CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This chapter includes general information of Songkhla province included with First, the basic information of Songkhla and Tourism demand of Songkhla province. Second, the factors affecting to the tourism supply factors to analyzed the potential tourism supply present situation, which are attraction, accessibility, accommodation, activity, and amenity of tourism in Songkhla. Third, a view on existing tourism market strategies for Southern part of Thailand by Tourism Authority of Thailand, The Ministry of Tourism and Sports. Fourth, a tourism effect theory, tourism marketing mix theory and SWOT analysis theory. Fifth, a detail literature search focus on potential research and theories, service marketing, tourism impact. Finally, research, which had relevant to this study.

2.2 General information of Songkhla province

Songkhla, 950 kilometers from Bangkok, Songkhla is the center of tourism in the Southern Thailand. This area features a variety of tourist locations of long-standing historical significance. Hatyai is one district of Songkhla where the principal of commercial, transportation, and entertainment centre. Therefore, Hatyai regularly attracts visitors from nearby Malaysia and Singapore, and from others countries. The province is situated on the eastern side of the Malayan Peninsula occupying an area of 7,393 square kilometers, bordering on Nakhon Si Thammarat and Phatthalung to the north; Yala, Pattani and States of Kedah (Sai Buri) and Perlis of Malaysia to the south; the Gulf of Thailand to the east, Satun and Phatthalung to the west. It is administratively divided into 14 districts; they are Muang district, Chana district, Hat Yai district, Na Thawi district, Ranot district, Rattaphum district, Saba Yoi district, Sadao district, Sathing Phra district, Thepha district, Khuan Niang district, Krasae Sin district, NA Mom district and Singha Nakhon district.

Figure2.1: Songkhla map
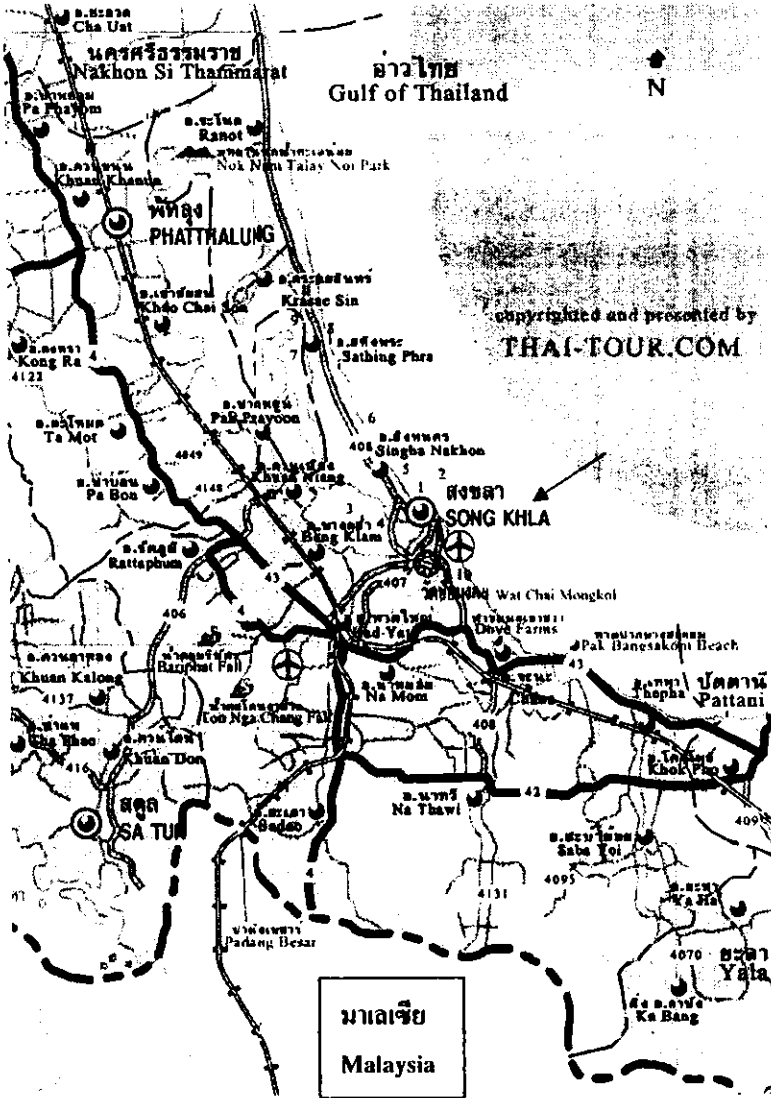
(Thai-tour.com, 2006)

2.2.1 Tourism demand

Domestic visitors' arrivals

Songkhla (Hatyai) is the main tourism destination province in southern Thailand. Songkhla has served more than 2 million domestic tourists per year. From table 2.1, Year 2005, the number of visitors visiting Songkhla is 2,361,643 people. Most visitors are tourists about 86 percent of the total. Therefore, the number of facilities in Songkhla should be sufficient to serve visitors (Table 2.1).

