

THAILAND THE GREATEST STORY

IN GLOBAL
TOURISM HISTORY

A 60TH ANNIVERSARY TRIBUTE TO
THE TOURISM AUTHORITY OF THAILAND

2014

Key
Developments

- Military coup on 22 May

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2014

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THAI-STYLE CARNIVAL ATMOSPHERE AT POLITICAL PROTESTS



Mr. Thawatchai Arunyik
Governor

TAT-TG MONITOR FAM TRIP 19 FEBRUARY 2014

On behalf of the Tourism Authority of Thailand and Thai tourism industry, it is indeed an honor and privilege for me to welcome you all to the TAT-TG Monitor Fam Trip. Thank you very much for being accepting our invitation. Please also allow me to compliment all partners and sponsors, especially THAI Airways International, for their cooperation in organising this FAM trip.

I am happy to report that this Monitor FAM Trip has attracted much interest. We have a total of 100 travel agents and media representatives from Asian and European countries. That alone is a clear indicator of the popularity of our exotic kingdom and the confidence you all have in our tourism industry.

It is very important for you to experience the current situation for yourself. The political demonstrations have been overwhelmingly peaceful, and concentrated mainly in Bangkok. In one of its reports, even TIME magazine described the “carnival atmosphere” at these protests. According to one TIME magazine report on 14 Jan 2014, “Bands played blues and Thai folk music, fast-food vendors did a roaring trade, and fist-pumping orators gave rousing speeches. Protesters of all ages, many sporting national flags painted on their cheeks, shared fruit and gossiped under umbrellas.”

Hence, the TAT is converting a crisis into an opportunity and focussing on promoting the many wonderful and emerging destinations and attractions in the upcountry and provincial regions. This is very much in line with the national economic and social development policy to create

“ Today’s travellers are choosing destinations and services that satisfy deeper needs for participation, creativity, community, and idealism. ”

rural jobs and better distribute income.

I think you will find that Thailand remains a hospitable and welcoming destination, and our travel & tourism industry is as good as ever in terms of productivity and value for money. All means of transport are operating as per normal. Tourist can travel normally to primary and secondary tourist attractions.

Although the number of visitors has fallen in the wake of travel advisories, we would really like you convey a “counter-advisory” -- that our great spas, golf courses, restaurants, temples, museums and other places are open for business and ready to ensure that your clients, readers and viewers have a great time in our kingdom. Crises affect all of us in one way or another and it is important that we help each other make a quick and efficient recovery.

Last year, Thailand received 26.73 million international visitors. If the situation returns to normal soon, we are projecting about 28.01 million this year through various tourism promotional activities under the Amazing Thailand: It Begins with the People campaign. We believe this tagline reflects our positioning and core values as a people and society. It speaks to the increasingly human-centric aspect of Amazing Thailand. It deepens the emotional value of visiting the country, a value that is linked to the people in their attitude, hospitality and spirit. Today’s travellers are choosing destinations and services that satisfy deeper needs for participation, creativity, community, and idealism. Hence, the tagline becomes a true reflection of our well-known hospitality and service standards.

In line with this campaign, we are proud to present you tonight our variety of “Thainess” activities under the theme of “Street Food Fair” such as Thai food, Thai massage, nail painting, drawing and etc. Thainess is our culture, art, food and way of life. For visitors, these unique characteristics build an emotional bond with Thailand, lead them to share their experiences with family and friends and return year after year to Thailand, where “It begins with the people.”

Before I ended, we would like to show a short VDO presentation captured on Thai-style atmosphere of political demonstrations mainly in Bangkok which you will see in a few minutes.

I wish you all a pleasant and enlightening trip around Thailand. Once more, thank you for your continuing support and for being with us in Amazing Thailand, It Begins with the People...

Thank you and Sawasdee krap.

CONVERTING THE POLITICAL CRISIS INTO AN OPPORTUNITY



Mr. Thawatchai Arunyik
Governor

THAILAND NETWORKING LUNCH, ITB BERLIN 7 MARCH 2014

Thank you all for being with us today. It is always a pleasure to see such a large turnout of friends and supporters at Thailand's Networking Lunch.

This year, the ITB 2014 marks the forty-ninth anniversary since its inauguration in 1966. It also marks Thailand's fortieth year of participation in the show. I am proud to recognise the unparalleled contribution of this great event in developing European travel to Thailand, as well as to the global travel and tourism industry at large.

This is my first time to speak to you in my capacity as Governor of the Tourism Authority of Thailand. I assumed this responsibility as of 22 December, 2013. I will admit that we all face very challenging times as an industry, but I am also confident that we can work together to meet the challenges, for the benefit of the many millions of people who work in the industry.

THAILAND'S ACTIVITIES AT ITB 2014

At ITB this year, we have over 110 Thai exhibitors and travel and tourism operators participating. The team includes senior executives of hotels, tour operators and travel-related agencies, and we are proud to present a variety of tourism products under the theme of "Thainess to the World", our unique selling proposition that will create an unforgettable impression for tourists. To discover the key differentiation, we sought the source

“ We invite you all to join us in helping to facilitate our recovery from what has been a difficult period. We thank all those thousands of visitors who stuck to their travelling plans. ”

of what instills the charm of “Thainess.” The Kingdom of Thailand offers a unique experience for visitors. This is because our people are why Thailand is so amazing. They are at the centre of the journey. Inspired by this feeling, the line has become: “Amazing Thailand. It begins with the people.”

At the Thai pavilion, visitors can enjoy a Thai spa demonstration by RarinJinda Wellness Spa, a winner of the Thailand Tourism Awards and popular spa amongst local and foreign consumers.

The other activities include the “Thailand Green Excellence Awards Germany” on 6 March at 15.00 hrs in which HRH Princess Ubolratana Rajakanya presided over the ceremony to present the awards to travel agents and media in Germany who have promoted eco-friendly tourism to Thailand, and finally, the “Thailand Mini Mart @ Berlin” on 7 March from 09.30-16.30 hrs. Our TAT overseas offices in Europe have also invited buyers from new markets and niche markets to arrange pre-appointments with sellers from Thailand.

