CHAPTER 1

INTRODUCTION

1.1 Background/Rationale

Phuket is well established as one of the world's leading tourism destinations. Its attractions – scenic, cultural, culinary and sporting, as well as world-class facilities for health and fitness – are renowned.

What is perhaps less appreciated is that the island is also ideal for longstay visitors, people with leisure time who would like to spend their time to pursue new interests or enjoy a joyful lifestyle. With no desire to seek work and with their own funds from home, visitors will now find every opportunity to follow their dreams.

Recognizing the potential of longstay guests, Thai Government and the Tourism Authority of Thailand (TAT), along with other government agencies and the private sector, are currently developing procedures and amenities to facilitate stays of longer than three months and specialize on international tourists target group because they can have a higher potential in term of income generated. Moreover, a trend that statistics indicate number of guest arrivals at accommodation establishments in Phuket is continuously increasing every year.

With a longer stay, International Tourists may come to regard Phuket as a home away from home, and have the time to enjoy a whole wealth of the island's attractions. Sea, Sand and Sun have always been popular with the international tourists. Sightseeing on the beaches is a part of the pleasure, and the longstayers also have the advantages of being able to take part in many interesting activities for example learning Thai language, finding physical and mental well-being at a tropical spa and much more.

Most Amazing of all is the comparative low cost of living in Phuket (compare with other longstay destinations such as Spain, Hawaii-USA or Queensland-Australia). When adding the high standard of services and quality of facilities to the financial equation, the value for money that Phuket affords is valuable. At the same time, there is no sense of being cut off from International Tourists home country. Air links, computer and telecommunications are easy and convenient, while shopping, banking facilities, medical services and other amenities are all of true international tourists standard.

With considerable backing by both the public and private sectors, longstay visitors will find complete services and full peace of mind.

1.2 Objectives of the study

The objectives of this study are:

1.2.1 To study the behavior of international tourists and their interest in longstay tourism in Phuket.

1.2.2 To develop a appropriate strategy for the longstay market for central governmental, Phuket provincial government, stakeholder, and local administration organization in Phuket.

1.3 Statement of Hypothesis

Demographic variables are related to tourism activities, related products and services and facilities/services on the premise available and lead to easier decision making in order to choose the destination during tourists have a longstay visit in Phuket.

1.4 Expected benefits

- 1.4.1 To know accurately what factors will directly effect the International Tourist's decision in choosing any destination for longstayer appeal.
- 1.4.2 To increase number of longstay tourists and also increase money spending during their stay at the destination.
- 1.4.3 Phuket will become the leader tourist destination in International visitor's view.

- 1.4.4 There will be the possibly opportunity to generate more revenue for Phuket.
- 1.4.5 To develop various product and service ranges in order to suit International Tourist's needs and preferences.

1.5 Data Sources

1.5.1 Primary Data

1.5.1.1 Surveying from International tourists (Questionnaire) from Phuket International Airport, Phuket.

1.5.2 Secondary Data

- 1.5.2.1 Tourism Authority of Thailand (TAT)
- 1.5.2.2 Immigration Office
- 1.5.2.3 <u>www.tat.or.th</u>
- 1.5.2.4 www.tourismthailand.org
- 1.5.2.5 www.experiencethailand.com
- 1.5.2.6 <u>www.krc.co.th</u>
- 1.5.2.7 <u>www.bee.co.th</u>

1.6 Scope of the study

- 1.6.1 The international tourists who are now in Phuket.
- 1.6.2 The area of the study covers Phuket province, the second destination of income generation from tourism next to Bangkok.

1.7 Research Methodology

1.7.1 Population

- 1.7.1.1 International Tourists who are now in Phuket.
- 1.7.1.2 According to the statistics compiled by Tourism Authority of Thailand, Phuket branch in 2003, the number of international tourist is 2,688,499.

1.7.2 Data Collection

Qualitative and quantitative methods of study will be used for this study. The data collection will cover documents, data, statistics and interviewing people, who are in the tourism industry, international tourists who are now the visitors in Phuket.

1.7.3 Data analysis:

- 1.7.3.1 Using Random sampling.
- 1.7.3.2 Using The Statistical Package for Social Science for Windows (SPSS Program) to analyse and conclude the result for this research. This program can be categorized to:
 - Simple Frequency: measure the distribution of the data to describe Descriptive Statistics for both Measures of Central Tendency and Measures of Dispersion.
 - (2) Joint Frequency Distribution (Crosstabulation): to find out the expectations of the tourists who come from difference area. From this method, the exact visitors' needs can be easily seen. Therefore these will be the important issues in order to develop appropriate marketing strategies for the longstay market.
 - (3) Manual Tabulation: to analyse the open-ended questions such as the questions asking about the visitors' opinions or recommendations.

1.8 Definition of Terms

1.8.1 Visitor: Any person going to or leaving a city or province, which is not his/her usual place of residence, for any reason, and with or without staying overnight in that city or province. (TAT, 2002:5)

1.8.2 Tourist: Any person visiting Thailand for any reason other than to exercise remunerated activity within the country. The person must stay at leas one night, but not longer than 90 days and the purpose of his/her journey can be classified under one of the following: leisure (recreation, holiday, health, study, religion and sport); business; family; mission; meeting. This also refers to all arrivals by sea with overnight stay accommodation establishments ashore and excludes cruise passengers who stay overnight on board, and direct transit passengers who do not pass through immigration. (TAT, 2002:5)

1.8.3 Longstay tourism: The Longstay Tourism happened for many years ago. People from developed countries that have a high income would travel in their own countries or aboard for their pleasure. They take more time for staying. The Longstay Tourism has some unique requirement that different from general tourism. When the general tourists have a good pleasure with their first visiting, they will come back to visit again to stay longer. If they are impressed, the will come back and be the longstay tourists. (Chantarasuwan, 2003)

1.8.4 Longstay tourists: Longstay tourists are mainly overseas visitors who come to Thailand to spend their leisure time in the country for over one month to six months in a year. However, the period of stay should not exceed one year. They have no desire to make a living or to earn income in Thailand. They have regular income from their past savings or benefits from pension funds, insurance schemes or other sources from their home country. They can prove that they can disburse the expected expenses in Thailand through proper financial channels. They would normally enjoy living in Thailand by joining

some civic activities with the local people and occasionally learn some experiences including modern and technological knowledge to better their skills. Also, they can experience the historical and cultural heritage of the country so that they would fulfil their dream of living with a good quality of life, enjoy services with economical costs, and have the chances to associate with the younger generation in voluntary social events.

In short, they have the intention to stay here as a second home where they can enjoy a good quality of life at a low cost. Meanwhile, they can save some money from their regular sources of funds. (*www.tat.or.th*)

1.8.5 Tourist Consumption Expenditure: All payments for goods and services made by tourists during their stay, excluding international fare expenditures. (TAT, 2002:5)

1.8.6 Tourism Receipts: Receipts in the form of direct or indirect currency payments made by international tourists from abroad to cover the cost of goods and services excluding expenses of international transportation.

1.8.7 Tourist Accommodation: Places in which rooms are provided for tourists. (TAT, 2002:5)