**

National disease surveillance system has been rapidly intensified to early detect and contain possible spread of infection from all cases suspected of SARS and from their contacts. The following measures are implemented:

- MOPH declared SARS a reportable communicable disease under Communicable Disease Act
- MOPH establishes SARS Response Centers at the national level (at MOPH) and the provincial level (at all Provincial Health Offices). The centers coordinate, monitor, and ensure efficiency of SARS surveillance and control activities being implemented at all levels.
- Notification of illnesses suspected of SARS has been integrated as part of the national disease surveillance. A common guideline for SARS case detection and notification has been developed and used in public and private health services.
- Epidemiologic investigation teams are set up in all provinces. The teams are 24 hour on-call to investigate all reported cases suspected of SARS, trace and investigate their contacts, and supervise and ensure effective home isolation of the contacts.
- Reports of respiratory illnesses suspected of SARS from all sectors are encouraged. Local health personnel and health volunteers are involved in the follow-up of the Thai residents returning from SARS affected areas as well as their contacts. The health volunteers will notify local health authorities should an illness suspected of SARS be identified, so that proper investigation and notification will be undertaken.



***“ Hospital staff in public and private sectors are trained and supervised on effective management of SARS cases, emphasizing on personal protection and hospital infection control. ”***

- MOPH provides training and supervision for the SARS surveillance and investigation teams, to keep them alert and updated of the situation and new knowledge of the disease.
- Information and data from SARS surveillance and investigation are compiled, analysed and utilized at the provincial and central levels. The National SARS Response Center prepares report for WHO and information for the public to be released daily through the media.

### **C. Strengthened hospital capacity for management of SARS cases**

All suspect and probable cases of SARS must be treated and contained in the hospital with effective infection control, to prevent the spread of infection in the community while ensuring maximum protection for health care personnel.

Technical guidelines on case management are developed and provided for all hospitals in the public and private sectors. These guidelines are kept updated based upon WHO recommendations and findings shared in international medical networks.

Hospital staff in public and private sectors are trained and supervised on effective management of SARS cases, emphasizing on personal protection and hospital infection control.

General hospitals in all provinces are upgraded, in terms of facility and operational procedures and personnel capacity, to effectively isolate and manage cases suspected of SARS with strict respiratory and contact precautions.

### **D. Public information and education**

Sufficient information and education to the public is a crucial component of the response to public health emergencies. MOPH has been providing the public, through various media channels, with daily update on SARS situation, knowledge of the disease, and advises on disease prevention including travel advisory. Official media release is centralized so as to avoid unnecessary confusion and panic among the people.

SARS response in Thailand is a national endeavor. Prevention and control measures are being implemented nationwide with extensive multi-sectoral cooperation.





In the public sector, all concerned governmental agencies are involved in a concerted manner to ensure that all essential measures are efficiently implemented. The private sector, much of which suffers considerable repercussion from the situation, cooperates with the public sector in the fight against SARS, with admirable patience and understanding, to sustain the long term public benefit.



**The objectives of the TAT include:**

- To be in line with the government strategies to use tourism industry as a tool to reach the goal of expanding Thai economy.
- To implement the plan for the emerging market that can give a fast outcome in order to lower the negative impacts on the overall economic of the country.
- To turn threats into opportunities in terms of stimulating domestic travel and lowering outbound to other countries.
- To increase efficiency of the government services that will lead to more convenience in travelling in Thailand.
- To increase ability of private sector to pass through the crisis.
- To create the opportunity to stronger relationship with the domestic and international businesses in order to support tourism in the future.

**The Targets include:**

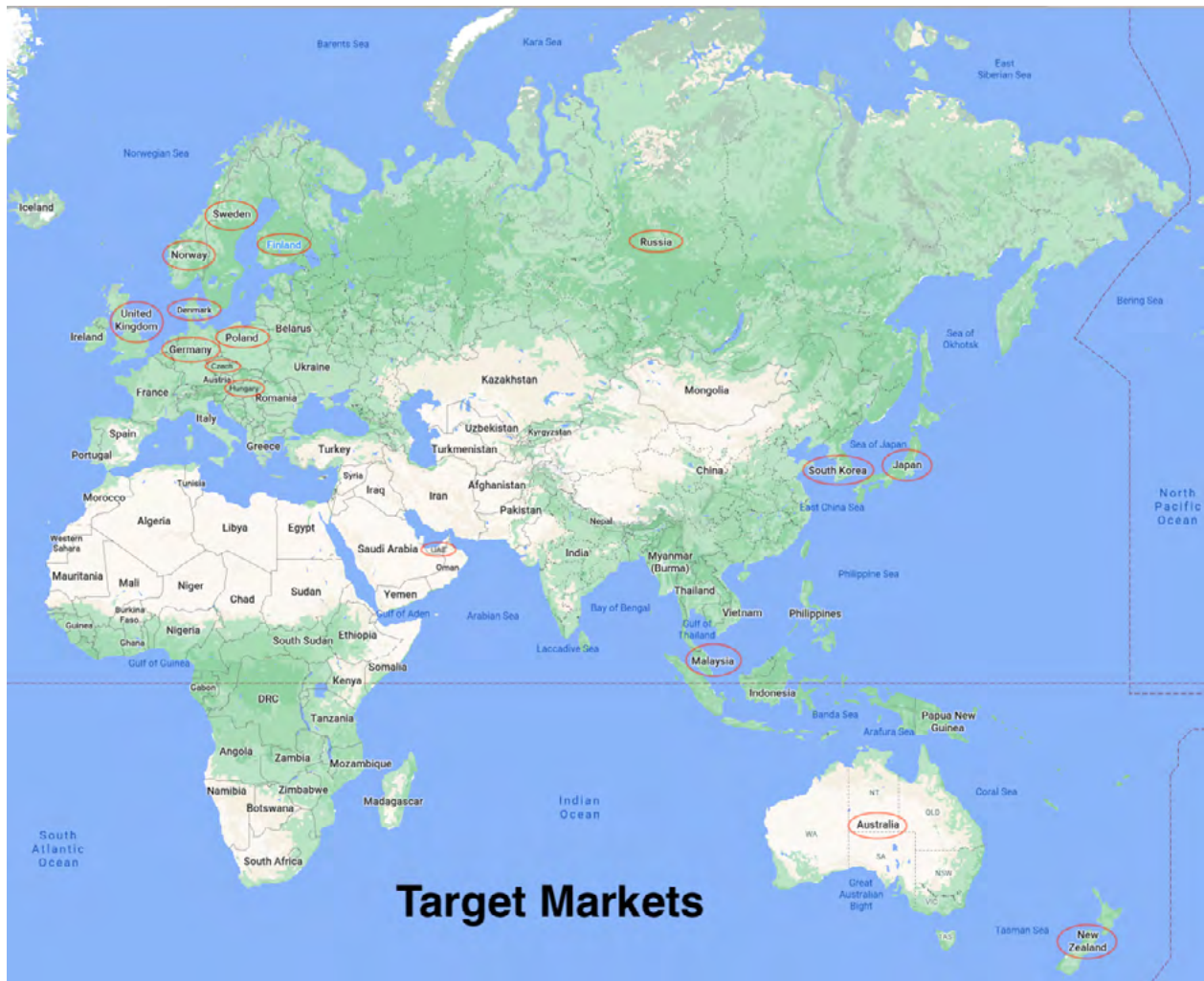
International Market -- If the market is stimulated, 10.5 million visitor arrivals to Thailand is on the forecast which will generate about 320,000 million baht or lower the loss of 28,000 million baht from revenue that are expected to be lost.

Domestic Market -- At the same time, it will increase domestic travellers to 65 million which will create 333,000 baht in the domestic circulation, increase from the expected 10,000 million baht.



## The Tendency of the Implementation Plans

In order to reach the goal, we need to implement the supporting plans to both domestic and international markets at the same time because it will help to generate revenue to the country, lower the spending on imports and increase spending in the country. Therefore, the implementation plans for both markets are as follows:



International Market -- Two steps of the implementation plan are to go together which include:

### Step 1: Rebuilding the market share

This is to focus on the potential tourism markets by considering the markets that are confident in Thailand and tend to continue to travel during the SARS and War crises.

These target markets include Asia-Pacific market (Japan, Malaysia, Korea, Australia and New Zealand), Scandinavian market (Norway, Sweden, Denmark and Finland), Russian market, European market (Britain and Germany), East Europe market (Poland, Hungary and Czech



Republic), and United Arab Emirates (UAE)

### Step 2: Developing the market

This is by building trust, confidence and positive image to Thailand during May-December 2003 by focusing on the sensitive and the existing markets for Thailand.

The targets include a total of 37 markets from East Asia, Oceania, Scandinavia, Europe, America, Middle East and South Africa.

### **Strategies for the International Markets**

In order to steal the market share, tactical campaign “Thailand Smiles Plus” will be implemented by using price to attract travellers. The plan is expected to make travellers immediately make their decision on travelling to Thailand.

Create confidence by using intensive communication. This is by focusing on continuous advertising and promotion that Thailand is a SARS-free country as well as be a high quality and safe destination.

### **The Implementation Plans for International Market**

Thailand Smiles Plus Campaign -- Under the campaign, hotel packages are being offered as “Buy One, Get One Free” in which customers can stay two nights for the price of one or four nights for the price of two. To add more value to the package, another 36 tourism-related businesses are participating in the “Big Smiles Card” which is a 20-50% discount card featuring 14 restaurants, 10 golf courses, 3 transportation operators including the Skytrain in Bangkok, 3 shops, 3 spas and 3 hospitals where visitors can get a medical check-up. Visitors who buy the packages will also be eligible for another “Plus” & participation in a lucky draw featuring 30 prizes of free roundtrip



Photo Credit: Masala Magazine



economy class air-tickets from Bangkok to Phuket, Krabi, Chiang Mai, Chiang Rai and Samui Island and 15 prizes of free roundtrip economy class air-tickets to Thailand from any destination on the THAI Airways routenet.

Sales Mission -- Focus on hard sales by leading hotel, tour and airlines operators to deal with other counterparts in 16 target countries.

Make joint ad and joint promotion with tour operators and airlines from the target markets that fly to Thailand in order to sell Thailand Smiles Plus package.

Thailand Safe Destination Campaign -- Promotion in term of intensive communication by setting war room and use the PR representative global network of TAT and in-market media to directly get through the target group.

SARS warranty Campaign -- Thai government is responsible for the approach in giving health insurance to international tourist arrivals who catch the SARS virus in Thailand. In addition, the family of those who contacted SARS in Thailand and died will be compensated of US\$100,000 or about 4.2 million baht while those who catch SARS virus in Thailand will receive free medical treatment. The programme will last for six months, starting from 20 May 2003. The measure counts since the tourists have entered Thailand.

Exclusive Fam Trip for agents and press -- To build confidence among agents who sell Thai products and to get positive result from promotion through press. This is by choosing big agents and press that are trusted in the target market.



Thailand Beauty Beyond -- The main theme in building awareness on quality destination as well as calm, safety and Thainess images.

The Three Tenors and Thailand Skins Game Challenge 2003 -- To bring three world leading singers to perform their music in Thailand. To conduct activities on "Thailand Skins Game Challenge 2003" which is the global-level golf competition as world leading golfers will join the event. This will be the magnet to attract international travellers to visit Thailand.

Domestic Market -- To substitute the decreasing in international travellers to Thailand with the domestic travellers by encouraging both Thai and expatriates in the country to travel in Thailand.



The target segments include family, self-drive, youth, conservation and adventurous, working, and MICE groups.

### **Strategies for the Domestic Market**

- To increase frequency of domestic travel during the crisis and lower outbound to other countries.
- To build domestic travel trend, and to make the travellers to realise on the proper way of travelling which will benefit tourism in Thailand in the next period.
- To ease and shorter the decision making process while also make travelling more often among domestic travellers.
- Create magnet to attract Thai people to travel around the country.
- To support the meetings conducted in the country as well as domestic travelling as the rewards for the working people.
- To raise the potential of government services such as giving tourism information and support the small-medium enterprises (SME) in terms of training on marketing and service techniques to prepare for the post-crisis.

### **The Implementation Plans for Domestic Market**

Unseen in Thailand Campaign -- Step up the frequency of advertising and promotion in relatively unseen destinations as well as selling tour packages and special price for accommodation. Also conduct sale promotion programmes, lucky draw, and stimulate travelling by getting supports from private businesses such as Bangchack Petroleum Plc., Double A Co., Ltd and Singha Beer (Paleewong Trading Company, Inc.) while also making travellers to realise the proper way of travelling.

Select to advertise on new media to attract the target group, for examples, using moving billboard, lift wrap, tower wrap, bus stop display and giving house, car and cash as prizes for lucky draw.





Jointly co-operate with tour operators, airlines, hotels and public transport to sell special price of unseen packages in the Unseen Travel Fair 5 Regions for Thai travellers.

Offer MICE package consortium to public companies in which the TAT will coordinate with the Security Exchange of Thailand (Stock Market of Thailand).

Making Unseen on the Road Manual guidebooks for self-drive or independent travellers to be able to travel more often.

Conduct additional activities in the regions that host the APEC Meeting such as in the provinces of Khon Kaen, Phuket, Pattaya, Chiang Mai, Chiang Rai and Chanthaburi. This is designed to attract Thai travellers and to colour up the country during the meeting.