CURRENT SITUATION UPDATE IN BANGKOK

I am sure many of you have all heard and seen the TV pictures of the several weeks of anti-government protests that affected several parts of Bangkok. But let me give you some good news.

The protest leaders have now shut down all their protest sites at some of the key intersections and conduct a big clean-up. They will relocate to only one new demonstration site at Lumpini Park where the public will be free to participate in a peaceful and democratic manner.

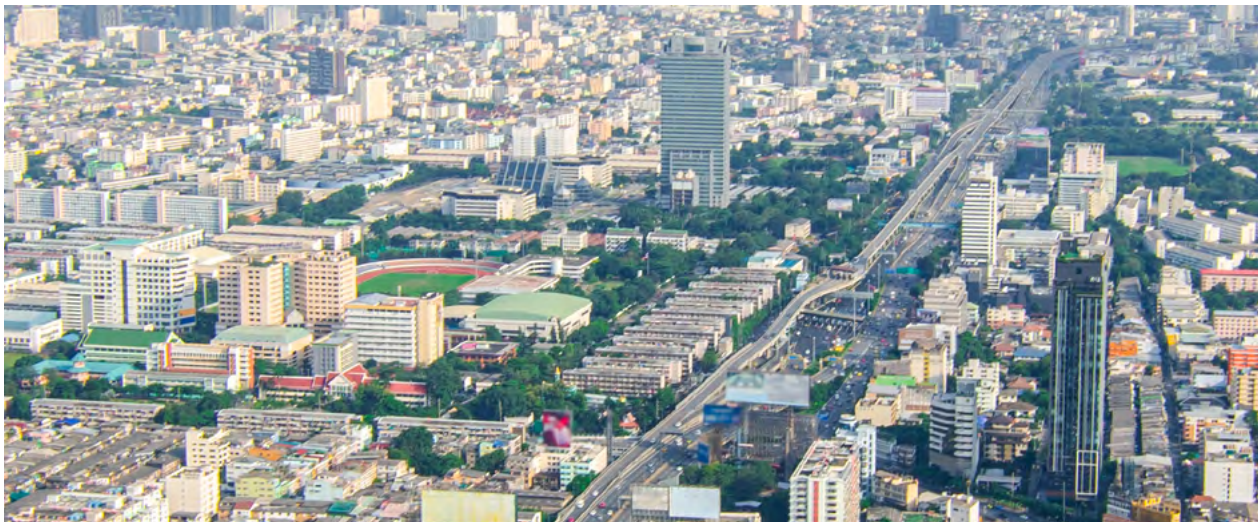
This is extremely good news because it will mean that all the main shopping areas will be back to normal and there will be total freedom of movement and transport. We invite you all to join us in helping to facilitate our recovery from what has been a difficult period. We thank all those thousands of visitors who stuck to their travelling plans. They proved to be true friends in need.

Life in the vast majority of Bangkok and Thailand continues as normal. All the airports are open. Bangkok’s two most important means of mass-transit used by visitors, the Skytrain and the Underground, are operating as normal. A very small number of popular tourist spots and

shopping areas are in the protest areas, but at the same time, there are dozens of other equally good places which are open and functioning normally.

In January 2014, Thailand welcomed a total of 2,319,821 international tourist arrivals. Let me repeat that: 2.3 million visitors! That means an average of about 75,000 visitors per day. They included families with children, students and senior citizens. Each of them made a very conscious decision to go ahead with their visit to Thailand. They did their research, listened to the advice of their tour operators and/or hotels, families and/or friends, accepted our assurances that the overwhelmingly vast majority of Thailand remains normal and open for business, and proceeded with their plans.

Now, the situation in Bangkok is returning to normalcy, we hope that the Royal Thai Government will withdraw the declaration of Emergency Decree.



WHAT DID WE DO TO MAINTAIN VISITOR CONFIDENCE DURING THE RECENT SITUATION IN BANGKOK?

Many of you are aware that we worked hard to ensure proper updates during this crisis period. We provided regular information through online media; such as, images, clips, and information about Thailand. A daily situation update was distributed to all media and travel trade contacts worldwide, and published on www.tatnews.org. All related government agencies cooperated to run tourist assistance units; such as, the Tourist's Friend Centre and the Tourist Care Centre which coordinate with all concerned public and private agencies to help tourists at several points including Suvarnabhumi Airport.

But we also tried to convert a crisis into an opportunity by focussing on promoting the many wonderful and emerging destinations and attractions in the provincial regions. The figures bear this out: Visitor arrivals to Phuket, Chiang Mai, Samui and other provincial airports with direct flights from regional cities are up significantly. We don't mind this at all – it is very much in line



with the national economic and social development policy to create jobs in the rural areas and better distribute income.

We also organised media and travel agent Fam Trips to these unaffected areas; for example, Chacheongsao, Pattaya, Kanchanaburi, Hua Hin, Phetchaburi, Samut Songkram and Trat. During the last two weeks of February 2014, TAT and Thai Airways International organized a Monitor Fam Trip to help international media get a better understanding of the situation. We are very grateful to all the media who accepted our invitation because it was a clear sign of their confidence in visiting Thailand. In addition, various campaigns; such as, “Thailand Today”, “Thailand Grand Invitation” and more sales promotional campaigns for short-haul markets were launched to bring visitors back.

EUROPEAN AND GERMAN MARKETS

In 2013, Thailand welcomed 26.73 million international visitors, up 19.60 percent over the same period of 2012.

Arrivals from Europe have historically played a major role in the development of Thai tourism industry. In 2013, European visitor arrivals totalled 6.30 million, up 11.62 percent. In 2014, European visitors to Thailand are expected to reach 6.73 million generating over 451.65 billion Baht (10.13 billion Euro) in tourism income.

Germany is Thailand’s third highest source market from Europe, and it used to be our top European country in terms of arrivals. However, its position has moved down to third place mainly due to the local economic situation and changes in market and social conditions. It is also because arrivals from other European countries arrivals are rising more rapidly.