Table 2.1: Number of domestic visitors arrivals in Hatyai(Songkhla) year 2005

Nationality of visitors	Thai	Foreigner	Total
Number of visitors	1,509,409	852,234	2,361,643
- Number of tourists	1,289,100	745,514	2,034,614
- Number of excursionists	220,309	106,720	327,029

(Source: TAT, 2006)

Most visitors were from Asia the continent. For example of Asia visitors' nationality are Thai, Malaysia, Singapore, and China. For other continents, European visitors were the second highest volume number of visitors who comes to travel in Songkhla. For example of Europe, a visitors' nationality were British, French, and Scotland (Table 2.2).

Most of the visitors were from the Southern part of Thailand had come to visited Songkhla in year 2005. The second were the visitors from Bangkok, which is the capital of Thailand. The third was the visitors from Northern part of Thailand (Table 2.3)

Table 2.2: Number of foreign domestic visitors arrivals in Hatyai (Songkhla) 2005 classify by continent

Continent	Visitor	
	Number	Percentage
1. America	27,338	3.21
2. Europe	65,873	7.74
3. Australia and Oceania	15,952	1.87
4. Asia	737,251	86.50
5. Middle east	420	0.05
6. Africa	5,400	0.63
Total	852,234	100.00

(Source: TAT, 2006)

Table 2.3: The domicile of visitors arrivals in Hatyai (Songkhla) 2005 classified by region and capital of Thailand

Domicile	Visitor	
	Number	Percentage
1. Bangkok	354,918	27.53
2. Central	77,165	5.99
3. Western	61,089	4.74
4. Eastern	59,948	4.65
5. Northern	191,840	14.88
6. Southern	477,345	37.03
7. North-eastern	66,795	5.18
Total	1,289,100	100.00

(Source: TAT, 2006)

Most of visitors come to visited Songkhla by private car. In addition, the roadway in Songkhla province is comfortable, connected to others province and to Malaysia. Therefore, Songkhla province is the hub of tourism transportation in Southern Thailand. Moreover, Songkhla province has provided a full transportation service to serve visitors comfortably when they come to travel in Songkhla province. The visitors can come to Songkhla by several types of transportation that makes it is easies to visit Songkhla (Table2.4)

Table 2.4: Number of visitors arrivals in Hatyai (Songkhla) 2005 classified by type of transportation

Total number of visitors		1,509,409	852,234	2,361,643
Types of transportations	Airplane	143,417	140,900	284,317
	Train	237,551	158,359	395,910
	Bus	401,741	184,069	585,810
	Private car	726,700	362,109	1,088,809
	Others	-	6,797	6,797

(Source: TAT, 2006)

Domestic foreign visitors had spent more money than Thai visitors had. The average expenditure of visitors who travel in Songkhla province was 2,961.92 baht per day. Most of the expenditure of visitors was spent on local products and souvenirs. The expense was 27.62 percent (Table 2.5)

Table 2.5: Expenditure of visitors arrivals in Hatyai (Songkhla) 2005 (per person per day) classified by type of expense

Type of expense	Visitor					
	Thai	Percentage	Foreigner	Percentage	Total	Total percentage
1. Accommodation expense	392.56	15.52	603.01	16.18	468.50	15.82
2. Food and beverage expense	301.69	11.92	529.56	14.21	383.92	12.96
3. Transportation expense inside province	338.55	13.38	371.42	9.97	350.41	11.83
4. Souvenirs and Shopping expense	751.22	29.69	940.73	25.24	819.61	27.67
5. Entertainment expense	424.84	16.79	969.42	26.01	621.36	20.98
6. Others	321.11	12.70	312.82	8.39	318.12	10.74
Total	2,529.97	100.00	3,726.96	100.00	2,961.92	100.00

(Source: TAT, 2006)

International visitors, arrivals

The main visitors in Songkhla province most were from Malaysia and Singapore, because Songkhla borders with Malaysia. In addition, the Malaysia and Singapore visitors can come to visit Songkhla by cars or buses by a convenient route (Table2.6).

Table2.6: The numbers of international visitors' arrivals to Songkhla province

Year	Malaysians	Singaporeans	Others
2001	783,861	105,879	202,339
2002	1,650,869	222,989	426,141

(Source: TAT Southern zone1, 2005)

Length of stay

Because the main revenue income form tourists has depended on the tourist's length of stay. Therefore, from table2.7 it showed that year 2005, the length of stay of main tourists were from Malaysia, Singapore, and China and had increased from year 2004. It showed the foreign tourists had increased reliability in safety and security in Thailand. Especially, the tourists from China had the highest increase in the length of stay at 6.57 to 10.14 that meant Chinas tourism market segment has high potential to do the tourism-marketing plan (Table 2.7).