Continue with the Amazing Thailand Grand Festival in which monthly activity is highlighted in order to stimulate travelling and to promote domestic travel among Thai people.

Increase the potential of providing travel information by developing website and call centre of the TAT in order to convenient travellers in self-searching for the information. This is by making data base on travelling in Thailand, developing the information linking system and the response on inquiries as necessary as well as increasing ability to provide 24-hour services.

Train the SMEs on marketing and service techniques for tourism.

This is extremely important in an era of globalisation, because the SMEs comprise the vast majority of our companies, and employ the vast majority of our tourism workforce. Ensuring their survival is of critical importance during crises.

## CONCLUSION

I hope that has given you a useful perspective on how we dealt with this health crisis. We learnt a lot and we are happy to share the benefit of our experience. Thank you for giving me the opportunity to address you today. I wish you all a successful event.

Thank you and Sawasdee-khrap.



# DEVELOPING BUSINESS OPPORTUNITIES AND ACHIEVING COMMUNITY GOALS



**Mr. Pradech Phayakvichien**  
*Advisor*

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## **WORLD TOURISM ORGANISATION SEMINAR 22-23 AUGUST 2003 BAHRAIN**

Sawasdee-khrap and good morning ladies and gentlemen.

It is a great honour and pleasure for me to address the delegates of the World Tourism Organisation (WTO) Seminar on “Developing Business Opportunities and Achieving Community Goals” in Bahrain. I would like to express my appreciation to the government and people of Bahrain for the efficient organisation of the seminar and the warm and cordial welcome extended to us. Let me also express my thanks to the WTO for its initiative in organising this regional event.

It is very interesting to see Bahrain taking its place on the global tourism stage. The country has great potential as a wonderful tourism destination. I’m sure this seminar will help facilitate Bahrain’s emergence as a destination by providing a forum for valuable exchange of information, ideas and experiences related to public-private partnership. It will be one more step towards building strong and sustainable development bonds within this region. Partnership involves some give and take but mostly involves win-win situations in which both sides genuinely work together for the larger good.

Ladies and gentlemen, please allow me to begin with telling you the ‘Ten Major Reasons’ why Thailand remains a strong and appealing destination.



1. Thailand is a peaceful and stable kingdom under the wise and benevolent reign of a highly beloved monarchy.
2. Thais are friendly and service-oriented people with a strong history and cultural tradition and respectful of all races or religions;
3. The long-standing visa-free and visa-on-arrival policy has allowed visitors from many of our key source-markets to just book and fly.
4. A generally favourable exchange rate has made our tourism products and shopping attractions very good value for money;



5. We have an excellent reputation for product delivery and a broad range of natural and cultural heritage attractions e.g. good beaches, tropical forests and historical sites;
6. A long-standing geographical advantage has positioned Thailand at the crossroads of Asia, allowing for a good balance of arrivals in terms of source-markets and customer segments;
7. Extensive airline and aviation access in terms of international, domestic and regional linkages has ensured a plentiful, if not always adequate, supply of seats;
8. Strong promotional campaigns have augmented the good image of Thailand cultivated by books, movies and other icons like famous hotels;
9. We have good transportation (rail, road, air) infrastructure as well as accommodation and restaurants catering for all budgets (backpackers to top deluxe travellers).
10. We also maintain strong regional tourism co-operation with the Mekong subregion and ASEAN neighbouring countries;



***“ Overall, the emphasis will be on attracting ‘quality visitors,’ those with high purchasing power and potential for long average length of stay. ”***

These factors have served us well historically and continue to remain in place today. In fact, they get better every year. So, if you have clients looking for great food, excellent health and spa facilities, wonderful golf courses, sports and beach activities, great shopping and hotels of exceedingly high standards, all at great value for money prices, Thailand is a very good bet indeed!

The Thai tourism industry was very badly affected by these recent developments and we will do everything possible to facilitate a recovery and maintain stable arrivals all through 2004. Now that the SARS crisis is over and the fallout from the war in Iraq has receded, we can go back to business as usual.

The Tourism Authority of Thailand (TAT) is to remain on course to make Thailand “the Tourism Capital of Asia” under the marketing plan for 2004. The plan will go into effect in October 2003 with the start of the Thai fiscal year 2003/2004. However, the targets cover the period of calendar year 2004.

We are targeting total visitor arrivals of 11 million in 2004, up 13.4 % over the projected arrivals for 2003. Domestic visitors are targeted at 67.12 million trips, up 3.10 % over the projections for 2003. Revenue earnings are targeted at 340,000 million baht from foreign visitors (+17.40%), and 362,500 million baht from domestic visitors (+20.07%)

Overall, the emphasis will be on attracting ‘quality visitors,’ those with high purchasing power and potential for long average length of stay.

The markets targeted for intensive promotions are mainly in the Asia-Pacific region: Japan, China, Korea, Hong Kong, Taiwan, Malaysia, Singapore, India, Indochina and New Zealand. Other markets that will see an extra effort include UK, Italy, Russia, Spain, Finland and the UAE. About 15 other countries and regions will be targeted for regular promotions. Together, these markets generate about 80 % of total visitor arrivals.

In terms of segmentation, the plan identifies two target groups. The major groups are identified as MICE (meetings, incentives, conventions and exhibitions) delegates, high-income earners, golf, wellness & spa, family, diving, youth and honeymooners, while the minor groups are senior citizens, ladies, eco & soft adventure, medical tourism, long stay, film-makers, education





The domestic target market segments are families, senior citizens, young people, MICE delegates, high income earners and expatriates.

The TAT will maintain its international advertising slogan, “Amazing Thailand -- Unseen Treasures” while the domestic slogan will be “Unseen Thailand”. The key message is designed to make potential visitors aware of the value of new Thai products which they may have not seen or experienced like nature, culture, architecture, historical parks and special interest activities.

The TAT will work to boost the image of the country as a “quality destination” by building and enhancing the brand image as well as the knowledge-base of Thailand and the promotional network in cooperation with both the public and private sectors overseas.

At the same time, the TAT will establish more overseas offices, do joint marketing with tour operators and airlines, create unique selling points for the various products and increase marketing promotion with the media while also put considerable emphasis on boosting tourism contacts and joint marketing campaigns with the neighbouring countries in the Greater Mekong Subregion.

## THAI-MIDDLE EAST RELATIONSHIP

Ladies and gentlemen,

Thailand has a long relationship with the Middle East countries. About 10% of our population (approximately 62 million) are Muslims. Thai Muslims, especially in the southern Thailand have strong relationship with Muslims in the neighbouring countries in terms of trade and travel. Many Thai students are studying in Egypt, Sudan, Pakistan and Saudi Arabia. Therefore, we have put emphasis on building relationship with Muslim world, and have registered to be the observer of the OIC which is the largest Islamic organisation that consists of 57 member countries.

In term of economy, Thailand has developed more relationship with the Middle East countries recently. For example, Bahrain has agreed to invest in Islamic Bank of Thailand in the amount of 4,300 million baht and will invest another 17,200 million baht in the Matching Fund. These funds are expected to help Thailand improve the economy of the country.



Moreover, Thai people are very familiar with the word “Halal” which is known as the food permitted under the Islamic Law. During the data collection period on Halal, Thailand also send representative from the Thai Industrial Standards Institute (TISI), which belongs to the Ministry of Industry, to join with the Codex Alimentarius Commission (CAC), which has 165 member countries. This process took 15 years long to establish Food Halal to be the international standard. Thailand now sees the opportunity to export Halal food to the 62 Middle East countries.



Here are some details on the importance of the Middle East market.

The Middle East market is the largest market among the three new markets, which include Middle East, Africa and Central Asia. The TAT put highest emphasis on this market since it has a very high average spending per person per day (3,759 baht) and a long length of stay of 10 days – one month. Travellers came with families in 4-8-people group and spend most on shopping.

The major markets in this region include countries in the Gulf Corporation Council (GCC), especially UAE, Kuwait, Saudi Arabia, Bahrain and Israel.

The markets, especially UAE, Kuwait and Bahrain, are considered as ready to be served and provided marketing support since there are 38 direct flights/ week to Bangkok. Of which 26 flights are from Dubai, five are from Bangkok and seven are from Bahrain. Also they are eligible for 30-day visa free. According to these factors and the stability of the economies of these countries, travellers find it convenient to travel to Thailand.

Moreover, without limitation in their spending, these groups of travellers do not plan ahead and reserve in a last minute booking when come to Thailand.

The popular destinations in Thailand include beaches, especially in Phuket and Pattaya.



**Activities of Thai Islamic Trade & Industrial Association with the Middle East Countries:**

1. The Ninth Meeting with Islamic Chamber of Commerce and Industry (ICCI) in Sharjah, United Arab Emirates-- Aiming at the development of the economy of Muslim member nations
2. The formal visit to Bahrain on 30 March – 2 April 2002-- To discuss about the governmental issues, continue with the cooperation, and support the business opportunities with Bahrain in terms of trade expansion and investment.
3. The participation in the Support of Halal in Iran and U.A.E. Project on 13 –19 May 2003-- A very important project in term of opening opportunities for exports and the development of the Halal industry.

Moreover, we have jointly implemented a number of tourism promotional and marketing activities. In addition, a number of road shows have been organised in potential visitor-generating markets like the Middle East, Europe, East Asian countries like Japan, Singapore, Malaysia and Vietnam. Also the TAT had conducted booth in the Arabian Travel Mart in May to provide information about tourism in Thailand. These have helped us forge new forms of partnership with Thai restaurant-owners abroad, golf courses, spas and sports authorities. Indeed there is no end to the potential for such partnerships which we intend to pursue strongly in future.

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**CONCLUSION**

It is not necessary for contributions to be always financial. A lot can be done by contributions in kind, which allows the cooperating partners to use whatever resources they can spare. In other words, a budget is not the main contributing factor. For example, during the Amazing Thailand 1998-1999 when we faced the economic crisis and budget constraints, related public and private agencies were able to successfully pool their existing resources. The growth in visitor arrivals and tourism receipts will in turn benefit all tourism-related businesses and the country as a whole.

However, public and private partnerships must be considered as part of the national agenda which requires political will or support from governmental agencies at all levels. In order to overcome resource constraints and ensure the cooperation with all, the establishment of a national focal point or coordinating agency is also important towards attaining success.

I would like to conclude on that note. Once more, thank you for giving me the opportunity to address you today. I will be happy to answer any questions.

Sawasdee-khrap.



# THE FIRST SINGAPORE-THAILAND ENHANCED ECONOMIC RELATIONSHIP ON TOURISM



**Mrs. Phornsiri Manoharn**

*Deputy Governor for Marketing*

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## **SPEECH: THE FIRST SINGAPORE - THAILAND ENHANCED ECONOMIC RELATIONSHIP ON TOURISM 25-27 AUGUST 2003 SINGAPORE**

Sawasdee-kha and good morning, ladies and gentlemen.

On behalf of Tourism Authority of Thailand (TAT), I am very honoured to join other speakers in addressing you today. It is always a pleasure to be in Singapore. I would like to compliment and thank our hosts for their excellent arrangements which I am sure will go a long way towards helping this meeting reach a fruitful conclusion.

Ladies and gentlemen, please allow me to update you the tourism situation between Thailand and Singapore.

In 2002, arrivals from Singapore to Thailand totalled 683,296, an increase of 2.7 % over 2001. Contained in this figure are some superb nuggets of market trends that are worth noting:

- The number of female visitors was up by a sharp 9.4 % even though the number of male visitors was down 1 %.
- First-time visitors were up by a significant 9 %.
- Independent travellers comprised 72 % of the total.
- Convention delegates totalled nearly 8,200, the second largest source of delegates after Malaysia.
- 136,500 were expatriates, or about 20 % of the total.





On the other hand, Thai arrivals to Singapore in 2002 totalled 263,753, an increase of 1.1 %, and was one of 12 markets registered a positive growth for holiday arrivals to Singapore. Arrivals were mainly in the holiday purpose. Most are repeat visitors with the growth of 3.7 %. Arrivals by land also showed high growth of 10.5 %.

In 2000, Thai arrivals to Singapore increased by 7.5 % to 246,750 which stayed averagely 4.54 days. Of which 62.66 % were the repeat visitors and most arrived in the holiday purpose. In 2001, Thai arrivals to Singapore increased by 5.8 % to 260,958. Female travellers increased by 9 % since holiday and shopping have been popular among Thai visitors to Singapore. Most travel at the age of 25-34 (83,805) and age 35-44 (73,611). The re-visitors increased by 7.3 % to 63.57 % of the total arrivals to Singapore while average length of stay was 4.6 days.

One major contributing factor is the huge airline seat capacity between the two countries. As of August 2003, there were 151 direct flights per week between Singapore – Thailand, operated by 14 airlines. Of these, 114 flights are between Singapore and Bangkok, 22 flights to Phuket, seven to Samui, four to Hat Yai, and two each to Chiang Mai and Krabi.

A NATAS survey published last year showed that Thailand is the fourth most popular short-haul destination for Singaporean travellers and the seventh most popular destination worldwide.

Our own research shows that most Singaporeans are very familiar with Thailand, and associate us as a close neighbour, with warm and friendly people, rich cultural heritage, hot and spicy food, plenty of seafood, a shopping paradise, interesting sights and beautiful holiday resorts and many attractions. Indeed, shopping and food & entertainment are the major expenditure items of Singaporean travellers, thanks to the strength of the Singapore dollar to the Thai Baht.