In 2013, Thailand recorded more than 744,000 (744,363) German visitors, an increase of 9 percent over 2012. TAT is projecting 768,500 German visitors for this year.

However, Germany will always remain an important market because German visitors have an average length of stay of 18 days and daily expenditure per person of 3,617 Baht (81 Euro). This is one of the highest average lengths of stay of all nationalities. Cumulatively, German visitors generated tourism income of 43,286 billion Baht (983 million Euro) in 2012.

In the past, visitors from Germany represented the upper end of the economic spectrum. Today, there is a clear trend towards visitors from the middle and lower income groups. For example, we are seeing a growth in young German travellers making their first visit to Thailand.

TAT surveys show that Thailand's sea, sand and sun are tremendously appealing to German visitors. The top ten destinations for German visitors include Bangkok, Pattaya, Phuket, Phang Nga, Krabi, Chiang Mai, Ko Samui, Hua Hin, Ko Pha Ngan and Cha-am.



TO ATTRACT MORE GERMAN TRAVELLERS TO THAILAND

TAT will focus on maintaining the share of repeat visitors which now account for 67.84% of total German visitors while pursuing first-time visitors at the same time.

We are also expanding our marketing efforts in secondary cities in Germany; such as, Munich, Stuttgart and Dusseldorf as a result of the increased access by airlines such as, Etihad, Qatar Airways and Emirates. These airlines also participated in Thailand's pre-WTM 2013 roadshow, which was very well received.

On the aviation front, (as of March 2014), there are 27 direct scheduled flights per week between Bangkok and Frankfurt and Munich being operated by two airlines – THAI Airways International and Lufthansa. Since June 2013, Condor has launched a twice-weekly service between Frankfurt and Phuket.

In addition, travellers can get connecting flights via Taipei by China Airlines, Hong Kong by Cathay Pacific Airways, Singapore by Singapore Airlines, Colombo by Sri Lankan Airlines, and Kuala Lumpur by Malaysia Airlines.



CONCLUSION

Now that a major step has been taken to advance the process towards a political settlement, we are ready to proceed with a major recovery programme. We are happy to announce this good news at the world's biggest travel trade show, in the presence of our many friends and colleagues. We know many of you love Thailand dearly and have watched the situation with great concern. We are also thankful for your patience, cooperation and support. Let me assure you that Thailand expects to remain at the forefront of the Asia-Pacific tourism industry well into the foreseeable future. Our strengths and competitive advantages will continue to serve us in good stead. We look forward to working with you for mutual benefit in again promoting Thailand to your guests and clients.

I would like to thank all of you for joining us here today. We would like to assure you that "Amazing Thailand, It begins with the People..."

THAILAND IS CONFIDENT OF ITS STRENGTHS AND COMPETITIVE ADVANTAGES



Mr. Thawatchai Arunyik
Governor

THAILAND HOTEL INVESTMENT CONFERENCE BANGKOK, 20 MAY 2014

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 Amazing Thailand. Thank you very much for being with us today.

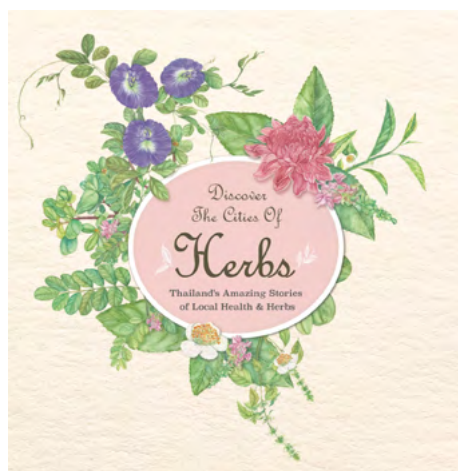
Firstly, I would like to thank the organisers, Questex Hospitality Travel and all the partners and sponsors, for the confidence in Thailand. Your presence here is a very important vote of confidence for us, and I do hope that you will spread the word to your friends and colleagues across all your social and professional media networks.

A GLIMPSE OF THAILAND

Let me begin by assuring you that the Tourism Authority of Thailand leaves no stone unturned in its efforts to ensure the growth of Thailand's travel & tourism industry, in spite of constant internal and external changes.

The number of visitors to Thailand has increased steadily over the years, with In 2013, Thailand welcomed 26.5 million international tourists with a 18.8 percent growth. In 2014, we are targeting 28.4 million visitors with a 7.2 percent growth, generating income of 42.5 billion US Dollars.

We have trust and strong belief that we will be able to reach this target.



KEY SUCCESS FACTORS

Why we are confident in this target?

1. Having confidence in Thailand

- 1.1 The State of Emergency in Bangkok and surrounding provinces has been lifted since 19 March, 2014.

As you may have seen by yourself, all tourist attractions and facilities including hotels, shopping complexes as well as all international and domestic airports are operating as normal.

- 1.2 Several countries have already relaxed their travel advisories towards travelling to Thailand.

2. Phuket, Pattaya, Chiang Mai and Samui are on the Rise.

We are also making a much stronger effort to promote upcountry destinations, a strategy which is very much in line with the overall national economic and social development plan to create jobs in the provincial areas and promote more equitable economic growth nationwide. The figures of visitor arrivals to Phuket, Pattaya, Chiang Mai and Samui are up significantly.

3. Thailand's Ability to Bounce Back

Thailand's resilience and ability to recover from crises are the strength of our Amazing Thailand. Such bounce backs do not happen by accident, but stem from creative strategies and tactical campaigns that sees the entire travel & tourism industry come together in a cooperative effort, involving both the private and public sectors.

Ladies and gentlemen,

The hotel and accommodation industry is the largest job-creator within the overall travel & tourism industry and also a major contributor to economic stability and growth. Our product range covers the entire gamut from budget inns and lodges to boutique hotels and premium deluxe properties and serviced apartments.