Table2.7: Comparison average length of stay (days) among international visitors arriving in Thailand during the month of January year 2004 and 2005

Country of Nationality	Jan 2005	Jan 2004
East Asia	**5.98**	**5.32**
ASEAN	*5.01*	*4.74*
Brunei	4.66	4.79
Cambodia	5.09	5.14
Indonesia	4.71	4.36
Laos	7.52	13.10
Malaysia***	4.16	3.86
Myanmar	11.26	11.14
Philippines	6.77	6.68
Singapore***	4.55	4.82
Vietnam	7.18	5.73
China***	10.14	6.57
Hong Kong	4.45	4.39
Japan	6.23	5.85
Korea	6.40	4.69
Taiwan	8.05	6.38
Others	12.42	7.83

(Source: NSO, 2005)

Note: *** Indicate the three countries with highest share of tourists' arrivals in Songkhla province.

2.3 The factors affecting to the tourism supply factors

Tourism supply was analyzed by using factors affecting destination supply (5 A's of a destination) as an indicators to evaluate the potential of tourism supply in Songkhla province. Factors affecting destination Supply (5 A's of a destination) are included with tourism attraction, tourism accessibility, tourism amenity, tourism activity and accommodation.

2.3.1 Tourism Attractions

Tourism attractions were divided into 2 parts. First part is natural attraction and the second part is manmade attraction. The following description of the main attractions is based on TAT (2002).

1. Natural attractions: Songkhla province has various natural tourist destinations to provide tourists with relaxation. The natural destination was separate into four kinds of attraction.

1) Beach attraction

Cat and Rat Island: These prominent marine landmarks facing Samila Beach and Laem Son Onn with rodent – like and feline shapes have been the symbol of Songkhla since ancient times. Local anglers favor these islets' coastal waters.

Samila Beach: The Samila beach is a long wide beach with beautiful sand and clear water. Another thing that makes Samila beach famous is the mermaid statue at the Samila Beach.

Kao Seng: It is situated in Muang Songkhla. "Kao Seng" is the name of a beach and refers to the rock on the cliff that is one of an unproved legend that there is some 900,000 Baht worth of treasure hidden under the rock since the old days of Siam.

Koh Yor (Yor Island): The fascinating Songkhla provides this significant island named "Koh Yor." The prominent island is the most famous of the "Thaksin Folklore Museum," which won the Thailand Tourism Award 2000. It features the high-valued artifacts collected from the south of the Kingdom of Thailand, displaying different categories and collections. The Koh Yor's agro-tourism route is worth visiting. It reveals

the people's traditional livings that mainly concerned horticulture, local fish trapping, local weaving, fruit gardening, fish hatchery in netted cases, a 400 years old temple, and local foods.

Sakom Beach and Thepa Beach: Sakom is the name of a fishing village and a beach that is connected with Thepa beach. Their fine sandy beaches with pine-trees consist of Sakom Beach, Soy Sawan Beach, and Thepa Beach. Situated some 70km from Hatyai, on the highway to Pattani, they offer fine sand beaches, and are also very clean and quiet. The clear water of the sea there is good for swimming, especially in off-monsoon season.

2) Waterfall destinations

Tone Nga-Chang Waterfall: The "Tone Nga Chang Wildlife Reserved Area" is situated on Tambon Hue-Rae of Hatyai, on the way from Hatyai to Rattapoom district on Road No.406.The waterfall consists of seven cascades with the most beautiful on the third one where two streams can be seen alike the elephant's tusks. That is the source of the waterfall's name, "Tone" in Thai language means a waterfall, and "Nga-chang" is the elephant's tusks, so it refers to a waterfall of elephant tusks shape.

Tone Plieo Waterfall: This waterfall is considered located in part of Tone Nga Chang waterfall's compound, just a jungle trekking across a mountain, but can be approached to from another asphalt road.

Boribhat Waterfall: Located in Amphoe Rattapoom of Songkhla, on the way to Satun province on highway 406, the Boribhat Waterfall serves as another tourist destination of Songkhla. It is impressive. The falling water from the upper mountain down to the lower pond provides a good dip into the water while the waterfall's shady and cool atmosphere offers more than the ordinary tourist destination.

3) The waterfowl park

Khu Khut Wild Birds Sanctuary: The waterfowl park is officially named Khu Khut Wildlife Reserved Area, but widely known as the bird's sanctuary. In December to March (depending on the weather), wild birds would assemble in the area that covers about 364 square kilometers.

4) National park

Khao Namkhang National Park: Located in Nathawee district, some 96 km from Hatyai, this only one national park of Songkhla is an ideal place for nature

enthusiasts. Providing not only the jungle but also waterfalls, the national park can easily attract adventurers with its natural jungle.

2. Manmade attractions: Songkhla province has various manmade tourist destinations to provide tourists for enjoyment for the tourists. The manmade destination has been separate into two kinds of attraction.

1) Religion and temple tourist's destinations.

Khao Tang Kuan: It is the highest hill in Songkhla town where the important pagoda of Songkhla is located. Khao Tang Kuan is the venue for the annual Buddhist ceremony of covering a robe around the pagoda, held in October or November (depending on the Thai lunar month), one day before the famous festival of "Lark Phra - Tak Bart Devo." They are regularly held as the main traditional activities of Songkhla.