Due to its close proximity to Singapore, Thailand is seen as a good short-break holiday during school vacations and long weekends. It appeals to Singaporean families and honeymooners, youth & students as well as incentive organisers due to its attractive rates, and excellent facilities.



Because most Singaporean visitors to Thailand book free & easy packages, location of hotels is important. Though these hotels are more expensive, the convenience of walking distance to shopping facilities, food and entertainment outlets are major selling points. Destinations with less entertainment and shopping appeal less to the Singaporean tourists even among the beach resorts. Hence, Singaporean visitors prefer Phuket, Samui and Hua Hin rather than Krabi, Trang or Rayong.



We realise that Singaporeans are concerned about safety & security & health issues, and here too, our record is generally good.

We have also noticed the similar potential markets for our countries. For some instances, in 2002, Japan was the second largest source of arrivals by country of residence to Singapore and Thailand while, China, a highly populated market, was the third largest source. Moreover, India, the market that was potential to Thailand, which increased by 22.79 %, was the seventh largest market-source to Singapore with the growth of 10.5 %. There are also other potential markets to our countries such as Indonesia, Malaysia, Australia, U.K., South Korea, U.S.A. and Hong Kong. Therefore, this is a good opportunity to joint promoting our countries by targeting at these markets in order to gain mutual benefits.

Moreover, we have targeted to attract tourists from niche market such as MICE, culture and heritage, resorts, educational, art and entertainment, honeymoon, cruise, events, ecotourism and sports.

Ladies and gentlemen,

Both our countries have been playing significant role in supporting and extending the cooperation under the ASEAN tourism. The efforts include:

- Thailand and Singapore have been the team members of the Marketing Communication, which working with the Indonesia and Malaysia. We are responsible in considering and proposing the tendencies for the implementation plans and activities for the Visit ASEAN Campaign (VAC). Moreover, we have also been coordinating with the TBWA-ISC, the marketing communications agency, in creating the promotional materials to promote the VAC in CNN and other publishing media like TIME, Newsweek, TTG and Travel Weekly.





- Both countries play roles in supporting and encouraging other members to conduct agreement in ASEAN tourism in which Thailand hosted the 2nd Meeting of the High Level Task Force on ASEAN Tourism Agreement in April 2002 while Singapore hosted the Third meeting in June 2002.
- Thailand, as the coordinator of the Supporting Convenience in Travelling in ASEAN Project, has collected the useful information and proposed tendencies for the working process to the member countries. Latest in the 18th ASEAN National Tourism Organisations Meeting in May 2003, Thailand had proposed to tightening the cooperation with the Senior Transport Official Meeting (STOM), and the ASEAN Director-Generals of the Immigration Departments and Heads of Consular Affairs Divisions of the Ministries of Foreign Affairs (DGCIM)
- Singapore has been the coordinator for the Supporting Tourism Investment in ASEAN Region Project in which, latest, Singapore has collected tourism investment projects from each subregional group include GMS, IMS-GT, IMT-GT and BIMP-EAGA in order to propose to China, Japan and Republic of Korea to encourage tourists from their countries to invest in the projects.
- Moreover, Singapore is also the coordinator of ASEAN Cruise Working Group by conducting the ASEAN Cruise Development Seminar in September 2002 in Singapore. This is a part of ASEAN Cruise Development Study Campaign under the support of Japanese government in which component study book has been already published.

The Tourism Authority of Thailand (TAT) and the Singapore Tourism Board (STB) also cooperated in various marketing activities and promotions, which include:

- The participation in the international marketing promotion events which include the consumer shows and Trade shows.

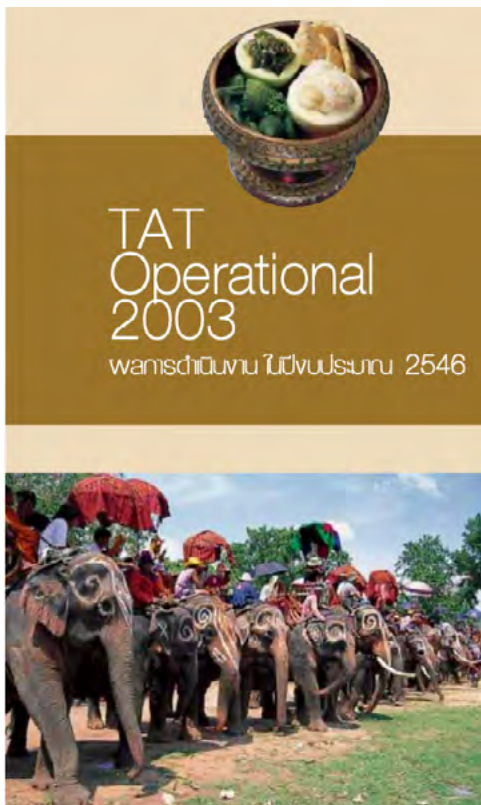
The consumer shows include:

- Reisewelten Dusseldorf on 9-11 November 2001;
- L.A. Times Travel Show in Long Beach on 16-27 March 2002;
- Vacationfest 2002 in Santa Monica, U.S.A. on 10 February 2002;
- Salon Mondial Du tourisme 2002 in Paris, France on 14-17 March 2002; and
- Joint Travel Fair at Melsa Department, Tokyo, Japan on 21-31 March 2002



The trade shows include:

- World Travel Market in London, England on 12-15 November 2001;
- Joint conducting booth under the theme “Together in Asia” in the WTM during October – March 2002 in England and Ireland as well as in the TUR 2003 held during 20 – 23 March 2003 in Gothenburg, Sweden; and
- The TAT participated in the NATAS Travel Fair in Singapore. In this event, apart from sales promotion in Thai booth, the TAT also join ASEAN booth, which was run by the STB, in giving information as well
- Joint advertising to promote our tourism overseas, which include:
  - The joint advertising between TAT, STB, Hong Kong Tourism Board (HKTB) and Silkways in order to promote tour packages to Singapore, Hong Kong and Thailand in Saskatoon, Canada in November 2001;
  - The TAT, STB, HKTB and the Indonesian Consular in Commercial jointly supported the 12-page advertising promotion in the supplement of Toronto Star Daily newspaper;
  - TAT and Singapore Airlines (SQ) jointly promote tour sales promotion in which the TAT support the brochure printing and souvenirs;
  - TAT and STB jointly market for the package tour “Luxury Vacation: Spa and shopping” in the U.S.A. for the High-end, and jointly sell package tour that include new programmes such as cooking school program for both countries; and
  - TAT and the SQ jointly making package tour “Phuket VS Singapore in Taipei, Taiwan





- Joint marketing, which include:
  - The TAT, STB, HKTB, Singapore Airlines (SIA) and Asia Pacific Tour jointly conduct “Chinese New Year Dinner”;
  - The presentation in China Town, U.S.A. on 21 February 2002 for the 150 representatives from tour operators; and
  - The TAT, STB and Malaysia Airlines jointly conducted “SITE Winter Social Function” on 26 February 2002.
- Familiarisation trip, include:
  - TAT, SilkAir and Bangkok Airways conducted Fam Trip between 5-9 July 2002 led 15 media to study tour in order to promote sales of Thailand and Couth China; and
  - TAT and STB jointly conducted study tour for the tour representatives to Bangkok, Samui and Singapore, which was supported by Northwest Airlines and Bangkok Airways
- Seminar Agent Educational, include:
  - TAT and SQ conducted various seminar in Japan, which include:
    - (-) The seminar in Fukuoka, October 2002;
    - (-) In Imabari, December 2002;
    - (-) Nagasaki, January 2002; and
    - (-) Tokuyama, January 2002
  - TAT and STB conducted seminars in Kagashima and Miyazaki on 29 and 30 January 2003.
  - TAT and STB conducted two sales promotion seminars in March 2003 in Maebashi, Gunna province and in Mito, Ibaraki province, Japan;
- Joint Organisation of Trade Events, include:
  - TAT and STB jointly conducted joint trade events in New York, U.S.A.

Ladies and gentlemen,

It is a good opportunity to adopt higher level of partnership and cooperation in tourism in order to make our working more effective.

To be a little more specific, please allow me to suggest some ideas for our future cooperation.

- In term of marketing:
  - Our countries may exchange media to participate in Thailand Grand Festival and the NATAS Travel Fair;
  - We can show Thai arts and culture at the Esplanade Building in Singapore in order to promote the new perspective of Thailand to the Singaporeans and attract them to travel to Thailand;
  - Encourage more tourism cooperation between our countries in the third countries in medium- and long-haul markets such as India, China, Europe and U.S.A. One Visa Two Countries may be considered;
  - Encourage sales of Thailand Privilege Cards to Singapore travellers as to promote Thailand



- the second home to Singapore; and
- Encourage more flights, provided by Singapore Airlines (SQ) and Silkair, from Singapore to Bangkok, Phuket, Had Yai and Chiang Mai
- In term of investment:
  - Promote the Singaporean investor in Thailand to Chang Island, Krabi, Chiang Mai and the North Eastern of Thailand, especially in MICE, longstay, Health & Spa and Cruise Tourism markets, for examples.
  - Promote the know-how technologies exchange, for examples, Singapore is expert in MICE and Cruise Tourism while Thailand is expert in Health & Spa Tourism



Our marketing plan for 2004 has identified the following strategies:

1. Increase awareness and share-of-voice with advertising in selective consumer magazines,
2. Boost the average length of stay per visit rather than more visits, as people may not be able to afford more visits due to the economic situation.
3. Use new ways to reach out to consumers e.g. by investing in a mobile exhibit which can be used for road shows to HDB heartlands, shopping centers, schools and organisations' premises to promote Thailand as a holiday destination.
4. Examine the feasibility of using interactive database marketing to get more personal or closer to the consumers.
5. More joint promotions with airlines on media and travel agent fam trips.

Ladies and gentlemen,

The TAT and Singapore Tourism Board are the main organisations that take care of tourism sector of the countries. We have a strong relationship and same objective in tourism development as



we can see from our past marketing activities and joint promotion in overseas markets which has always been resulted positively. Moreover, these include the coordination between our countries that allow continual implementation plans and activities as well as result in a concrete way under the Thailand-Singapore Civil Service Exchange Programme (CSEP).

The Singapore –Thailand Enhanced Economic Relationship (STEER) is the mechanism to control and drive the economic cooperation which is like the “Twins in Economic” for CSEP. However, the economic cooperation issues under CSEP including tourism has been transferred to work under STEER which is the mechanism established to expand economic relationship between Thailand and Singapore by allowing private sectors to take part in it.

In addition to our long coordinating efforts at both bilateral and multilateral levels as well as to more effective cooperation, we would like to propose STB to sign the Memorandum of Understanding (MOU) on Tourism Cooperation.

Hence, we can take future steps on tourism cooperation as follows.

1. To increase flows between the two countries by promoting Thailand as a “domestic destination” and the “second home” for Singaporeans. They can enjoy travelling and flying frequently while promoting Singapore as a domestic destination for Thai tourists as well;
2. To promote the overland route Singapore – Malaysia – Thailand;
3. To continue joint marketing and promotion activities in potential markets such as the Americas, Europe, and Japan through the TAT and STB overseas offices. To encourage joint marketing in the Chinese and Indian markets;
4. To promote the MICE Market by launching Pre & Post Tour programs and a MICE market management workshop;
5. To exchange tourism information; and
6. To organise media fam-trip

Ladies and gentlemen, please allow me to conclude on that note. Any cooperative endeavour must be a two-way street. We therefore can use the STEER Meeting as the forum to strengthen and showcase our sector cooperation. Once more, thank you for giving me the opportunity to address you today. I wish you all a successful seminar, and a fruitful and productive stay.

Thank you very much, and Sawasdee-kha.



# MIDDLE EAST IS BECOMING ONE OF OUR BEST PERFORMING MARKETS



**Mr. Satit Nillwongse**

*Director of International Markets  
Department*

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## **WELCOME SPEECH AT MIDDLE EAST MEGA FAM TRIP SEPTEMBER 2003 BANGKOK**

Sawasdee-khrap and Marhaba, ladies and gentlemen.

On behalf of the Tourism Authority of Thailand (TAT) and Thai tourism industry, it is indeed an honor and privilege for me to welcome you all here today. Thank you very much for taking the time to join us on this Mega-Fam trip. We hope to help you see that Thailand is a safe, hospitable and welcome destination, and that our travel & tourism industry is as good as ever in terms of productivity and value for money.

The Middle East is becoming one of our best performing markets. Thanks to good linkages by airlines like Emirates, Gulf Air, Qatar Airways and our own THAI Airways International, we are seeing strong increases in arrivals by both Arab and expatriate visitors from the Gulf region. The SARS scare is now behind us, and your presence here today is part of our plans to rebuild the linkages between Southeast Asia and the Middle East.

The Tourism Authority of Thailand is placing considerable effort on this market due to the noticeable interest in Asia as a result of the shift away from other regions. The major source-markets are UAE, Kuwait, Saudi Arabia, Qatar and Bahrain, as well as Jordan and Egypt. We have dozens of daily flights from all these countries. The TAT also exhibits regularly at regional





trade shows like the Arabian Travel Mart. Some of our restaurant chains are also exploring opportunities for opening locations in the Middle East, due to the growing global popularity of Thai food.