In recent years, you all in the hotel investment community have contributed significantly to the development of trendy accommodation, with sophisticated architectural and decorative designs, beauty, luxury, as well as standard and comfortable services. These small, exclusive boutique hotels and pool villas, designed for guests seeking a comfortable, delectable ambience in natural and environmental surroundings have played a major role in helping us better target the higher-spending customer segment, such as weddings and honeymoons.



Over the years, again thanks to discerning investors such as yourselves, Thai hotels have won top honours at the world's leading awards, including city, resort, and spa properties. All these honours have helped boost Thailand's positive image on the world travel and tourism stage. It also gives us a significant competitive advantage and allows us to maintain a very high level of repeat traffic.

In conclusion, ladies and gentlemen, I wish to assure you that Thailand will remain at the forefront of the Asia Pacific tourism industry. We are confident in our strengths and competitive advantages.

Once more a very warm welcome to you all. Thank you for being with us today. I wish you a productive and fruitful conference in Amazing Thailand, It begins with people...

COUNTERING NEGATIVE NEWS WITH AN OVERWHELMING PUSH OF POSITIVE NEWS



Mr. Thawatchai Arunyik

Governor

JOINT FOREIGN CHAMBERS OF COMMERCE IN THAILAND 12 JUN 2014, BANGKOK

Thank you for giving us an opportunity to share some thoughts on our tourism recovery programme.

CURRENT STATE OF THAILAND'S TOURISM

During January – April 2014, international visitor arrivals Thailand totalled 8.62 million, declined of 4.91% over the same period of 2013. There have been declines in arrivals from a number of short-haul markets, such as China and India. But many others are still doing well. For example, in January-April, arrivals from European countries have risen 7.63% to 2.76 million. In April 2014, arrivals have also risen from the Middle East (+17.59%), Oceania (+14.11%), Europe (+12.34%), and America (+1.90%).

The TAT is projecting international visitor arrivals in 2014 at 25.6 million, a slight drop over 2013. However, we are planning to make use of events such as the Amazing Thailand Grand Sale between June 15 to September 15 to generate more shopping spend. In anticipation of that strategy working out, we are anticipating that visitor expenditure will rise 2.18% to 1.23 trillion baht (US\$38.4 billion).

AREAS OF CONCERN

The word “coup” in Thailand is not considered as sensitive as it means in other parts of the world. “Coups” in Thailand is seen as the movement that the army in the short term comes out in order to protect the people and ensure security. As you may see, the Thai people can enjoy their daily life as normal. Eating out, shopping, travelling, business meetings, is running normally. We strongly believe that Thailand’s tourism industry will rapidly bounce back again by the utmost efforts not just by the TAT alone but with cooperation from all of you.

The NCPO is well aware of the importance of travel & tourism to the national economy. Peace, safety, security and stability are fundamental to the success of travel & tourism anywhere. As you are aware, all public transport and tourist attractions, including airports, tourist sites and shopping malls, are open as normal. The Royal Thai Army’s statement made it clear that people should continue their daily lives as normal.

Since the unrest began, the TAT has done everything to maintain visitor confidence and counter the negative news with an overwhelming push of positive news. We attended all the global and regional trade shows. We stepped up cooperation with all our public and private sector partners, both in Thailand and abroad. We began promoting domestic tourism. Effectively, we tried to convert a crisis into an opportunity and focussed on promoting the many wonderful and emerging destinations and attractions in the provincial regions.

One very important step was to provide regular information updates through online media such as, images, clips, and information about Thailand. This daily update was published on www.tatnews.org and widely circulated onwards through various social media channels.

We also worked with ATTA and the airport authorities to set up tourist assistance measures such as, the Tourist’s Friend Centre and the Tourist Care Centre at several points including Suvarnabhumi Airport.



The strategy has clearly worked: Visitor arrivals to Phuket, Chiang Mai, Samui and other provincial airports with direct flights from regional cities are up significantly. That is good news overall as the opportunity was very much in line with the national economic and social development policy to create jobs in the rural areas and better distribute income.

Regular moves are being made by the NCPO to restore visitor confidence. Since 3 June 2014, the NCPO has announced lifting the curfew in major tourist destinations such as Phuket, Ko Samui, Pattaya City, Hua Hin, Cha-am, Krabi, Phang-nga, Hat Yai, Ko Chang and Ko Phangan (including Ko Tao), Kanchanaburi, Ratchaburi, Tak, Rayong, Chanthaburi, Sukhothai, Mae Hong Son, Uttaradit, Phrae, Nan, Nakhon Phanom, Sakon Nakhon, Roi Et, Loei, Surin, Trang and Satun. The 15 districts are Sadao and Mueang districts in Songkhla, six districts including Ko Kood in Trat and seven districts including Kaeng Krachan in Petchaburi. More destinations are expected to be announced soon.

On 4-6 Jun 2014, TAT organised the Thailand Travel Mart Plus 2014 (TTM+), which was attended by 343 buyers, 399 sellers and 97 media from around the world. Their participation in Thailand's largest travel trade show was a strong indicator of confidence that Thailand will ride this through. A majority of buyers who attended the TTM Plus gave it an overwhelmingly satisfactory rating. They said the event was useful in helping them find the kind of niche products and services they were seeking to maintain their competitive edge in a rapidly changing trading environment.

POSITIVE AREAS AND FACTS

The positive factors that support recovery of the markets are:

Thainess and Hospitality: A friendly and service-oriented people with a strong history and cultural tradition and respectful of all races or religions.

Variety of Tourist Attractions: Thailand is and continues to be a wonderful diverse tourism destination with great beaches, food, spas, hotels, nature and sports. An excellent reputation for product delivery including an extensive range of natural and cultural heritage attractions form a wide variety of tourism destinations and activities.



Value for Money: We also have a very strong global reputation for providing value for money. But in reality, Thailand is not just a value for money destination. It is also known for the value of memorable experiences, especially those based on our rich culture and heritage. Thai traditional values are reflected in many of our tourism products and services such as spa, massage and cuisine, as well as shopping items such as Thai handicrafts.