Wat Klang (Wat Matchimawat): The royal Buddhist temple that dates back some 400 years is situated on Saiburee Road, Amphoe Muang Songkhla. The main interests of this temple are the temple's architecture, the murals, and the museum. Another small rest house shows the pictures of hermit's actions. Some buildings are of old-times since the establishment of the temple, in Chinese style. Today the temple is known as Wat Matchimawat. Nearby, a museum managed by the fine arts department's regional office, houses artifacts of Songkhla and the south.

Wat Hatyai Nai: The Buddhist temple compounds with a big reclining Buddha image is situated at Soi 26 Phetkasem Rd., some 3-4 km from downtown Hatyai. The temple offers the famous reclining Buddha image 39 meters long, 19 meters high, and 10 meters wide undercover of the shelter. Behind the image is the room containing amulets for sale and the foot-massage classes.

Wat Tham Khao Roop Chang: This famous Buddhist temple is located in Ban Padang Besar of Amphoe Sadao, some 80 km from Hatyai. The temple compounds attraction is a cave in a mountain that looks like an elephant (that is how the name is derived). The Chinese style architecture of the temple compounds adds more interest to the cave where the big sitting Buddha image and Kuan Yin statue are situated inside.

Wat Chathing Phra: According to the evidence from the remaining reclining Buddha image and the prominent pagoda, this Buddhist temple can be dated back some 1,000 years.

Wat Pa Kho: The Buddhist temple of the late venerable monk, Luang Pho Thuart, whose most famous tale is the miracle of turning the saltwater to freshwater just by dipping his foot into the sea while he and some of his followers were kidnapped by pirates.

Wat Aek Cherngsae: Wat Aek Cherngsae is a Buddhist temple where the sacred Buddha statue made of coral is housed. The figure size of 70 cm at the lap and 120 cm. high is now covered with cement.

Wat Khuat (Bottle Temple): Located at Moo5, Ban Klong Harn, Tambon Khae, Amphoe Chana, the Buddhist temple is very famous for its unique architecture. Many bottles are used as main constructing materials. Instead of using bricks, various sizes and colors of the bottles are applied. All buildings are the main attraction of this hideaway temple.

Wat Tham Talord: This hideaway district of Songkhla provides natural wonders; some of them are very beautifully interesting. Sabayoi provides mysterious caves to explore "Wat Tham Talord," "Tham Klong Prao", "Tham Roo Nok Sak", "Wat Tham Khrok", etc. As you may notice, some of them are the Buddhist temples, but they always welcome tourists to visit.

2) Museum, Park, and Zoo

The Monument of Prince Chumbhorn: Highly respected and regarded as the father of the Royal Thai Navy, Prince Chumbhorn's monument of Songkhla is situated at the end of "Son Onn Beach." The monument is daily visited by Thais to pay respect to and to admire the nice scenery of the surroundings, especially in the evenings.

National Museum Songkhla: In the former times, the museum used to be a residence of the ruler of "Nakhon Si Thammarat Region," with its capital in Songkhla. Therefore, the building is of the real old architecture.

Pathammarong Museum: The southern Thai-style house resembling a museum featuring only the biography of His Excellency Gen. Prem Tinsulanonda, the Chief Privy Councilor, who is a native son of Songkhla.

Cannon Fortress: The fort is situated within the compound of the Songkhla Police station on Wichianchom Road. The remains provide some cannons firmly established at the fort.

Khao Noi Palace: Situated on Sadao Road of Amphoe Muang Songkhla, the royal palace was the residence of "Prince Lopburi Ramese" when Songkhla was the capital

city of Southern Territory. In 1959, H.M. King Bhumipol and H.M. Queen Sirikit stayed at this mansion on their Royal official visit in an earlier trip to the South.

Songkhla Zoo: The zoo is located out of Songkhla town in the area called "Suan Toon," some 4km from the Rajabhat Institute Songkhla on Songkhla–Chana Road. Like any big zoo, various wild–animals both domestic and imported are well arranged in provided zones, and with rest areas and viewpoints that offer the admiring views of Songkhla that can be seen as far as Cat and Rat Islands in the Gulf of Thailand.

The Thaksin Folklore Museum: Awarded the Thailand Tourism Award 2000 outstanding performance, and the best cultural tourist attraction, the folklore museum of the Institute for Southern Thai Studies boasts the most interesting museum of southern Thailand and the biggest treasure storage of southern Thai studies.

Home of Faith: Due to the strong faithfulness of the people of Songkhla, the Home of Faith was built in 1991 in tribute to His Excellency Gen. Prem Tinsulanonda.

Tinsulanonda Bridges: The longest concrete bridge of Thailand, consisting of two parts, stretches out into Songkhla Lake to link the island, Koh Yor, with the mainland, facilitating the traffic flow between Songkhla and nearby districts.

Hatyai City Municipal Park: Geographically, the public park's compound covers the mountainous areas. At some mountaintops situated the venerating statues of Brahma, Kuan Yin, and Buddha. Besides being a big public park that includes a small zoo, its areas are occasionally the venue for festivals and official ceremonies.