I would like to tell you briefly about Thailand's relations with the Middle East countries. About 10% of Thai population are Muslims, the largest minority. Thai Muslims are concentrated in the provinces of southern Thailand and enjoy good relations with Muslims in Indonesia and Malaysia in terms of trade and travel. Many Thai Muslim students are studying in the Middle East. Our government has put a lot of emphasis on building relations with the Muslim world. We also have observer status in the Organisation of Islamic Conference countries.

We have recently set up an Islamic Bank of Thailand, and I am happy to report that Bahrain has agreed to be one of its investors. We are also becoming a major exporter of officially recognised "Halal" food to the Islamic countries.

Ladies and gentlemen,

Many innovative travel products are coming up all over our kingdom as we strive to make Amazing Thailand into the Tourism Capital of Asia by 2006. This will mean developing Thailand not just as a centre of tourism but a centre of excellence in associated fields like fashion, food, health and spa, meetings and conventions, automobile production, information technology and many more industry sectors.



During your stay here, I hope you will have a chance to see that Thais are a friendly and service-oriented people with a strong history and cultural tradition and respectful of all races or religions. We have an excellent reputation for product delivery and a broad range of natural and cultural heritage attractions e.g. good beaches, tropical forests and historical sites.

A generally favourable exchange rate has made our tourism products and shopping attractions very good value for money. In addition to the products and attractions in Thailand, you may also wish to recommend many upcoming destinations in our neighbouring countries like Laos and Cambodia, which also give visas on arrival.

One final piece of good news is that Thailand will continue to give citizens of UAE, Bahrain and Qatar visa exemptions while citizens of Saudi Arabia, Kuwait and Oman will get visas on arrival, which is one less hassle in arranging the travel plans for your clients.

Ladies and gentlemen,

Once more, a very warm welcome to you all. Thank you for your continuing support and for being with us today. If there is anything we can do to help make your stay more comfortable, please let us know.

Thank you very much and Sawasdee-khrap.



# OPENING NEW SOURCE-MARKETS ON THE EAST COAST OF RUSSIA



**Mr. Satit Nillwongse**

*Director of International Markets*

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## **WELCOME SPEECH AT THAILAND TOURISM SALES MISSION – URAL/ SIBERIA 4-11 SEPTEMBER 2003 NOVOSIBIRSK/ EKATERINBURG, RUSSIA**

Sawasdee-khrap and good evening ladies and gentlemen.

On behalf of the Tourism Authority of Thailand (TAT) and Thai tourism industry, it is indeed an honor and privilege for me to welcome you all to the Thailand Tourism Sales Mission. Thank you very much for being with us today.

We are very happy to be in Russia as part of the overall improvement in business and economic relations between the two countries. Just last month, a very high level delegation of Thai businessmen enjoyed a very successful visit to Moscow. We hear there is big demand in Russia for Thai rice, rubber, frozen food, jewellery and textiles. In turn, Thai businessmen want Russian fertilisers and electrical technology.

Strong economic and trade contacts go hand in hand with travel & tourism which is also growing strongly between our two countries. Thailand is a good family destination for Russians travellers due to good sight-seeing opportunities, friendly people, beautiful beaches, Thai friendliness, great food and drink, all of which can help visitors enjoy their time with friends.



***“ The most important thing is that it is mainly a winter-season market, meaning Russians love the warm weather, the beaches and the sea. ”***

In 2002, visitor arrivals from Russia totalled 68,978, up strongly by 17% over 2001. You may be interested to know that Russia is the only country from which we get more female visitors than males. Group tour arrivals increased by 35.14% to 39,105 and first-time visitors rose by 33.06% to 41,672. The average length of stay was 11 days and average daily spending about US\$ 85.

We expect that this growth will continue strongly in future. The most important factor is that Russians get a visa on arrival in Thailand. Now, we also expect to see increased arrivals by scheduled flights. At the moment, Aeroflot is flying thrice weekly from Moscow to Bangkok but our national airline THAI Airways is planning to start flying at the end of 2004, at least thrice weekly.

In addition to the charter flights that have been operated for several years, THAI Airways International has signed a number of inter-line agreements with airlines in this part of the world, including Aeroflot, Siberia Airlines, Vladivostok Air and most recently, Dalavia Airways. The agreement with Dalavia, for example, allows travellers to fly to either Seoul or Guangzhou and connect to a THAI flight to Bangkok. THAI Airways is planning more such agreements with airlines in the Russian Far East as well as the Central Asian Republics.

Our research into the Russian market shows many opportunities for growth.

The most important thing is that it is mainly a winter-season market, meaning Russians love the warm weather, the beaches and the sea. We know that many Russians are also enjoying learning how to dive in our waters. Our diving facilities are of the highest professional standards and cater to the needs of divers of all skill levels, especially beginners. In addition to Pattaya, I would also recommend trying new dive-sites in Samui and Phuket. Oceanic and continental islands on both sides of the south Thailand peninsula are home to some of the most dazzling underwater wonders anywhere.

Our excellent spas, massage and herbal treatments are being recognised as among the most popular in the world. From Phuket to Chiang Mai, Thailand has over 120 spas to cater to the growing global demand for health and rejuvenation. Thailand has more than 4,800 hotels and accommodation units with 280,000 rooms, ranging from 6-star deluxe to budget. Many of these are well-known worldwide for their high service standards.

We have also noticed a major increase in visitors for meetings, incentives, conventions and exhibitions. Businessmen will find it very useful to visit the many trade shows and exhibitions that are held in Thailand every year. Please also take along your spouse so that, after the exhibition



or conference is over, you can enjoy a round of golf at some of the many fabulous courses nationwide while your spouse can go shopping at the department stores and shopping complexes.

Shopping is absolutely wonderful in Thailand, ranging from flea-markets selling souvenirs and handicrafts to upmarket malls with designer brand-name goods. And the prices are not at all expensive. This winter, between 15 November to 15 December, we will hold our annual Grand Sale Grand Service shopping festival which is a perfect time to do some excellent Christmas - New Year shopping. An extravaganza of quality products and services are discounted of upto 80% off regular prices at many shopping centres nation-wide, including Pattaya and Phuket. The shopping festival is rapidly gaining fame as one of the biggest shopping extravaganzas in Southeast Asia.



Photo Credit: Masala Magazine

Ladies and gentlemen,

We realise very much the importance of the Russian market. You will be very pleased to know that the Association of Thai Travel Agents has started Russian language training courses for guides. This will go a long way towards helping us offer a better quality of service to your clients.

Before I close, allow me to mention some specialist events coming up over the next few months because they could mean increased opportunities for you to grow your business.

1. Between 16-18 September 2003, the third annual travel expo covering Thailand and the Greater Mekong Subregion is to be held at the Bangkok International Trade & Exhibition Center. It is the region's best showcase for exciting tourism products of Thailand and the GMS countries -- China (Yunnan province), Myanmar, Laos, Vietnam and Cambodia. If you are interested in these markets, you should attend this show.
2. Then, between Oct 12 - Oct 18, 2003, the World Youth & Student Travel Congress will be held in Pattaya, a unique event for specialists and decision makers in the youth and student travel industry. Note that in times of crisis, it is the young people who mostly remain on the road,



a resilient market that is one of the fastest growing in the world.

3. And finally, if you plan to explore further opportunities in the meetings and incentives travel area, The 11th Incentive Travel & Conventions, Meetings Asia will be held from 4 to 6 November 2003 at the Impact convention and exhibition center, with more than 500 quality international buyers and suppliers expected to attend.

Ladies and gentlemen,

We are very happy to be conducting our first marketing roadshow in this part of the world. Our job is to support you in every way we can so please feel free to come to us with any ideas, suggestions or initiatives. Thank you for your continuing support and for being with us today.

Spai si bo, and Sawasdee-khrap.



# TARGET: MAKE THAILAND THE “TOURISM CAPITAL OF ASIA” BY 2006



**Mrs. Juthamas Siriwan**

*Governor*

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## **PRESS BRIEFING AT THAI TRAVEL MART PLUS AMAZING GATEWAY 17 SEPTEMBER 2003 BANGKOK**

Sawasdee-Kha and good morning ladies and gentlemen.

On behalf of Tourism Authority of Thailand (TAT), I am very honoured and delighted to welcome you to our third annual travel expo, the Thai Travel Mart (TTM) 2003 Plus Amazing Gateway. Thank you all for being with us and for giving me an opportunity to give you a quick update on the Thai travel and tourism situation. We recognise the media's valuable role in our promotion and marketing efforts and thank you all for your continued support.

Many exciting developments are taking place and I think you will find many things to write about. Please allow me to quickly cover some major highlights:

I think we are all happy that the slump in the first half of this year, caused by the SARS scare and the war in Iraq, is over. Visitor arrivals are picking up all through the region and Thailand is no exception. Now we are trying to go back to business as usual. Just to give you an example, in May, the worst month, arrivals at Bangkok International airport, our main point of entry, had slumped to only 273,000. By July, they had surged again to 584,000. Figures for August and September are still being tabulated but I am told the improvement has continued.



***“ In an increasingly competitive tourism industry worldwide, we need to undertake the right marketing activities in the right destinations. ”***



Although the Thai tourism industry launched major campaigns to revive visitor arrivals, the slump was quite bad, and we are hoping to end the year with about the same arrivals as in 2002, which totalled 10.8 million. However, we have already finalised marketing plans for 2004, for which we are targeting total visitor arrivals of 11 million.

Our major policy objective is to make Thailand the “Tourism Capital of Asia” by 2006. This will mean developing Thailand not just as a centre of tourism but a centre of excellence in associated fields like sports, fashion, food, health and spa, meetings and conventions, film-making, automobile production, information technology and many more industry sectors.

Just a few months ago, we restructured the TAT to significantly improve the way we do our marketing, both domestic and international. Effectively, we have now created an Integrated Marketing Communication (IMC) organization that will deliver the right products to the right customer segments at the right time. In an increasingly competitive tourism industry worldwide, we need to undertake the right marketing activities in the right destinations.

This emphasis on marketing complements last year’s creation of the Ministry of Tourism and Sports which is taking care of development and administrative issues. The Ministry’s role is extremely important because it takes charge of upkeeping the quality of the product which the TAT is responsible for marketing. The Ministry has a cabinet-level status and more administrative and operational power to address issues related to infrastructure development, environmental controls and legislative matters. Its main focus is ensuring that Thailand remains a high-quality and sustainable tourism destination.

Our main future challenge is to move away from mass markets to niche-markets. In terms of segmentation, our marketing plan for 2004 is to focus on niche-markets like MICE, high-income earners, golf, wellness & spa, family, diving, youth and honeymooners. Other target groups are senior citizens, ladies, eco & soft adventure, medical tourism, long stay visitors, film-makers and students.



While Bangkok remains the most popular destination, visited by 80% of all visitors, we are also trying to decongest our main tourist destinations by encouraging interest in new ones, especially those with high potential. Under this project, a number of provinces around the popular destinations are to be promoted as “clusters,” which will broaden the product offerings of tour operators, disseminate tourism revenue to other parts of the country and encourage the participation of local people in tourism promotion and development.

We are also focusing on the domestic market including both Thai and expatriates in the country. The target market segments are families, senior citizens, young people, MICE delegates, high income earners and expatriates. This is especially important because it helps support the small and medium-sized enterprises (SME) in which most of the country’s tourism-related jobs exist. A specific campaign called “Unseen in Thailand” focuses on destinations that Thais and Thailand residents may be aware of but have not yet seen. Companies are also being encouraged to organize their meetings, incentives and conventions and exhibitions within Thailand.

On the infrastructure front, Bangkok is projected to get a new international airport, Suvarnabhumi, in 2005 which will further grow the Thai capital’s role as a major regional aviation hub and international gateway. At the same time, the government is placing much emphasis on growing Chiang Mai as a northern aviation hub and Phuket as a southern hub.

Many of you who are regular visitors to Bangkok may have noticed the big difference that has been made by the Skytrain in helping visitors get around the city. In August 2004, the city will get another mass transit system, an underground, that will further link up many of the city’s hotels, shopping complexes, commercial areas and convention centres.

Ladies and gentlemen,



Photo Credit: Masala Magazine



All through this year we are hosting a series of very high-level meetings of the Asia-Pacific Economic Co-operation (APEC) caucus that will culminate in October with a summit of the region's political leaders and corporate CEOs. APEC is one of the leading inter-governmental forums in the Asia-Pacific, similar to the European Union. These meetings will attract hundreds of important government officials and private sector executives to Thailand over the course of this year. The leaders summit alone is expected to be attended by 3,000 journalists.

Before I close, allow me to mention some specialist events coming up over the next few months because they could mean good story opportunities.

1. Between Oct 12 - Oct 18, 2003, the World Youth & Student Travel Congress will be held in Pattaya, a unique event for specialists and decision makers in the youth and student travel industry. Note that in times of crisis, it is the young people who mostly remain on the road, a resilient market that is one of the fastest growing in the world.
2. Then, if you plan to explore further opportunities in the meetings and incentives travel area, the 11th Incentive Travel & Conventions, Meetings Asia will be held from 4 to 6 November 2003 at the Impact convention and exhibition center, with more than 500 quality international buyers and suppliers expected to attend.
3. And finally, the 2004 Bangkok International Film Festival, scheduled for 22 January – 2 February 2004. An estimated 150 films, special events, seminars and panels will be a part of this year's event, as well as a competition in nine different categories and the presentation of the second annual Golden Kinnaree Awards, the festival's award for excellence in international filmmaking.