HOW JFCCT CAN HELP THAI TOURISM INDUSTRY

The TAT has every reason to believe that all actions are being taken in the best interests of the country and the Thai people. They will take time to deliver results. While it is our responsibility to do our best to ensure flow of visitor arrivals during these difficult days, we would also like to hear from you about what you all are doing to help the people of Thailand. Here are some suggestions on what we think you can do:

Urge people to heed the facts, seeking out the proper information via correct channels and stick to their plans to visit the country.

Use all the communications channels at your disposal to ensure balance in conveying the reality of the situation on the ground. As a foreign investor in Thailand, please spread the word about your confidence in the country, your business here are well looked after. As a tourist, please tell your friends and relatives on your enjoying Thailand's hospitality and amazing experiences in Thailand.

Challenge your governments about the processes and procedures of imposing and updating travel advisories. These are a huge problem. We need more transparency and accountability about these advisories and the foreign chambers of commerce are best placed to hold your respective governments accountable.

Encourage visiting businessmen to include a leisure component in their trip, and stay a day or two longer. Encourage them to bring along their families or partners, as part of a business-cum-leisure trip.

Hold more MICE events in Thailand, even if it is outside Bangkok.

Foreign investment is normally welcome. Travel and tourism is a major growth sector for us. The Board of Investment (BOI) has various investment incentives for potential investors looking to set up a business in Thailand. The BOI also provides investment promotion services and aims to be a one-stop shop for all investment related services.

We plan to stay the course and maintain a positive attitude. We are closely monitoring all the major markets and the visitor arrival trends. In a few weeks, we will convene for the annual TAT marketing planning meetings and then we will decide our strategies and budgets for next year.

I would like to thank all of you for helping and cooperation in developing Thai travel and tourism. Our job in government is only to create the opportunities, it is up to you to build upon them.

I know that you all work extremely hard in this endeavor. Please rest assured that I'm always willing to listen to your opinions and constructive suggestions. My door is always open.

NEW GOVERNMENT PRIORITISES PEACE AND STABILITY



Mrs. Kobkarn
Wattanavrangkul

Minister of Tourism and Sports

THAILAND NETWORKING LUNCH, WTM LONDON 3 NOVEMBER 2014

On behalf of the Ministry of Tourism and Sports of Thailand and Thai tourism industry, I would like to extend to you a warm welcome. This is my first time at the World Travel Market (WTM), and I am truly overwhelmed by the size and spread of this leading travel event. Thank you for your support and for sparing your valuable time with us today.

1.1 TOURISM POLICY

Tourism drives country's income, add value to tourism

As you are well aware, there is a new government in place, and I have been given charge of the tourism and sports portfolio. I am honoured to take up this very critical position because the Cabinet, headed by Prime Minister Prayuth Chan-Ocha recognises the tourism industry as one of its priority economic sectors. In addition to robust marketing campaigns, we are also working hard to address some of the underlying challenges that have impacted the industry over the years.

The most important development has been the restoration of peace and stability in Thailand. Our reputation as one of the world's most popular tourist



destinations is now firmly back in place. The Thai government has introduced and enforced a series of measures and developments in order to help improve the experience of travellers and tourists visiting the kingdom.

In order to focus on tourism as a tool to increase revenue for the country, we have the policy to distribute income to local people in the tourism industry to ensure the fair such as SMEs groups and secondary cities of Thailand. In addition, there will be a development of Thai people to understand Thailand's history first, this result in promoting knowledge and understanding of the national tour.

According to the target of 2.2 trillion baht for tourism revenue, it need to be focused on value added of the country by increasing the per capita spending of tourists, trying to persuade tourists staying more days and spending more money. But in the meantime, it need to balance between tourism and social & environment also such as garbage management.

Tourism Facilities for tourists

We will focus on facilitate tourists, for example the immigration officers must act fast and must be the integrated system along with the airport and luggage belt system etc.

Improving facilities in tourist attractions

Bangkok's Suvarnabhumi Airport and Phuket International Airport have seen actions to clampdown on illicit taxi operations. Phuket has also witnessed its popular beaches in Surin, Bang Tao, Laypang and Layan being returned to their natural pristine states, following a clear-out of beach encroachment. Pattaya has also witnessed its beachside walk being cleared-out of illegal business operations. In addition, the ministry plans to implement more surveillance cameras in Bangkok and various tourist destinations in Thailand.

“ One key issue now facing European travellers is the difficulty in getting insurance to visit Thailand. We have taken action to address this by creating our own homegrown insurance scheme in partnership with four reputable Thai insurance companies. ”

We are also working on enhancing sustainability at various tourist destinations by improving zoning laws. Because millions of local people enjoy a steady income thanks to tourism, especially visitor purchases of local handicrafts, we are stepping up efforts to help the local people improve the quality of their tourism products. This will go a long way towards ensuring better job-creation and income-distribution nationwide.

In addition, Toilet renovation in various tourist attractions, it will make the tourists stay in that place for longer, adjusting the ramp for the disabled or elderly, to support the Aging Society.

Promote Tourism to Secondary cities

We also realise that tour operators are now looking for new destinations, specifically for repeat travellers. Hence, we would like to recommend new provinces such as Trad, Chanthaburi, Chumporn, Trang, Nakhon Si Thammarat. These are still “undiscovered” parts of Thailand, rich in Thainess culture and charm. By putting them into your tour programmes, you will also be helping us meet our national targets of creating more jobs and income in provincial Thailand, beyond the well-known destinations of Phuket, Pattaya, Chiang Mai and Haad Yai.

Tourist’s Confidence (Thailand Travel Shield)

We understand that one key issue now facing European travellers is the difficulty in getting insurance to visit Thailand. We have taken action to address this by creating our own homegrown insurance scheme in partnership with four reputable Thai insurance companies, solely aimed at foreign tourists. Known as the “Thailand Travel Shield”, it allows visitors to buy insurance coverage online for a broad range of unforeseen events ranging from accidents, trip cancellation, loss or damage of baggage / personal belongings, emergency hotel accommodation, etc. You can check out further details on the TAT website.