Khao Namkhang Historical Tunnel: This specific manmade tunnel is situated in Khao Namkhang National Park in Nathawee district. The tunnel was the site of ex–members of Communist Party of Malaya (CPM) who were disarmed and turned to join in developing the Kingdom of Thailand.

Therefore, the total numbers of tourism attractions are 30 destinations by information from TAT zone1. High frequencies of Songkhla for natural attraction were beaches and waterfall. High frequency for manmade was religion and temple destinations and the zoo (Table 2.8).

ฝ่ายหอสมุด
คุณหกิ่งหลง อรรถกระวีสุนทร

Table 2.8: The number of tourism attractions at Songkhla Province classify by types

Natural attractions	No. of attraction	Manmade attractions	No. of attraction
National Park	1	Religion and temple attraction	9
Natural beach	5	Museum	9
Waterfall attraction	3	Park	1
Waterfowl Park	1	Zoo	1
Total	10	Total	20

(Source: TAT zone one, 2006)

2.3.2 Tourism accessibility

Songkhla province has full transportation services to serve visitors. Transportation in Songkhla include First, Hatyai International airport at Hatyai district providing six airlines with more than 24 fights in each day. Second, Hatyai railway station at Hatyai district provides 22 railroad trains in each day. Third, Hatyai bus station provided five bus transport businesses with 27 routes in each day. Fourth, van businesses, the numbers of van businesses in Songkhla province are 41 companies to serve the tourists and make it comfortable to transport them to the others province. Finally, car rental business, there are 11 car rental stores that serve the tourists who want to travel inside Songkhla or go out to travel to nearby provinces with private vehicle.

2.3.3 Tourism amenities

Songkhla province provides various amenities for tourists (Table2.9) Most of the amenities are located at Hatyai. The main transportation service such as train station and international airport are located at Hatyai. In addition, the tourism industry has grown up in rapidly at Sadao district because its border to Malaysia. Therefore, tourism amenity has expanded to tourism destinations around Songkhla province. The number of tourism amenities in Songkhla has about 325 places to serve visitors. Therefore, Songkhla province had high potential to support visitors. The highest amenity number was dining places.

Songkhla has served visitors with various food and beverage such as seafood, Chinese food, Thai food, and Islam food.

Table2.9: The number of amenity in Songkhla province classified by type

Amenity	No. of amenities
Entertainment complex	2
Disco club	5
Karaoke shop	6
Theater	3
Souvenir shop	24
Massage service place	13
Golf club	4
Dining place	257
Shopping market	3
Department store	8
Total	325

(Source: TAT zone1, 2006)

2.3.4 Tourism activities

Songkhla province has provided several tourism activities for visitors. The main tourism activities in Songkhla were about 23 activities all year-round. The tourism activities include national tourism activities such as Rugby 7 players' International competition, and the Hatyai Song-Garn festival. The region tourism activities in Songkhla most are famous and well known such as Beach-Sport festival, Songkhla International Marathon competition. In addition, Songkhla provided the local tourism activities to visitors and local people such as Hatyai mini Half-Marathon competition, Long-tail boat competition. From table 2.10 it shows the tourism activities in Songkhla province all year-round, Tourism activities in Songkhla cover all kinds of tourism activities cultural and traditional tourism activities, recreation tourism activities, and the light and sound special event that Songkhla has operated "Lantern International festival," at Hatyai district last year. That makes successfully increase the confidence of visitors in safety and security in Songkhla province.

Table2.10: Tourism activities in year-round at Songkhla province

Activities	Hierarchical level	Period of events
1.Paraeda the immortal and angle festival	Local	Jan – Feb
2.Parade the guardian angel of the city festival	Local	January
3.Propitiate the Bodhisattva festival	Local	April
4.Hatyai Song-Garn festival	Nation	April
5.The Gratitude day and Change an outer robe of three Buddhist festival	Local	April
6.Beach-Sport festival	Region	May
7.The Cha-va dove competition	Region	February
8.Seafood and Local food fair	Region	May
9.The Mother's guardian festival	Local	May
10.The Sugar palm festival	Local	May
11.The Songkhla Red Cross festival	Local	June
12.Hatyai mini Half-Marathon competition	Local	August
13.Songkhla International Marathon competition	Region	August
14.Songkhla Radjaphat Institute fair	Local	August
15.Southern agricultural festival	Local	August
16.Artocarpus fruit fair	Local	September
17.Sculling boat competition	Local	September
18.The Vegetarian festival	Local	September
19.Rugby 7 players International competition	Nation	September
20.The Buddhist boat contest festival	Local	October
21.A Buddhist ceremony of festooned boats festival	Local	October
22.Long-tail boat competition	Local	October
23.Loi-Krathong festival	Local	November

(Source: TAT, 2001)

2.3.5 Tourist accommodation

Songkhla province provided more than 164 accommodations to serve as visitor destinations. The table 2.11 showed the number of accommodations classified by types of accommodations at Songkhla province. Most of the accommodations in Songkhla was budget hotels with 103 hotels.