Ladies and gentlemen,

Overall, our main challenge is to stay competitive. We have to work hard to ensure that our products are upto standards, that we deliver value for money and that we have the underlying legal and administrative systems in place to ensure that we deliver what we promise.

Thank you for your continuing support and for being with us today. I wish you a successful Thailand Travel Mart.



# HOW THAILAND IS FORGING NEW MANAGEMENT AND PARTNERSHIPS



**Mr. Auggaphol Brickshawana**

*Director of Policy and Planning  
Department*

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## **NATIONAL SEMINAR ON SUSTAINABLE TOURISM DEVELOPMENT 23-25 SEPTEMBER 2003 ULAANBAATAR, MONGOLIA**

Good morning , distinguished delegates, ladies and gentlemen.

It is a great honour and pleasure for me to address this National Seminar on Sustainable Tourism Development in Ulaanbaatar. This is my first time in here and I would like to express my appreciation to the government and people of Mongolia for hosting the seminar and the warm and cordial welcome extended to us. Let me also express my thanks to the UNESCAP for its initiative in organising this very timely event and providing us a valuable opportunity to exchange information and experiences in the field of public-private sector partnerships for sustainable tourism development. Such partnerships are at the heart of the success of the Thai tourism industry.

Distinguished delegates,

I will tell you more about how Thailand is changing the directions of its partnerships in a moment, but first please allow me to give you some background of Thailand its tourism industry.

Thailand is a constitutional monarchy located in Southeast Asia with a total land area of 511,770 sq km. It shares long borders with Myanmar (1,800km) Cambodia (803 km) Laos (1,754 km) and Malaysia (506 km).





Thailand's population is about 62 million. Of the total population, 80% are Thai, 10% ethnic Chinese, 3% ethnic Malay in the Southern regions and the rest are minorities like Mons, Khmers and hilltribes. Although there is a great deal of ethnic diversity, integration is such that culturally and socially there is enormous unity.

Thailand is a tropical country with generally warm weather throughout the year except in the northern parts when it can get cold in the winter months, especially in the highlands. The country comprises of rich forests, hills, flatlands, beaches, coastal and island areas. Bordered by the Andaman Sea and the Gulf of Thailand, Thailand's tourism natural resources are scattered throughout the country. The highlands of the Northern and Western parts are home to fantastic national parks, forests, hills, caves, waterfalls and streams as well as a huge variety of plants and wide animals.

The beaches and coastlines along the southern and eastern parts are a total of 2,600 kilometres in length. This provides great marine tourism attractions for both Thai and international visitors. These attractions include, for examples, Phuket and Samui islands, and Pattaya. Also the coastal areas in southern Thailand have ecological tourism attractions such as mangrove forests, which breed important marine life like fish, crabs, shrimps and sea mussels. Deep down, the waters abound with colourful fish and corals that attract divers from all over the world.

Thailand has a strong 700-year history, and has remained independent and free of colonisation all through. This is reflected in the diversity of cultural traditions and respect for all races and religions nationwide. It also attracts a lot of tourists each year. Thailand has great historical and cultural tourist attractions, three of which are the UNESCO World Heritage sites, which include Baan Chiang Archaeological Site, Historic Town of Sukhothai and the Historic City of Ayutthaya.

Thai cultural traditions are unique and vary in different parts of the country in terms of lifestyles, activities, festivals, events and performances such as Loi Krathong and Songkran. The attractiveness also includes the variety, aesthetic and nutritious value of Thai food and fruits which are available in plenty year-round. A generally favourable exchange rate has made our tourism products and shopping attractions very good value for money. And the most impressive and well-known fact among all visitors is the friendliness and hospitality of Thai people.





Distinguished delegates,

Tourism was the countrys top foreign exchange earner between 1982-96. After 1997, it was overtaken by exports of computer parts. However, last year, tourism overtook other industries to again become the countrys number one foreign exchange earner, generating US\$ 7,530 million and contributing 6.06% to GNP in 2002. This was followed by exports of computer and parts, electronic appliances and textile products. This has been the result of a long history and is a good example of a successful 40-year-plus co-operation between the public and private sectors.

Thailand has stressed its support for tourism since 1960, the year that the Thai tourism industry began officially with the formation of the Tourism Authority of Thailand. That year, we had 81,340 visitors who

generated US\$ 10 million. Over the years, we have done major marketing roadshows in other countries with THAI Airways International (TG) and, later, with the tourism private sector including hotels, tour operators and restaurants. This has led to a constant growth in Thai tourism.

In 2002, international visitor arrivals totalled 10.79 million, an increase of 7.33%, generating US\$7,530 million in foreign exchange earnings, 9.6% increased over 2001. Most of the visitors (60 %) are from East Asia, 22% from Europe, 6% from America and 4% from Oceania and the rest are from other regions.

Cooperation between public and private sectors has always been strong. We realise the true value of good partnerships with the private sector and all industry sectors. I will now discuss the two aspects of partnership: Development and Marketing.

### **First, the development issues:**

Since the very beginning of tourism, the private sector has played an important role at every level of the development planning process, including regional, national and local. Representatives of the tourism private sector have participated in suggesting ideas on improving marketing efforts and also voiced the needs of private tourism associations. At the same time, representatives of local communities play an important role in considering such suggestions.

With regards to implementation of the plans, the private sector plays an important role in developing quality and sustainable tourism products, such as the Green Hotel Campaign that seeks to boost awareness of environmental deterioration, the need to save energy and reduce pollution, and assist communities better take care of nearby tourist attractions. Others are the



***“ Another important element of the partnership with the private sector emerges during extraordinary events like crisis or national occasions.***

Clean Food Good Taste Campaign that is designed to improve the quality of sanitation in restaurants, and the Human Resources Development Campaign that involves improving the quality of services in transport, communication, hotels and restaurants. Moreover, Thailand is channelling maximum possible resources to ensure the safety of visitors by building up security networks, and monitoring the sea-coasts and risky areas.

***”***

Another important element of the partnership with the private sector emerges during extraordinary events like crisis or national occasions. One such important example for promoting travel to Thailand was in 1987, the Visit Thailand Year, which marked the auspicious 5th cycle 60th birthday of His Majesty the King, for whom the Thai people have enormous love and respect. That was a great occasion for Thailand and brought together the public and private sectors in an unprecedented show of cooperation in jointly developing and marketing tourism products. The success of this was reflected in visitor arrivals, which grew from 2.8 million to 3.4 million in 1987, a growth of 24 %.

Another widely-known example is the 1997 Asian Crisis that affected countries around the world. The TAT partnered with all government and private organisations in announcing the Amazing Thailand 1998 ñ 1999 Campaign which featured unique sales and offered interesting products across sectors such as accommodation, entertainment, souvenirs and new destinations. This resulted in an increase of 7.53% to 7.76 million arrivals in 1998 while visitor arrivals to most other neighbouring countries declined.

And finally, just in the beginning of 2003, we faced the SARS crisis. This was a new crisis that led to a new kind of partnership with health authorities as the country mobilised to keep out this deadly strain of virus. We set up a Crisis Management Committee between the Tourism Authority of Thailand (TAT) to work closely with the Association of Thai Travel Agents (ATTA), the Thai Hotels Association (THA) and other associations in tourism industry. Thai Airways International also worked intensively to alleviate the situation. One solution was to create special promotions to attract international visitors and to boost domestic travel under campaign called ìUnseen Thailand. We hope that over the course of the rest of this year, Thai tourism will return to normal.

#### **Now, on the marketing side:**

The private sector is now playing an important role in establishing new airlines which are expanding the aviation network domestically and regionally. At the same time, airlines are opening new routes to Thailand and doing joint sale promotions to fill the capacity. The TAT has to work in partnership with the Ministry of Transport and Communications to ensure there is adequate seat capacity into Thailand. We also work in close partnership with Thai Airways International and other airlines on marketing campaigns, especially during low seasons. Airlines





***This was a new crisis that led to a new kind of partnership with health authorities as the country mobilised to keep out this deadly strain of virus.***



are always supportive of our efforts through advertising and provision of seats for travel agents and media familiarisation trips.

Marketing roadshows are regularly conducted with the private sector including hotels, restaurants, tour operators and tourism-related businesses. For example, we have conducted roadshows around the WTM in London, the ITB in Berlin, Fitur and Spain, and the BIT in Italy. We have always received good cooperation in conducting roadshows to China, Japan and Australia.

We also organise fam trips for media and agents in order to create a good image of the country. These are supported by various organisations such as THAI Airways International for air-tickets, the Association of Thai Travel Agents (ATTA) for tour programmes, the Thai Hotels Association for accommodation, tour operators for transport, and the Professional Guides Association Thailand for guides.

Shopping is also a major feature of our partnership with the retail sector. During the past five years, the TAT has cooperated with leading department stores in organising the bi-annual shopping festivals, Amazing Thailand Grand Sale in June-July and again in November-December. It has been found that 30-38% of tourism expenditures are spent on souvenir products.

There are a lot more examples of cooperation between public and private sectors that have greatly benefitted tourism and created a good name for Thailand. Unfortunately, I cannot cover them all in this limited time.

Before I close, allow me to mention some of the awards received by the TAT last year (2002).

- The World Best Awards, given to Bangkok as the Best City for Tourism Attractions in Asia and the third in the world by Travel Leisure Magazine.
- The Time Readers Travel Choice Awards, given by Time Magazine to Bangkok as one of the Favourite Holiday Destinations.
- Modern Maturity magazine of the United States selected the province of Nong Khai as the Seventh Best Living Place from 15 selected cities.
- The Readers Travel Awards 2002”, conducted by TTG Asia, selected Thailand the Destination of Asia.



- The Destination of the Year Abroad and the iBest Dream Destination of the Year 2002”, voted by Internet users in Sweden during the Resmassan Tourism Promotion in Stockholm.
- The Best Foreign NTO Representative Office in Strengthen of Mutual Co-operation, received from the Tourism Department, Russian Federation Ministry of Economic Development and Trade.
- The TTG Czech Travel Awards, for the iBest Selling Destination in the Holiday World 2002, conducted by TTG Czech Republic with Holiday World, Mosen and Herts in Prague, Czech Republic.

Phuket received the Asia/Pacific Leading Destination award and the TAT received the Asia/Pacific Leading Tourist & Convention Bureau award during the World Travel Awards 2002, voted via <http://www.worldtravelawards.com>.

Distinguished delegates,

It is clear that the success of Thai tourism industry after more than 40 years of development and support is because of the strong partnerships between the public and private sectors. This is gradually reflected in the growth of other related sectors, widening networks and the diversity of products and services.

I hope this presentation has given you some interesting ideas and experiences. We believe friendly competition is good for everyone and the pursuit of sustainable product development is good for Asia as a whole.

Once more, I would like to express my appreciation to the government and people of Mongolia for hosting the seminar and my thanks to the UNESCAP for its initiative in organising this national event.

I will be happy to answer a few questions.

Thank you very much.



# WHY THAILAND IS THE TOP LONG-HAUL DESTINATION FOR GERMAN TRAVELLERS



**Mrs. Juthamas Siriwan**

*Governor*

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## **MEDIA BRIEFING FOR VISITING GERMAN MEDIA BANGKOK 30 SEPTEMBER 2003**

Sawasdee-kha, and good afternoon, ladies and gentlemen.

On behalf of Tourism Authority of Thailand (TAT), I am very honoured and delighted to welcome all media delegates from Brandenburg, Saxony-Anhalt, Thuringia, Mecklenburg-Western Pomerania and Saxony. Thank you all for being with us and for giving me an opportunity to give you a quick update on Thai tourism.

Ladies and gentlemen,

We are very happy to have you here because there is nothing like seeing the product first hand in order to experience it. I think you will find that Thailand is vastly different from what many Germans perceive it to be.

Bangkok is a vibrant city with superb shopping, great food and excellent hotels, all backed by the famous friendliness of the Thai people. In the countryside, our beaches, golf courses, national parks and marine sports facilities are among the best in Asia.

These are the factors that have made Thailand is the No 1 long haul destination in Asia for the German market. For many years, it was also our top market from Europe.



***“ Catering to the German and European market is one of the major factors that features in the way we are designing our products as we strive to make Amazing Thailand into the Tourism Capital of Asia by 2006. ”***

In 1980, German visitors to Thailand totalled 93,000, shot up to 243,000 in 1990 and 378,562 in 2000. In 2002, German visitor arrivals to Thailand totalled 403,240.

Germans stay longer than any other visitors to Thailand. At 15.83 days, your average length of stay is well above the European average of 13.37 days and roughly double the overall average of eight days.

Economic and demographic changes in Germany are also being reflected in the arrivals. Of the total German arrivals in 2002, visitors aged 65 and above were up strongly by 22.27% while those aged 45-54 also showed good growth of 7.36%. Female visitor arrivals increased by 2.95% while convention delegates were up by 49 % .

As of September 2003, there are 28 direct flights per week between Germany – Thailand. Of which 24 are between Frankfurt – Bangkok and four are between Munich – Bangkok. However, THAI Airways International will increase one more flight from Frankfurt to Bangkok in its winter timetable (26 October 2003 – 27 March 2004). LTU will also be restarting flights from Frankfurt, Munich and Dusseldorf to Bangkok and Phuket.