Thailand as a Destination of ASEAN, ASEAN for All

We would like to promote Thailand to be Destination of ASEAN. International visitors will stop over in Thailand before travel to the other ASEAN countries. In the same time, emphasises friendliness with neighboring countries, developing Intra ASEAN travel, promoting Thailand to be Weekend Destination for ASEAN, finding proper products to meet the needs of tourists.

1.2 DIRECTION OF TAT MARKETING PROMOTION IN UK AND EU

We count the British and Europeans as good friends of Thailand. Thailand has enjoyed a long and fruitful relationship with the United Kingdom and Europe. These markets proved to be a bedrock of our industry in the early stages of its development in the 1970s and 1980s.

Today, European visitors are generating amongst our longest average lengths of stay. In 2013, UK visitors had an average length of stay of roughly 17 days per person per visit, about double the 9.85-day average of all visitors to Thailand. European visitors as a whole had an average length of stay of 16 days in 2013.

Of the over 26 million international visitor arrivals to Thailand in 2013, a total of 6.3 million arrivals were from Europe, a market share of 23% and an increase of 11% over 2012. In January – August 2014, Thailand welcome 4.12 million European visitors, an increase of 3% over the same period of 2013. In 2014, we are projecting 6.23 million European visitors and earning of 441 billion Baht for tourism income.

The United Kingdom is now Thailand's second largest market out of Europe. In 2013, Thailand welcomed more than 905,000 UK visitors, an increase of 3% over 2012. In January – August 2014, over 609,000 UK visitors travelled to Thailand, up by 3% over the same period of 2013. By the end of this year, we are projecting 833,607 visitor arrivals and earnings of 62 billion Baht from the UK market.

Ladies and Gentlemen,



1.3 “2015 DISCOVER THAINESS”

Now, perhaps a few words on the marketing campaigns, especially of relevance to the UK.

Our new campaign for 2015 will focus on the theme “2015 Discover Thainess”. This will emphasise the priceless treasures of Thailand which gives Thainess its charm and makes us unique as a people, society and culture. The marketing messages will emphasise the Creative Tourism concept, where tourists can immerse themselves in exclusively Thai activities such as Thai boxing, Thai massage, Thai cooking, Thai classical dance, Thai way of life, Thai culture and Thai experience. Our research and your feedback tells us that these are the key assets that visitors wish to enjoy, in line with changing lifestyles and demographics.

The product groups of “2015 Discover Thainess” campaign are as follows:



1) Feel Energetic; which will cover sports tourism, Muay Thai boxing lessons, adventure travel and night life;

2) Feel Fun; which will cover “fun factors” that can be found all over Thailand such as Thai Sanook, festivals and Street food;

3) Feel Creative; which will cover creative tourism products such as arts and crafts;

4) Feel Harmonious; which will cover community-based tourism, and the Thai way of life, especially along our rivers and waterways;



5) Feel Sophisticated; which will cover history, tradition & wisdom such as Thai massage, Thai herbs, Thai food, Thai Fabrics and Thai agricultural festivals.

6) Feel Prestigious; which will cover Royal Projects and the indigenous knowledge of Thai people living in line with the principles of His Majesty’s the King’s Sufficiency Economy;

7) Feel Peace of Mind; which will cover meditation, preventive health & wellness and natural attractions.



THEMATIC ROUTES

I know these themes will excite you because they will help you “press the right buttons” with your existing and potential clients. We have also gone one step further. In order to help you design specific tours in line with these products, we have created suggested “routes” that incorporate various components of the “Thainess” themes and allow you to easily include it in your packages. These are called Active Route, Healthy Diet Route, Holistic Route and Natural Route. This will make it much easier for your clients to stick to one specific theme, or even mix-and-match them.

Further details of these routes are available on the TAT website.

UPCOMING EVENTS

Looking to the future, we have also designed a calendar of monthly festivals and events all the way until September 2015. All focus on the “Thainess” theme and offer your clients plenty of colour, excitement, fun and happiness. The biggest event will be held next month (December) which will mark the birthday anniversary of His Majesty the King. Then will come the Christmas-New Year festivities, which will take the form of a “Thailand Happiness Carnival.”

- In 14-18 Jan 2015, “2015 Discover Thainess”, Opening Ceremony and Festival at Lumpini Park in Bangkok.
- In 14-17 Mar 2015, “Wai Kru Muay Thai Ceremony to showcase some of the sacred rituals of Thai boxing – a martial art that has kicked itself into the world’s spotlight over the years and gained fans the world over, at Ayutthaya Historical Park, Ayutthaya province.

- In 10 Apr 2015, there will be o the traditional fun and happiness celebrations that mark the Thai New Year in April 2015 when Songkran is marked with all its wet-and-fun gusto in Bangkok and major tourist attractions in Thailand.
- In Jul 2015, “ASEAN Music Festival”, Royal Plaza (Sanam Luang) in Bangkok
- -In Nov 2015, “Loy Krathong Festival” in Bangkok and major tourist attractions in Thailand. Loi Krathong Festival 2014 throughout Thailand

The full calendar of events is also available with the TAT team.

Ladies and gentlemen,

I know you are all very busy at this travel mart and hence will end on that note. Because this is my first time here, I also need to learn from you and get your valuable and feedback and suggestions on what we can do to help us maintain the flow of regular business in a highly competitive environment. I look forward to having a highly productive and fruitful experience here in London.

I would like to thank all of you for joining us here today and for your ongoing support. We are looking forward to welcome you to “2015 Discover Thainess” in Thailand.

THAILAND'S TOURISM AND HOSPITALITY INDUSTRY IS RESILIENT AND LUCRATIVE



Mr. Pongsathorn Kessasamli

Deputy Governor for International Marketing (Asia and South Pacific)

HOSPITALITY INVESTMENT WORLD THAILAND BANGKOK, 19 NOVEMBER 2014

On behalf of the Tourism Authority of Thailand (TAT) and the Thai tourism industry, it is indeed an honor and privilege for me to welcome you all to Hospitality Investment World Thailand 2014. Thank you very much for being with us today.