Table2.11: Number of accommodation in Songkhla province classified by type

Type	No. of accommodation
Five-Star hotel	6
Four-Star hotel	7
Three-Star hotel	24
Budgeted hotel	103
Guest house and Apartment	12
Resort	12
Total	164

(Source: TAT zone 1, 2005)

2.4 A tourism effect theory, tourism marketing mix theory and SWOT analysis theory

2.4.1 Potential and prospect of tourism development plans

Songkhla (Hatyai) is the one province of southern Thailand that has been selected from the National Spatial Framework to be tourism city center (TAT, 1999). Furthermore, Songkhla province is the one of IMT-GT tourism development plan which the countries are Thailand, Malaysia and Indonesia are collaborate to develop economy.

Following the five factors of tourism supply at Songkhla province showed, Songkhla province has complete tourism supply to support the tourism development plans. Therefore, TAT had chosen Songkhla province to be a "Tourism City Center" with determine by area approach for developing the service standard and quality, facilities, security service and prepare the local organizations to support and manage follow the TAT plan.(Table2.12)

Songkhla province has "high potential" in terms of tourist attractions, the same as Phuket and Nakorn Sri Thammarat provinces. Although Songkhla province has "moderate level" in terms of complete support, management of the level of Phuket's is high but the advantage of Songkhla province is "better" than Phuket as it borders area nearby Malaysia and Singapore. The TAT realized the potential of Songkhla province so TAT had participated with IMT-GT to develop tourism in Thailand by collaborating with Malaysia and Indonesia. Therefore, marketing opportunity of Songkhla province has high levels, both of old market and of new market to be tourism destinations.

Tourism Authority of Thailand has development plan in each area follow by the potential of area approach. For Songkhla which the main area and border area to development, TAT has plans to develop the tourism activities and tourism products for enlarge the tourism market (Table 2.12)

Table2.12: Tourism products that organize into groups by area approach (1999)

Southern Area TAT Zone	Name of province	No. of visitor			Attraction value			Potential follow TDRI plan	Responsible with Dev. plan	Consecutively to development	Completely for management	Services & facility	Marketing opportunity		Transportation	Determine dev. Area by approach			
		Total	Thai	Foreign	Natural	Hist. & Cul.	Event &Festival						Old	New		Main area	Sub area	Border area	Potential area
1	Songkhla	2,224,866	1,436,645	788,241	□	□	□	H	H	H	M	H	H	H	H	×		×	
	Satun	791,405	779,533	11,872	□	△	△	M	H	M	M	L	M	H	M		×	×	
2	Nakorn Sri Thum murat				□	□	□	M	M	H	M	H	M	H	M				×
	Trang	437,637	410,253	27,384	□	△	□	M	H	H	M	H	H	H	H		×		
	Patthalung				□	O	□	M	M	M	M	L	M	M	L		×		
3	Pattanee				O	□	□	M	M	M	M	M	M	M	M				×
	Yala	240,758	36,296	204,462	□	□	△	M	M	M	M	M	M	M	M			×	
	Naruthiwat	632,095	118,066	444,029	□	□	O	H	H	H	M	M	M	H	M			×	
4	Phuket	3,083,208	915,406	2,167,802	□	□	□	H	H	H	M	H	H	H	H	×			
	Phang-nga	1,702.929	556,591	1,146,338	□	O	△	H	H	H	H	M	H	H	M				×
	Krabi	1,096,952	565,930	531,022	□	□	△	H	H	H	M	M	H	H	H		×		
5	Suratthani	776,851	139,226	637,625	□	□	□	H	H	H	M	H	H	H	H	×			
	Chumporn	437,406	419,865	17,511	□	O	O	M	H	H	M	M	H	H	H		×		
	Ranong	248,731	239,272	9,159	□	△	△	M	M	M	M	M	M	H	L		×		

(Source: TAT, 1999)

Symbol:

△	=	Normal,	H	=	High,
O		Moderate,	M	=	Moderate,
□		Evident,	L	=	Low,
×	=	development area			

2.4.2 A view on existing tourism market strategies for Southern part of Thailand by Tourism Authority of Thailand, The Ministry of Tourism and Sports.

TAT tourism products development plan for Songkhla. Songkhla is main Tourism city center and Tourism potential border area.