Ladies and gentlemen,

Catering to the German and European market is one of the major factors that features in the way we are designing our products as we strive to make Amazing Thailand into the Tourism Capital of Asia by 2006. This will mean developing Thailand not just as a centre of tourism but a centre



Photo Credit: Masala Magazine

of excellence in associated fields like fashion, food, health and spa, meetings and conventions, automobile production, information technology and many more industry sectors.

Our tourism marketing plan for 2004 will follow these lines as it focuses on niche-markets like meetings and conventions, high-income earners, golf, wellness & spa, family, diving, youth and honeymooners. Other target groups are senior citizens, ladies, eco & soft adventure, medical tourism, long stay visitors, film-makers and students.



A generally favourable exchange rate has made our tourism products and shopping attractions very good value for money. In addition to the products and attractions in Thailand, there is growing interest by German visitors to see our neighbouring countries like Myanmar, Laos and Cambodia.

You will also be pleased to know that the German company Siemens is one of the key contractors for supply of the 35 cars that operate in the Skytrain, the modern city transport system which opened in December 1999 and has played a major role in helping to alleviate Bangkok traffic conditions. In August 2004, the city will get another mass transit system, an underground, that will further link up many of the city's hotels, shopping complexes, commercial areas and convention centres.



Ladies and gentlemen,

Once again, thank you very much in visiting our country and being with us today. I hope I have given you both a modern and historical perspective about Thai-German tourism relations to include your stories. And I will be happy to answer any questions.



# BACK TO BUSINESS AFTER THE SARS AND IRAQ WAR CRISES



**Mrs. Phornsiri Manoharn**

*Deputy Governor for Marketing*

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## **PRESS BRIEFING AT PATA TRAVEL MART 2 OCTOBER 2003 SINGAPORE**

Sawasdee kha, and good morning, ladies and gentlemen.

On behalf of Tourism Authority of Thailand (TAT), I am very honoured and delighted to welcome you to the PATA Travel Mart 2003. Thank you all for being with us and for giving me an opportunity to give you a quick update on the Thai tourism situation.

Thankfully, the slump in the first half of this year, caused by the SARS scare and the war in Iraq, is over. Visitor arrivals are picking up all through the region and Thailand is no exception. Now we are trying to go back to business as usual. Just to give you an example, in May, the worst month, arrivals at Bangkok International airport, our main point of entry, had slumped to only 273,000. By July, they had surged again to 584,000. Figures for August and September are still being tabulated but I am told the improvement has continued.

The Thai tourism industry launched major campaigns to revive visitor arrivals and we are hoping to end the year with about the same arrivals as in 2002, which totalled 10.8 million. We have already finalised marketing plans for 2004, for which we are targeting total visitor arrivals of 11 million.

Our major goal is to make Thailand the “Tourism Capital of Asia” by 2006. This will mean developing Thailand not just as a centre of tourism but a centre of excellence





in associated fields like sports, fashion, food, health and spa, meetings and conventions, film-making, automobile production, information technology and many more industry sectors. This is in addition to more firmly positioning Thailand as the tourism gateway to the Greater Mekong Subregion in partnership with our neighbouring countries, Myanmar, Laos and Cambodia.

With arrivals having crossed the Ten Million mark, our major objective is to move away from mass markets to niche-markets. Our marketing plan for 2004 is to focus on niche-markets like MICE, high-income earners, golf, wellness & spa, family, diving, youth and honeymooners. Other target groups are senior citizens, ladies, eco & soft adventure, medical tourism, long stay visitors, film-makers and students.

Just a few months ago, we restructured the TAT to significantly improve the way we do our marketing, both domestic and international. Effectively, we have now created an Integrated Marketing Communication (IMC) organization that will deliver the right products to the right customer segments at the right time. In an increasingly competitive tourism industry worldwide, we need to undertake the right marketing activities in the right destinations.

This emphasis on marketing complements last year's creation of the Ministry of Tourism and Sports which is taking care of development and administrative issues. The Ministry's role is extremely important because it takes charge of upkeeping the quality of the product which the TAT is responsible for marketing. The Ministry has a cabinet-level status and more administrative and operational power to address issues related to infrastructure development, environmental controls and legislative matters. Its main focus is ensuring that Thailand remains a high-quality and sustainable tourism destination.

On the aviation front, today, Thailand is served by 73 international scheduled passenger airline. In September, Kenya Airlines started its first direct route, Nairobi – Bangkok – Hong Kong, becoming the third airline from Africa to fly to Thailand. Also our national carrier, THAI Airways International, will open three new routes to Chennai (India), Guilin (China) and Luang Prabang (Laos) effective 26 October 2003.



At the moment, there is much focus on developing the airports. Bangkok's second international airport, Suvarnabhumi, is due to open in 2005 and will further grow the Thai capital's role as a major regional aviation hub and international gateway. At the same time, the government is placing much emphasis on growing Chiang Mai as a northern aviation hub and Phuket as a southern hub. Our new privately-owned airlines are forging stronger linkages with the neighbouring countries.

Many of you who are regular visitors to Bangkok may have noticed the big difference that has been made by the Skytrain in helping visitors get around the city. In August 2004, the city will get another mass transit system, an underground, that will further link up many of the city's hotels, shopping complexes, commercial areas and convention centres.



Other means of transportation are also increasing, especially through the GMS region. One bridge, Thai Lao Friendship Bridge is already open since 1994, a second bridge is the Lao-Nippon Bridge funded by the Japanese in the Laotian province of Pakse which opened in August 2000. Japan has granted a long-term, low-interest loan of about eight billion yen to the governments of Laos and Thailand for the construction of a third bridge linking the western Laotian province of Savannakhet and the northeastern Thai province of Mukdaharn which is set for completion in 2006. There are two other bridges in the Yunnan Province of China and the My Thuan Bridge in Vietnam.

These bridges will go a long way towards helping tour operators build superb fly-drive-rail-cruise packages regionwide. In addition, the Royal Thai government is funding a major section of the Asian Highway that will run through Myanmar and link up the province of Mae Sot in Thailand to the east Indian state of Manipur. This will be the first road link between Thailand and India.

These improvements in accessibility and infrastructure are being noticed by major international hotel chains which are showing renewed interest in Thailand especially beach resorts like Hua Hin, Cha-am and Krabi where groups like the Hilton, Sheraton and Accor are set to open properties in the year ahead.



Distinguished members of the media,

All through this year we have hosted a series of very high-level meetings of the Asia-Pacific Economic Co-operation (APEC) caucus that will culminate in October with a summit of the region's political leaders and corporate CEOs. APEC is one of the leading inter-governmental forums in the Asia-Pacific, similar to the European Union. These meetings have attracted hundreds of important government officials and private sector executives to Thailand over the course of this year. The leaders summit alone is expected to be attended by 3,000 journalists.

Before I close, allow me to mention some specialist events coming up over the next few months because they could mean good story opportunities.

1. Right after this Mart, between Oct 12 - Oct 18, 2003, the World Youth & Student Travel Congress will be held in Pattaya, a unique event for specialists and decision makers in the youth and student travel industry. Note that in times of crisis, it is the young people who mostly remain on the road, a resilient market that is one of the fastest growing in the world.
2. Then, the 11th Incentive Travel & Conventions, Meetings Asia will be held from 4 to 6 November 2003 at the Impact convention and exhibition center, with more than 500 quality international buyers and suppliers expected to attend.



3. The 2004 Bangkok International Film Festival is scheduled for 22 January – 2 February 2004. An estimated 150 films, special events, seminars and panels will be a part of this year's event, as well as a competition in nine different categories and the presentation of the second annual Golden Kinnaree Awards, the festival's award for excellence in international filmmaking.
4. The Portuguese Travel Agents Association will hold its 29th Congress on 28 November – 1 December 2004 in Bangkok. We expect about 800 managerial-level representatives from tour operators to join the event.



5. The PATA Mart itself is to move to Thailand next year when it will convene between 22 – 24 September 2004 at the Queen Sirikit National Convention Centre (QSNCC) in Bangkok, and the PATA Board of Directors on 24 – 26 September 2004 in Bangkok. The PATA annual conference will also be held in Pattaya in 2006.
6. And finally, Thailand has won the bid to host the 67th Skål World Congress in 2006 in the famous beach resort of Pattaya. The convention, which attracts about 2,000 senior executives of the travel & tourism industry, will be held between 15-20 October 2006, at the Pattaya Exhibition and Convention Hall (PEACH).

Ladies and gentlemen,

I hope you have a fruitful and productive session. Once again, thank you very much for being here with us and we hope to welcome you again to the PATA Travel Mart 2004 in Bangkok.

Thank you very much and Sawasdee-kha.



# GETTING THE MICE SCURRYING INTO THAILAND AGAIN



**Mrs. Phornsiri Manoharn**

*Deputy Governor for Marketing*

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## **PRESS BRIEFING AT IT&CMA PRESS CONFERENCE 4 NOVEMBER 2003, BANGKOK**

Sawasdee kha and good afternoon distinguished members of the media.

On behalf of Tourism Authority of Thailand (TAT), I am very honoured and delighted to welcome you to the 11th Incentive Travel & Conventions, Meetings Asia. Thank you all for being with us and for giving me an opportunity to give you a quick update on some of the key developments that we believe are going to contribute greatly to the future growth of the Thai MICE industry.

With SARS and the Iraq war now behind us, we are now in bounce-back mode. Major campaigns have been launched to revive total visitor arrivals and we are hoping to end the year with about 10.8 million visitors, about the same as in 2002. We have finalised marketing plans for 2004, for which we are targeting total visitor arrivals of 11 million.

Promoting the MICE industry is a major component of our plans to make Thailand the “Tourism Capital of Asia” by 2006. This will mean developing Thailand not just as a centre of tourism but a centre of excellence in associated fields like sports, fashion, food, health and spa, meetings and conventions, film-making, automobile production, information technology and many more industry sectors. All these sectors are major generators of meetings, incentives, conventions and exhibitions in their own right, so one can clearly see the potential right there.





In fact, right at this very moment, a major conference is under way linked directly to the growing interest in health and nutrition. That is the International Organic Food conference being organised for the first time in Asia by the United Nations Food and Agriculture Organization to promote the sale and consumption of organically-grown crops, fruits and vegetables. The travel & tourism industry is a primary target consumer of such products.

Allow me to just give you a few details of how our MICE industry is performing.

According to a survey of the Thai MICE industry, in 2002, Thailand hosted 1,551 international conventions and meetings, an increase of 45.5% over 2001. Total attendance at MICE functions and events was 412,919, up 23.12% over 2001, the number of accompanying delegates was 59,365, up 21.50 % over 2001, and total revenue generated from these events, including expenditure by accompanying delegates, is estimated at 34,297 million baht, up 23.75% over 2001.

For this year, due to the impact of SARS and the Iraq war, we are estimating a slight decline of 6-7% in the number of international conventions and meetings as well as foreign participants. Next year, however, we expect to be back to normal growth again, with projected increases of an average of 5% in both 2004 and 2005 while foreign participants are expected to be up by 17%.



Similarly, the number of visitors for international exhibitions in Thailand and incentive travellers is expected to be lower this year but incentive travellers will grow by a projected 11% in both 2004 and 2005. However, the number of exhibition events is expected to grow at the average 11% growth rate in 2003 – 2005.

Ladies and gentlemen of the media,

As you may know, we have just successfully hosted the 10th Asia Pacific Economic Co-operation (APEC) summit in Bangkok between 18-21 October 2003. It is the largest annual gathering of leaders in the Pacific rim, including the United States, China, Australia and Japan. Attended by about 10,000 senior officials and executives, plus spouses, accompanying delegates and security





personnel, the event was widely televised around the world and will give a major boost to our meetings, incentives and conventions industry in future.

Certainly, having the IT&CMA here is a great opportunity to showcase many of the emerging products and services. Allow me to give you just a few examples:

- This Impact Convention and Exhibition Centre itself is to add another 50,000 square metres of space due to dramatic increase in demand at this site. In addition, a 7,000 square metre auditorium will be built as well along with parking space for another 10,000 cars. Impact is already Thailand's largest convention and exhibition centre, and after the expansion, it will become the second largest Asia after the Tokyo International Exhibition Centre.
- The Bangkok International Trade & Exhibition Centre (BITEC) is adding another 10,000 sq.m., column-free multipurpose event hall at a total cost of 250 million baht due to be completed soon.
- Many of you who are regular visitors to Bangkok may have noticed the big difference that has been made by the Skytrain in helping visitors get around the city. In August 2004, the city will get another mass transit system, an underground, that will link many more of the city's hotels, shopping complexes, commercial areas and convention centres, with one station located right next to the Queen Sirikit National Convention Centre.
- A vastly improved road network linking Bangkok with Pattaya has helped boost business at the Pattaya Exhibition and Convention Hall.



- Within Thailand, our aviation sector has been liberalised, leading to the emergence of a number of privately-owned airlines that are opening up new routes throughout Thailand and the Mekong region. In addition to the long-established Bangkok Airways, we now have Phuket Air, PB Air and Air Andaman operating to Siem Reap, Luang Prabang, Chittagong, Mandalay, Jinhong, and Xi'an. As these routes grow, they will offer even more access within Thailand and throughout the region.