Firstly, I would like to thank the organisers, Terrapinn and all the partners and sponsors, for organising this conference in Thailand for two consecutive years. Your presence here is a very important vote of confidence for us, and I do hope that you will spread the word to your friends and colleagues across all your social and professional media networks that life in Thailand is just as normal as anywhere else. Peace and stability have now been restored, visitor arrivals are beginning to recover and the Royal Thai Government is working intensively to address some of the underlying challenges the travel & tourism industry has faced over the years.

Today I will give you a brief overview of the Thai tourism situation, followed by some highlights of the TAT marketing plan and end with some suggested opportunities for investments.



OVERVIEW OF THAI TOURISM

Ladies and gentlemen,

The number of visitors to Thailand has increased steadily over the years. In 2013, Thailand welcomed 26.5 million international visitors, up 18.8% over 2012. This year, regrettably, arrivals have fallen due to the political unrest. According the latest figures of Ministry of Tourism and Sports reported that in January – September 2014, Thailand welcomed 17.55 million international visitors, a decline of 10.28% over the same period of 2013.

By the end of 2014, TAT is projecting 25.68 million international visitor arrivals to Thailand, generating an estimated 1.12 trillion baht in tourism revenue.

IMPORTANCE OF THAI TOURISM TO NATIONAL ECONOMY

Ladies and Gentlemen,

The Tourism Authority of Thailand (TAT) was established on the 18th March 1960. Since then, it has played a leading role in making travel & tourism one of Thailand's top job-creating and economic development sectors. TAT's vision is to promote tourism on the basis of sustainability, and achieve economic, social and environmental balance.

TAT promotes a positive image of Thailand and its unique culture and heritage in order to attract more visitors, get them to stay longer and spend more money, especially on locally-made products such as handicrafts. It also supplies information and data on tourist areas to the public. There are now 35 domestic offices within Thailand and 15 more abroad.

Although both agriculture and industry are very important sectors of the Thai economy, it is tourism which can claim to be one of Thailand's most successful industries in the last 20 years of socio-economic development. According to World Travel & Tourism Council Benchmarking report for 2013, Travel & Tourism generated 6% of Thailand's GDP in 2012 and 17% in 2013. It employed over 4 million people in direct and indirect jobs in 2012 and over 5 million people in 2013. It is estimated to generate over 6% of GDP annually.

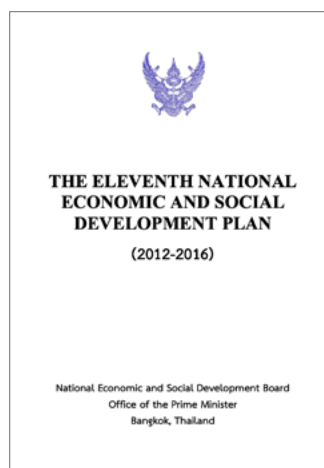
Here are some other figures which show the overall contribution of tourism earnings to the Thai economy:

- 2011: 19.23 million arrivals, with a total spend of US\$ 25.45 billion, based on an average spend of US\$ 137.33 per person per day.
- 2012: 22.35 million arrivals, with a total spend of US\$ 31.65 billion, based on an average spend of US\$ 141.34 per person per day.
- 2013: 26.54 million arrivals, with a total spend of US\$ 39.28 billion, based on an average spend of US\$ 150.23 per person per day.

KEY PRIORITIES OF TAT MARKETING EFFORTS AND LINKAGE WITH OVERALL THAI SOCIO-ECONOMIC DEVELOPMENT PLANS

For 2015, TAT has laid out a marketing plan targetting an estimated 1.4 trillion Baht in revenue from foreign tourists and 800 billion Baht from domestic tourists. The core concepts will be to restore visitors' confidence in Thailand by promoting Thainess, happiness, sustainability, as well as balanced and equitable growth.

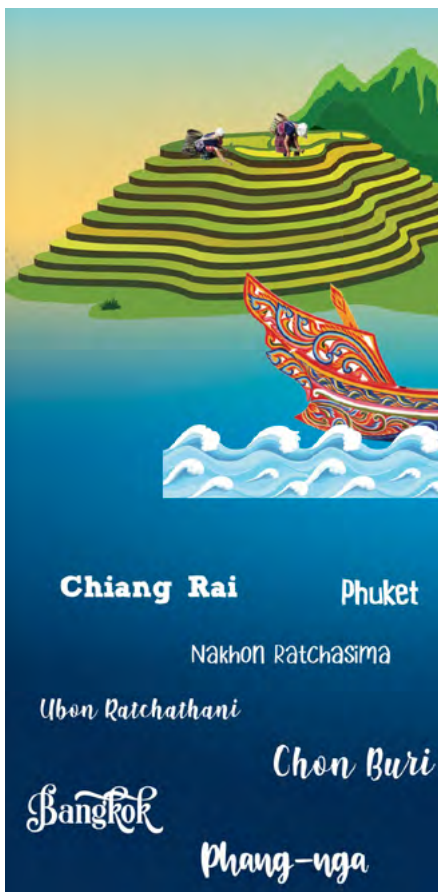
TAT will follow the policies and guidelines of the 11th National Economic and Social Development Plan, Ministry of Tourism and Sports' National Tourism Development Plan and the policy of the National Council for Peace and Order (NCPO).



Due to the slowdown in number of visitor arrivals, the country's revenue earnings from the tourism industry are likely to fall short of projections. We are now undertaking a number of campaigns and strategies to accelerate growth from key markets, build visitor confidence and promote a positive image of the kingdom.