The ready tourism products are:

1. Songkhla/Hatyai city

2. Samila beach, Sakom beach

3. Historical destination such as Phra-ko Temple, Songkhla National museum.

4. National park and waterfall

5. Songkhla ancient city

6. Waterfowl Khu-Kud

The tourism products, which have to develop, are:

1. Tourism area at Khoa Noi, Khoa Tung Kun, Son-on beach

2. Border city at Sadao district

3. Khoa Num kang Historical tunnel

New products of Songkhla are:

1. Thepa-Sakom beach area

2. Khoa Noi-Khoa Tung Kun area

Songkhla have to develop tourism products followed 10 strategies of TAT that are: (Table 2.13)

1. Develop environment of tourism products

2. Develop the standard of living at tourism attractions

3. Develop tourism activities at tourism attractions

4. Develop service quality

5. Develop local businesses for support tourism industry

6. Develop tourism information and distribution

7. Develop safety and security

8. Develop Tourism zone

9. Develop IT service for tourists

10. Develop and give knowledge to local communities

Table2.13: Tourism product development strategy plans by TAT

Development strategies	Songkhla	Satun	Phuket	Pang-nga	Krabi
Environment	/	/	/	/	/
Standard of living	/	/	/	/	/
Standard Structure		/		/	/
Facilities		/	/	/	/
Activities	/	/	/	/	/
Qualities Standard	/		/		/
Local business	/	/	/	/	/
Information	/	/	/	/	/
Safety	/	/		/	/
Tourism Zone	/			/	/
Tour guide	/				
IT	/		/		/
Communities	/	/	/	/	/

(Source: TAT, 2002)

In the year 2006, Tourism and Sport Ministry has divide budget with 23.070 million baht to develop tourism products in Songkhla (Table2.14) which share into three parts (Table 2.14)

Table 2.14: Budget for develop Tourism products at Songkhla 2006

Budget for develop Tourism products	Budget(Million baht)
1) Protect, develop and zoning the tourism products	13.20
2) Develop environment infrastructures and sign-board	15.870
3) Marketing promotion	4.00

(Source: TAT, 2002)

TAT tourism activities development plan for Songkhla (Table2.15). For year 2006, Tourism and Sport Ministry has divide budget with 5.93 million baht to develop tourism activities for border group area are Songkhla, Yala, Pattani and Narathiwat which share into 7 parts.

Table2.15: Tourism activity development budget for year 2006

Tourism activities development budget	Budget(Million baht)
1) Develop the activities	4.55
2) Support the recreation activities	0.4
3) Promote special activities	0.4
4) Promote new activities and develop old activities	0.2
5) Develop acknowledge of tourism activity	0.1
6) Develop tourism human resource	0.08
7) Support the collaborative activities	0.2
Total	5.93

(Source: TAT, 2002)

TAT organizes the tourism activities in mouth as annual plan by tourism theme that will change in every month for local government can handle in advance (Table2.16).

Table2.16: Tourism activities monthly

Month	Jan.	Feb.	Mar.	Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
Theme	Winter season	Flower colorful& Chinese New Year	Youth Tourism	Songkarn Fam trip	Sea Sand Sun&Fru it fair	Eco tourism	Cultural & Tradition al Tourism	Art& Cultural Tourism	Natural& Adventur e Tourism	Boat compet Tition	Loi- Krathong Water Sport	Entertain ment &mega sale
Southern	Phang- nga Krabi Phuket	Songkhla Trang Yala Pattani Narathiw at	Satun Yala	Songkhla Nakorn Sri Thamma rat	Phang- nga Chum- porn Suratha ni	Phuket Songk hla Nakorn Sri Tham marat Surath ani	Songkh la Nakorn Sri Thamm arat	Krabi Phuket Songkhla Surathani	Phang- nga Narathi wat Ranong	Chum -porn Surath ani Trang Phuket	Trang Krabi	Songkh la Narathi wat Yala

(Source: TAT, 2002)

In year 2006, the market strategy from TAT has vision to develop and promote tourism industry of Thailand to meet the international service standard. In addition, develop tourism in Thailand to be sustainability with high competitiveness to makes Thailand to be a "Tourism Capital of Asia" The objective of this marketing strategy are; first, increase foreign currency income by increase the expenditure of visitors and increase the number of visitors. Second, motivate domestic tourism to increase expand revenue income to regions of Thailand.

Tourism marketing strategy in year 2006 has launched under campaign "Thailand Grand Invitation" by TAT to attract domestic visitors and foreign visitors come to visit Thailand.

The year 2006 is one of regal significance for all Thais, as we commemorate the Sixtieth Anniversary Celebration of His Majesty King Bhumibol Adulyadej's Accession to the Throne. To honour the King, we have arranged a year-long Grand Festival of Events nationwide to share our colorful culture with all of our visitors" (TAT, 2006).

For Songkhla province, the tourism product, which has promoted from TAT in this campaign are fist, delicious food in reasonable price, there are many kinds of food in

Songkhla with good test. Seafood, Chinese food, Muslim food, and Thai food provided to serve visitors with 257 dining places with comfortable of transportation. Target visitors of these products for domestic visitors are family group, for foreign visitors are Malaysia, Singapore, Hong Kong, Japan, and India. Second, golf tour, Songkhla has provided four of standard golf clubs. The locations of golf clubs are near to the city and comfortable transportation. The target visitors of this product are businessperson group, family group, the elderly person, and high-income visitor. Third, health tourism, Songkhla provided the high quality spa to serve visitors who want to relax on they trip. There are five of spa shops in Songkhla. The target visitors of these products are working person, the elderly person, and family group. Finally, shopping activity, products in Songkhla province are diversity, uniqueness and cheap price with quality of products. Most of products are import from abroad. In addition, there are nine of standard shopping mall and shopping market to serve visitors.