The aviation sector will get a major boost when Bangkok's second international airport, Suvarnabhumi, opens in 2005 and will further grow the Thai capital's role as a major regional aviation hub and international gateway. At the same time, the government is placing much emphasis on growing Chiang Mai as a northern aviation hub and Phuket as a southern hub. Our new airlines are looking to make use of these hubs as they grow in the region. Thai International has just started direct flights from Tokyo to Chiang Mai.

- Mekong region: In addition to the products and attractions in Thailand, the many upcoming destinations in our neighbouring countries like Myanmar, Laos, Cambodia, Yunnan Province of China and Vietnam are all within easy reach. Thailand's role as a hub for travel throughout the region continues to grow. Between 26-28 March 2004, we will be hosting the PATA Mekong Tourism Forum in Chiang Mai. In addition, the ASEAN Tourism Forum is to be held in Vientiane in February 2004, the first time in Laos.
- Next year, we expect to have our Convention and Exhibition Bureau (CEB) ready for operation. The centre will act as a one-stop service centre and coordinate with Thai public and private agencies to market the country as a world-class venue for MICE events. We are now in the process of selecting a CEO for the bureau. At the same time, we have also appointed a new Executive Director for the Thailand Incentive and Convention Association.

Ladies and gentlemen of the media,

I hope I have given you an idea of some of the broad infrastructure developments that we believe will go a long way towards attracting more MICE events to Thailand. It is our pleasure that Thailand is again hosting the IT&CMA this year after the grand success last year. Please do take the time to visit some of the 60 Thai exhibitors here and find out more about specific products and services.

Once again, thank you very much for being here with us. I hope you have a fruitful and productive session. I will be happy to answer your questions.

Thank you very much and Sawasdee-kha.



# A SURGE IN INNOVATIVE TRAVEL PRODUCTS



**Mrs. Juthamas Siriwan**

*Governor*

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## **PRESS BRIEFING AT WORLD TRAVEL MARKET LONDON 10-15 NOVEMBER 2003 LONDON, U.K.**

Sawasdee-kha distinguished members of the media.

On behalf of Tourism Authority of Thailand (TAT), I am very honoured and delighted to welcome you to the World Travel Market 2003. Thank you all for being with us and for giving me an opportunity to give you a quick update on the Thai tourism situation.

Thankfully, the slump in the first half of this year, caused by the SARS scare and the war in Iraq, is over. Visitor arrivals are picking up all through the region and Thailand is no exception. Just to give you an example, in May, the worst month, arrivals at Bangkok International airport, our main point of entry, had slumped to only 273,000. By July, they had surged again to 584,000.

Arrivals from the UK market, arrivals to Thailand during January – July totalled 313,778, a slight decline of only 1.49%. This was as compared to an 8 % decline in arrivals from Europe. To us, that was a clear indication of the confidence that the UK market has in Thailand, and we thank you all for your efforts in continuing to promote Thailand.

Due to major campaigns that we launched to revive visitor arrivals in the post-SARS period, we are hoping to end the year with about the same arrivals as in 2002, which totalled 10.8 million. For 2004, we are targeting total visitor arrivals of 11 million.



The UK is our largest market out of Europe, overtaking Germany as of 1999. It is our 7th largest source of visitors overall, with a total of 569,812 arrivals in 2002, or a 10.01% increase over 2001. We are noticing some interesting trends. Last year, we noticed a 12% increase in first-time visitor arrivals, which was related to a 26% increase in group tour arrivals. We also noticed a 19 % increase in UK visitors aged above 55 and a 9 % increase in female visitors. These are very healthy growth trends in specific customer segments. All told, we think Thailand has certainly become a well-known family destination for U.K. travellers.



Ladies and gentlemen,

The prospects for further growth in arrivals are very good. A generally favourable exchange rate has made our tourism products and shopping attractions very good value for money. UK visitors don't need visas and airline linkages are growing.

To support this, many innovative travel products are coming up all over our kingdom as we strive to make Amazing Thailand into the Tourism Capital of Asia by 2006. This will mean developing Thailand as a centre of excellence in tourism as well as associated fields like fashion, food, health and spa, and meetings and conventions. Our tourism marketing plan for 2004 will follow these lines as it focuses on niche-markets like the MICE sector, high-income earners, golf, wellness & spa, family, diving, youth and honeymooners. Other target groups are senior citizens, women, eco & soft adventure, medical tourism, long-stay visitors, film-makers and students.

All these new target markets are being driven by changes in lifestyle patterns and consumer preferences of people around the world, including here in the UK. Allow me to mention some of these:

- Beach Resorts: We know that British tourists are fond of Thai beach destinations but are looking for new ones. Hence, you will hear more about new products emerging on islands





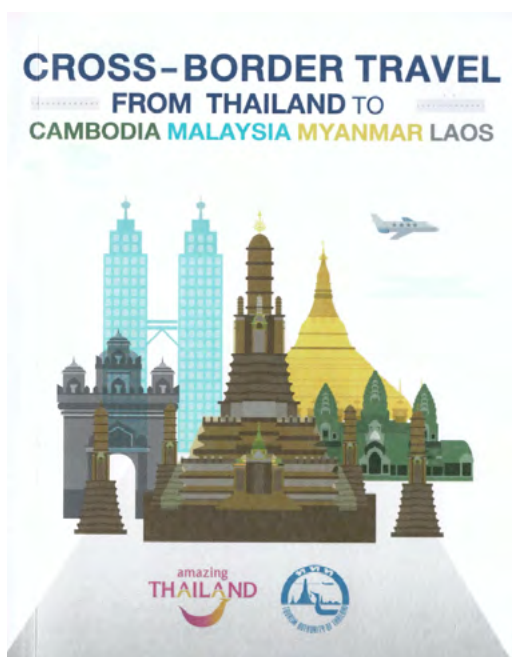
Photo Credit: Masala Magazine

and beach resorts like Krabi, Lanta, Lak, Chang, Tao and Trang.

- Spas and health treatment: Thai spas, massage and herbal treatments are recognised as among the most popular in the world. From Phuket to Chiang Mai, Thailand has over 120 spas -- day spas, hotel and resort spas, medical spas and destination spas -- to cater to the growing global demand for health and rejuvenation.
- Weddings: Thailand is fast becoming a destination for visitors looking to tie the nuptial knot in a more exotic location, and many of Thailand's hotels are fully equipped to handle traditional Thai wedding ceremonies with all the trimmings. All that is needed to smooth out the bureaucratic wrinkles is the necessary paper work from the clients and our tour operators do the rest.
- Cooking classes: Thai food is becoming famous all over the world. And it is interesting to see the increasing number of Thai restaurants opening here in London. Many British men and women are coming to Thailand to learn how to cook Thai food, which is renowned for its lack of fatty content.
- Aviation links: As of this winter schedule, THAI Airways International has launched one more weekly flight, to a total of 12 flights per week between London - Bangkok. There are now a total of 31 weekly direct flights between Bangkok – London operated by THAI Airways International, Qantas / British Airways and Eva Airways as of November 2003. We realise that the capacity on direct flights is not enough. Hence, we appreciate the help being given by other airlines like Emirates, Qatar Airways and Gulf Air which operate to Thailand through the Middle East, providing a much-needed boost in capacity.

Within Thailand, our aviation sector has been liberalised, leading to the emergence of a number of privately-owned airlines that are opening up new routes throughout the Mekong region. In addition to the long-established Bangkok Airways, we now have Phuket Air, PB Air and Air Andaman operating to Siem Reap, Luang Prabang, Chittagong, Mandalay, Jinhong, and Xi'an. As





these routes grow, they will offer even more access within Thailand and throughout the region.

The aviation sector will get a major boost when Bangkok's second international airport, Suvarnabhumi, opens in 2005 and will further grow the Thai capital's role as a major regional aviation hub and international gateway. At the same time, the government is placing much emphasis on growing Chiang Mai as a northern aviation hub and Phuket as a southern hub. Our new airlines are looking to make use of these hubs as they grow in the region.

- **Mekong region:** In addition to the products and attractions in Thailand, the many upcoming destinations in our neighbouring countries like Myanmar, Laos, Cambodia, Yunnan Province of China and Vietnam are all within easy reach. Thailand's role as a hub for travel throughout the region continues to grow. Between 26-28 March 2004, we will be hosting the PATA Mekong Tourism Forum in

Chiang Mai which will further enhance the potential for travel & tourism in the region.

In addition to air-linkages which I just mentioned, road links are also growing. The Thai Lao Friendship Bridge has been open since 1994 and will play a major role in helping delegates travel to and from the Lao capital of Vientiane when it holds its first ASEAN Tourism Forum in February 2004. A second bridge is due to open in 2006 across the lower reaches of the Mekong river linking the western Laotian province of Savannakhet and the northeastern Thai province of Mukdaharn.

- That will raise to six the total number of bridges across the Mekong river and go a long way towards helping tour operators build superb fly-drive-rail-cruise packages regionwide. In addition, the Royal Thai government is funding a major section of the Asian Highway that will run through Myanmar and link up the province of Mae Sot in Thailand to the east Indian state of Manipur. This will be the first road link between Thailand and India.
- **MICE events:** As you may know, we have just successfully hosted the 10th Asia Pacific Economic Co-operation (APEC) summit in Bangkok between 18-21 October 2003. It is the largest annual gathering of leaders in the Pacific rim, including the United States, China, Australia and Japan. Attended by about 10,000 senior officials and executives, plus spouses, accompanying delegates and security personnel, the event was widely televised around the



world and will give a major boost to our meetings and conventions industry in future.

- Better Bangkok: Many of you who are regular visitors to Bangkok may have noticed the big difference that has been made by the Skytrain in helping visitors get around the city. In August 2004, the city will get another mass transit system, an underground, that will further link up many of the city's hotels, shopping complexes, commercial areas and convention centres.

Ladies and gentlemen,

These improvements in accessibility and infrastructure are being noticed by major international hotel chains which are showing renewed interest in Thailand especially beach resorts like Hua Hin, Cha-am and Krabi where groups like the Hilton, Sheraton and Accor are set to open properties in the year ahead.

Overall, we think Thailand is a winner in every category, and will continue to attract UK visitors in the years ahead. You may also check out further information about Thailand by visiting our official website at [www.thaismile.co.uk](http://www.thaismile.co.uk).

Once again, thank you very much for being here with us. I will be happy to take a few questions.

Thank you very much and Sawasdee-kha.



# REMOVING IMPEDIMENTS TO ATTRACT THE KOREAN MARKET



**Mr. Sontaya Khunplome**

*Minister of Tourism and Sports*

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## **WORKING LUNCH 24 NOVEMBER 2003 SEOUL, KOREA**

Sawasdee khrap, Good afternoon your Excellency  
Minister Lee Chang-dong.

It is indeed a great honour and pleasure for me to be in your wonderful country. Thailand and the Republic of Korea share a common cultural and religious heritage and also have a long history of trade and economic co-operation. My delegation members and I wish to thank you for your warm hospitality in meeting with us to discuss ways to further strengthen cooperation for the mutual benefit of both countries.

Many of us in Thailand still remember the excellent World Cup co-hosted by your country last year and especially the superb performance of your Korean team which we hope will one day win the World Cup itself. We were also fortunate to have a very strong and high level Korean participation headed by your President His Excellency Mr. Roh Moo Hyun at our recent APEC summit in Thailand, an event that Korea, too, has previously hosted.

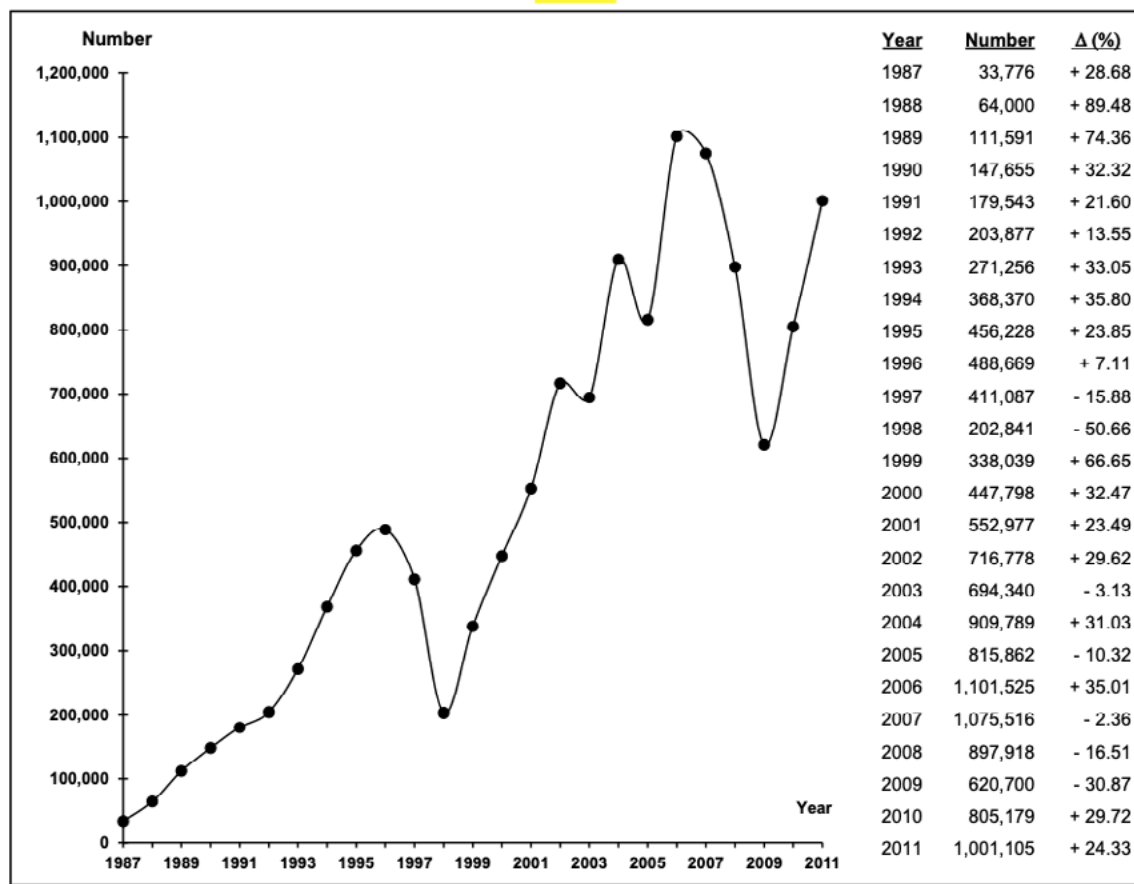
Your Excellency,

We are here to improve the overall quality and quantity of bilateral tourism flows. In 2002, Korean visitor arrivals to Thailand grew 29% to 716,000, making it our fourth largest source market. Female arrivals were up strongly



### International Tourist Arrivals to Thailand 1987-2011

#### Korea



by 35% to 331,000. First-time visitors were up by 32% to 538,000. The average length of stay was about five days.