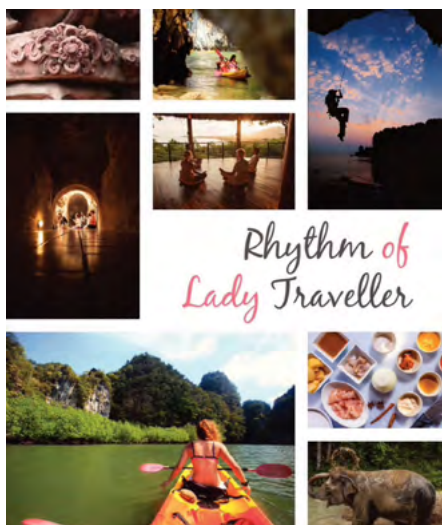
The Royal Thai Government headed by Prime Minister Gen. Prayuth Chan-ocha is working intensively to solve pressing problems in various areas such as security, economy, society and culture. The core concept and objective is to "Return Happiness to the People". As peace and stability has been restored, tourism is regaining a sense of normalcy. This is the perfect time to travel to and within Thailand in order to help preserve jobs and economic stability.

In line with that, the National Tourism Policy Committee has approved the declaration of "2015 Discover Thainess" as the National Agenda. This slogan has now been adopted by the TAT as the core concept and theme of its global campaigns to build the positive image of the kingdom as a safe and hospitable destination. It is also designed to promote unity amongst the Thai people by uplifting their own sense of "Thainess" in all its many facets as well as promote a national feeling of happiness, pride and joy. The Thai way of life can be seen and experienced nationwide. Foreign visitors, both first-timers and repeaters, can always find something new to learn, touch and experience. The "Thainess" lifestyle is reflected in all our indigenously-designed and -made products and services.



We have now embarked upon a major global marketing campaign to recover visitor arrivals in the last quarter of 2014 and maintain the momentum in 2015. Special events have been launched, starting as of October 2014 when a "Thailand Music Festival" was organised under the theme, "Land of Fun." More events will be held in December 2014 to mark the birthday anniversary of His Majesty the King and New Year festival, which this year will take the form of a "Thailand Happiness Carnival." Every month in 2015 will see something new and fresh. One event that is certainly well-known to you all is the Thai New Year in April when Songkran is marked with all its wet-and-fun gusto.

We are also now seeing the domestic market as a major "lifesaver" in times of crisis. The domestic travel marketing plan for 2015 will target the family market, working people, the elderly and young. Twelve Thai cities are to be categorised as "Must Visit Cities" in 2015. They have been chosen because each city has a special story that the Thai people should know about.



In order to iron out the peaks-and-troughs in travel patterns, TAT will be making a special effort to promote domestic travel during weekdays, not just over the weekends and long holidays. In another very specific example of high-level commitment to the travel & tourism industry, the government has approved tax breaks on domestic tour packages and hotel accommodation. This will allow businesses and private individuals who buy local package tours or hotel accommodation to claim tax deductions upto a maximum of 15,000 baht until Dec 31 next year. We hope this will spur the business travel and corporate meetings business. It will cost the Government several million baht in lost tax revenue but we think it will have a positive ripple-effect on businesses nationwide.

Overall, the TAT is looking forward to partnering with all stakeholders in the public and private sectors to revive and recover travel & tourism flows, and create an impressive and memorable experience for visitors throughout 2015.

SUGGESTED OPPORTUNITIES FOR INVESTMENTS



One of the most important developments in the years ahead will be the integration of the 10 ASEAN countries into a single community, based more or less along the lines of the European Union. This will give a huge boost to Thailand which enjoys the unique competitive advantage of being at the geographical heart of the region. Thailand is the only country to share land borders with four of the 10 ASEAN countries – Myanmar, Cambodia, Laos and Malaysia. This puts at the crossroads of cross-border trade and travel. You in the hotel industry know well the advantage of location, location, location. In ASEAN, that advantage belongs to Thailand.

Infrastructure development under way within ASEAN and the Mekong Sub-region will give a further impetus to this co-operation. A network of highways is being constructed to link cities



The number of accommodation units of all types have grown exponentially over the last few years. Our key challenge now is to match this hardware with the requisite supply of software.



along the South China Sea to those in the Bay of Bengal, as well as from Singapore to China, all of which will criss-cross through Thailand. One of the most recent developments has been an agreement to complete a critical section of the Asian Highway from Thailand across Myanmar to India. All this infrastructure development will allow us to better package and position Thailand as a gateway to this critical region.

Hence, your primary investment opportunities will lie all along the transportation networks, especially in the cross-border provinces. This will also be in line with the national policy to spread income to and create jobs in the provincial areas.

Specifically in the hotel sector, we have seen a huge growth in hardware. There are now 13,798 accommodation units in Thailand, with a total capacity of 576,165 rooms. These figures only include those licensed and registered as hotels. They do not include the many other units which are registered as serviced apartments, guest houses, lodges and motels. Either way, the number of accommodation units of all types have grown exponentially over the last few years. Our key challenge now is to match this hardware with the requisite supply of software. There is a big future market for investment in training schools and institutions, especially those offering high quality facilities and curricula that are in line with the times and meet industry needs.

To facilitate your search for opportunities, please take advantage of the tourism industry investment database set up by the Tourism Investment Department. This will give you information and statistics on Hotels, Spas and Golf countries in a number of tourism provinces, as well as help you identify potential areas for investment in tourist destination, border provinces, small and medium sized accommodation, Long stay accommodation business, etc. The website is here <http://www.tourisminvest.tat.or.th/en/>

Ladies and gentlemen,

In conclusion, I wish to assure you that Thailand will remain at the forefront of the Asia Pacific tourism industry. We are confident in our fundamental strengths and competitive advantages as a country and a people. Thailand has experienced many ups and downs over the years, but as investors, I often hear you say that you are in it for the long term. As we do our share to maintain your confidence, it is equally important for you to reciprocate and walk the talk of your own business principles and prove that you are not just “fair-weather friends.”

Once more a very warm welcome to you all. Thank you for being with us today. I wish you a productive and fruitful conference in Amazing Thailand, It begins with people...

THAILAND
THE GREATEST
STORY IN GLOBAL
TOURISM HISTORY

A 60TH ANNIVERSARY TRIBUTE TO
THE TOURISM AUTHORITY OF THAILAND