This year, however, SARS affected us all. Korean visitor arrivals were down sharply but we are now glad to see that a recovery is well under way. As a result, we have started our marketing promotions for 2004 when we hope to attract about 690,000 visitors from Korea. Our plan is for visitor arrivals from all countries of 11 million in 2004, up 13.4% over the projected arrivals for 2003.

Currently, there are more than enough scheduled flights being operated between Thailand and Korea. As of November 2003, there are a total of 72 direct flights between Thailand and Korea, operated by THAI Airways International, Korean Air and other airlines. So, airline capacity is quite enough.

Your Excellency,

While the overall tourism situation between our two countries is generally good, please allow me to briefly take up a few issues that we believe need to be addressed in order to improve the quality of travel & tourism flows.



The first one is the issue of guides. We realise that we do not have enough qualified guides who can speak the Korean language. However, it has been brought to our notice that many Korean guides are creating a negative image for Thailand by selling forced shopping tours, over-priced optional tours and low-quality packages which create a negative impression.

I would like to discuss ways to solve the problems. One way could be to boost Korean-language courses for Thai guides. Other suggestions involve regulatory issues. We have faced a similar situation involving shopping tours from other countries and have created registration and marketing incentive schemes to prevent this from happening. These initiatives have been fairly successful and we could look at ways to copy the same format for the Korean market.

The second issue is that related to the status of the TAT Seoul office which appears to be facing some difficulties with procurement of the proper permits for the operating staff, and accompanying persons. As far as we are aware, the Korean National Tourist Organisation office faces no such problems with its operations in Thailand. Hence, we would like to request equal treatment and a quick resolution of this outstanding issue so that the uncertainty can be cleared up.

These are two issues on our side. The Thai delegation understands that there could be issues that Republic of Korea would like to discuss. We look forward to hearing your views and comments.

Once more, on behalf of the Thai delegation, I would like to thank Your Excellency and delegation for your warm hospitality. We are certain all the outstanding issues can be discussed in the warm spirit of friendship and fraternity that has long prevailed between the peoples of our two countries. We also look forward to hosting you in Thailand in the not too distant future.

Thank you once more.



# CASE STUDY ON THE GREEN LEAF PROGRAMME



**Mr. Pradech Phayakvichien**  
*Advisor*

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## **WTO ASIA-PACIFIC CONFERENCE ON SUSTAINABILITY CERTIFICATION OF TOURISM ACTIVITIES 11-12 DECEMBER 2003 MALAYSIA**

Distinguished delegates, ladies and gentlemen

It is such a great honour and pleasure for me to address delegates of the WTO Asia-Pacific Conference on Sustainability Certification of Tourism Activities. And my sincere appreciation to the government of Malaysia for hosting the conference and the warm welcome extended to us. My special thanks to WTO for the strong support in organizing this conference which I believe will make a positive contribution towards the long-term success of the tourism industry by highlighting the growing worldwide importance of the linkage between certification and tourism products improvement.

It is well recognized that to survive in the present era of intense high competition, as well as an era of better educated and more environmentally aware consumers, destinations must concentrate more and more on improving product quality. This is to ensure that the product meets the expectations of the visitor.

In Thailand, this emphasis on product quality is getting increasing emphasis as we embark upon an ambitious programme to become the Tourism Capital of Asia by 2006.





Over the years, tourism has won the recognition of the Royal Thai government as an economic activity which generates income and job opportunity.

Last year, our visitor arrivals totalled 10.8 million, up 7.3 per cent over 2001, generating about US\$ 7.53 billion in revenue. Tourism is estimated to employ more than two million people in direct and indirect jobs.

This quantitative success has however brought with it the qualitative deterioration of many visited attractions and tourist spots -- natural, cultural or historic.

In the past, tourism promotion and development efforts were very much concentrated on utilizing natural resources without adequate attention being paid to environmental management and related issues.

This led to degradation of popular tourist spots. Among other factors that contributed to this problem were the following:

1. Business operators have tended to place more value on immediate economic gain than on conserving the precious value of natural and environment resources.
2. Many governmental agencies are responsible for each attraction which results in overlapping duties and lack of common purpose in managing the resources;
3. There were no uniform standards for tourism related activities and services. This has directly affected the quality of the tourist experience as well as the quality of environment which draws them to come in the first place.
4. Lack of funding and qualified tourism personnel.



It is only recently that the related organizations have begun to place greater efforts in the area of tourism and conservation. Tourism policies now appear to be more “pro-active” in terms of Sustainable Tourism Development. The Thai tourism industry has been given a significant profile as a major sector in helping develop the economy, and there is a wider recognition that tourism will only be able to deliver its economic benefits if consumers hold high regard for the quality of the Thai tourism product.

The National Ecotourism Plan was first formulated in 1998 to be used as a practical guideline for the industry. The tourism master plan was revised and the Amazing Thailand Year 1998-1999 was successfully launched.



Another major step was taken in 2002 with the establishment of a new Ministry of Tourism and Sports to act as a regulatory body with a major focus on development of tourism products and services.

Amongst the private sector, too, it is widely understood that to be competitive at both the global and national levels, tourism business operators need to have a high level of “Quality Assurance” for their products. Being environmentally friendly is a major component of this.

It is a well known fact that the hotel industry has a tremendous impact on the environment. It also consumes huge amount of electricity. A study by the Electricity Generating Authority of Thailand (EGAT) shows that:

- A hotel of under 300 rooms consumes 500 kilowatt/month.
- Over 400 rooms, it consumes 1,000 kilowatt/month.
- Over 500 rooms, the consumption is 1,500 kilowatt/month.

The Green Leaf Program which I am going to briefly discuss is in addition to the ongoing efforts to formulate a hotel classification system in Thailand, known as Thailand Hotel Standard (THS).



While the Thailand hotel standard system is more focussed on the quality of hotel infrastructure and services, the Green Leaf Program aims to promote a culture of environmental awareness and energy saving among hotel business operators

Officially registered in 1998, the Green Leaf Foundation's founding partners are the Tourism Authority of Thailand (TAT), Thai Hotel Association (THA), United Nations Environment Program (UNEP), Electricity Generating Authority of Thailand (EGAT), Metropolitan Waterworks Authority (MWA) and Association for the Development of Environmental Quality (ADEQ).

Supervised by the Board of Environmental Promotion of Tourism Activities (BEPTA), its prime objective is to help hotels improve their efficiency in saving energy, water and other resources. After a successful "Green Hotels Fair & Seminars" which was attended by more than 1,000 hotels across the country, a certification program called Green Leaf was established to help implement environmental practices and set guidelines for all hotels, as well as to promote the efforts of those who already contribute to the protection of environment. The overall project is designed to create a positive image and competitive advantage for the country in the world market.

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## NATURE OF THE PROGRAM

The nature of the program is to certify hotels according to the level of their efficiency in managing energy, environment and natural resources.

All hotels nationwide can apply. After completing the assessment, the participating hotels will be awarded a Green Leaf Certificate ranging from one to five leaves.

The whole process usually takes six months starting from Application and Screening Questionnaire, Qualifying Questionnaire, Grading Questionnaire and Auditing. The Certificates are awarded every two years and are also valid for the same period.

A total of 10 sections are assessed as follows :

- Energy Saving
- Water Saving
- Waste Management
- Recycling
- Environmental Products Purchase
- Air Quality
- Community Relations
- Communication
- Management Support





- Training

This year the award presentation ceremony for 80 hotels will be organized on 17 December. The Prime Minister of Thailand has been invited to preside over the ceremony.



- Direct reduction of management expenses

For example the Dusit Thani at Pattaya, a 450-room hotel used to consume 1,400 kilowatt/month, but when it joined the “Green Leaf Program” about 4 years ago. Today, its consumption has gone down about 10% to 1,200 kilowatt/month.

- Marketing opportunity

More and more tourists are becoming aware of environmental conservation issues. Many are “Quality Tourists” who would prefer to stay in a “Green Hotel” with clear conservation policies.

- Human Resource Development

The long term benefit of joining the “Green Leaf Program” can be seen as an opportunity to upgrade the human resource development of hotel staff. As the program has been specifically designed to assist the management develop a culture of energy saving, the staff will be trained accordingly and also participate in various kinds of environmental campaigns. Changing staff attitude and behaviour is crucial for the long-term success of the environmental program.

**“ The long term benefit of joining the “Green Leaf Program” can be seen as an opportunity to upgrade the human resource development of hotel staff. ”**



### Others benefits include

- Inclusion of the hotel's name in the Green Hotel Directory which is being publicized globally.
- Invitation to participate in various programs offered by the Green Leaf Foundation.

Since the program was initiated, some of the direct and indirect contributions to environmental conservation include more efficient use of natural resources and energy, minimal use of toxic chemicals and greater usage of organic chemicals. Some hotels have also expanded their program to cease sales of wildlife animal products like ivory.

- Green Leaf Certification Program
  - For Eco-tour Program
  - For Standard Tour Program
  - It is estimated that each year there are more than two million tourists engaged in some form of eco-tourism activities in Thailand. The most popular activities are forest trekking, bird watching, wildlife-watching, scuba-diving etc. However, what is still lacking and need urgent attention is the formulation of a code of conduct and quality control standards.
- Work with Wildlife Fund Thailand to promote awareness in balancing ecology.
- Work with other organizations to promote the Green Leaf Program.
- Encourage more participation from hotels throughout the country.
- Promote the exchange of information on certification of tourism activities among ASEAN countries.
- How to balance and retain the importance of environmental issues in the face of terrorism worldwide.

\* After the 9/11 catastrophe, it is obviously seen that many organizations concerned including the business operators in the tourism industry have to shoulder more expenses on safety and security. Long term issues such as environmental protection are naturally fading away as a result. A collective effort from all concerned is needed to retain the importance of environmental related issues.

- How to increase public awareness of the Green Leaf Program.

In the past 4 years, about 83 hotels have joined the “Green Leaf Program”. That is only 20% of the members of the Thai Hotels Association (THA), or less than 1% of the total number of hotels all over Thailand. It is quite clear that there exists a great opportunity to expand the program to reach the remaining 99% of the hotels, especially the smaller ones which



are mostly responsible for unwise use of natural resources and disregard environmental conservation, partly due to the lack of environmental management knowledge.

To make this program more acceptable among this target market, and hence make them want to join the “Green Leaf Program” willingly, we have to create and publicize the logo and concept of the program among the tourists so that they are well aware of its significance, and hopefully chose to stay at Green Leaf certified hotels.

At the same time, we need a strong political will from the government. A very simple instruction from the cabinet would go a long way. For example, the government could instruct all its agencies and staff to stay or hold seminars in hotels that have been awarded the “Green Leaf Logo” -- unless there is no hotel with the logo in that specific locality or the certified hotels are full.

We are sure that with this simple directive, those 99% of the hotels which are not certified by the Green Leaf will wake up and make an effort to join the program.

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## CONCLUSION

Good tourism development has to involve a combination of both short-term, medium-term and long-term measures. While the priorities of cost-cutting and profitability are important, ways must be found to ensure that the long-term focus is also maintained. The definition of assets also has to be adapted to include not just bricks and mortars but the very natural, cultural and environmental resources that we sell. In the financial world, they talk of depreciation of assets. In reality, it is the depreciation of our natural, cultural and environmental assets that we need to be equally concerned about.

Thank you for giving me an opportunity to address you today. Once more, please allow me to thank our Malaysian colleagues for their generous hospitality and the World Tourism Organization for taking the initiative to organise this very valuable conference.

Thank you and Sawasdee khrap



THAILAND  
**THE GREATEST**  
**STORY** IN GLOBAL  
TOURISM HISTORY

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A 60TH ANNIVERSARY TRIBUTE TO  
THE TOURISM AUTHORITY OF THAILAND

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