2.4.3 Tourism marketing strategy and development from IMT-GT

Indonesia – Malaysia – Thailand Growth Triangle (IMT-GT) is the government organization. The objective of this organization is to develop economic in the member countries by collaborate. The members of this organization are Indonesia, Malaysia and Thailand.

The meeting on "Marketing and Promotion Task Force" was held on 16 September 2005 by Indonesia – Malaysia – Thailand Growth Triangle: IMT-GT and Office of tourism development has responsibility to control the Indonesia – Malaysia – Thailand Growth Triangle: IMT – GT that just has conference to develop the tourism marketing plan in southeast Thailand. The progress is to do Marketing and Promotion Taskforce under collaborative with IMT-GT. The Activities to promote tourism in Songkhla are first, create new logo and theme of Songkhla. Second, promote IMT-GT Tour Packages to visitors in members. Third, increase number of travel guide with service quality. Fourth, increase sales promotion events. Fifth, increase travel fairs. Sixth, promote tourism in IMT-GT Map area. Seventh, increase tourist arrival statistics by promote familiarization trips (FAM Trips). Eighth, create new tourism website. Ninth, promote Golf tournaments in Songkhla. Tenth, promote auto venture tourism. Eleventh, study marketing strategic research for develops tourism market in Songkhla. Twelfth, operate tourism road shows to

others members countries. Finally, promote caravan tours in Songkhla (Source: OTD, 2005).

2.4.4 Tourism development strategy form Songkhla City Hall.

The vision of Songkhla province is "Songkhla 2007: Center of business, trade, and education with an awareness of people's well-being." One of the goals is "To increase tourism in number and revenue, with number of tourists to increase 10% annually and revenue from tourism to increase 10-15% annually from the current revenue of ฿ 14,433 million to about ฿23,100 million in 2007."

Achieving this goal is based on the following strategic issues are;

Strategic issue 3 : to be places of tourism and sports at international-standard level, with projects to accommodate various strategies as follows;

Strategy 3.1 : To develop tourist attractions by potential groups. The current project is to develop a wider scope of tourist attractions and tourist activities, e.g., Tarutao Island.

Strategy 3.2: To promote tourist activities with potential. The major projects are Project of Amazing Songkhla-Satun, and Project of OTOP Souvenir Merchandise production.

Strategy 3.3: To develop and raise the standard of service and at the same time return Thai quality and aim for globalization. The major project is to develop personnel in tourism.

Strategy 3.4: To promote both domestic and international public relations. The project is to carry out public relations in Thailand and abroad.

Strategy 3.5: To promote aggressive marketing at home and abroad. The project is to conduct road shows in every region of Thailand, one show per region, and one annual road show abroad.

Strategy 3.6: To develop sport personnel, bodies, infrastructures, and system of technology to accommodate the hosting of international sport events. The major projects are Project to establish a center to develop athletes' potentials to national caliber

and Project to develop all infrastructure and technology systems relevant to and in support of sport development. A gymnasium, a bicycle racecourse, and a water sport center will be built to accommodate the hosting of the SEA games (Songkhla City Hall, 2005).

2.4.5 A tourism effect theory and tourism marketing mix theory

1) Tourism effect

Nowadays, tourism becomes an important industry for many places in the world and has great economic significance. Tourism can help creating a better understanding of the ways of life and may act as a cross-culture tool to promote consideration between societies. If well planned, tourism can be a positive input for the development of the physical, social and cultural, economic and environmental of the country (Gunce, 2003). Tourism activity at local level can bring benefits in term of employment in tourism establishments and their supplies, and support for local facilities such as shops, leisure facilities, pubs, and catering outlets, transport services and cultural and social activities. Conversely, it can also result in adverse impacts on the local environment through development pressures, litter, and pollution, erosion and disturbance to wildlife, as well as contributing to congestion and intrusion in local communities. In practice the level of benefit and costs will vary with the type of environment, the level of tourism activity, and the ability of the local community to absorb the additional number of visitors attracted to the locality (Anderson,1998).

1.1) Socio-cultural effect

At the tourist attractions, the societies and its culture often bring the visitors to the destination (Lawsan et al, 1998). Moreover, the development of the tourism industry will have some effects to the host society. The positive impacts are; first conservation of cultural heritage that tourism can be a stimulus for conservation of important elements of cultural heritage such as traditional arts, handicrafts, dance, music, drama, customs and ceremonies and certain aspects of traditional life style. Second, cross cultural exchange, The host residents are the group of people who directly interact with tourists which will promote the exchange of cross culture between each other. Third, renewal of cultural pride, in multi-cultural countries, regional tourism can help maintaining the cultural identity of the minority cultural groups that might be forgotten by the

community, including the political recognition that the minority culture is an important one to retain. The negative impacts are; First, overcrowding and loss of amenities for the host residents when the visitors have travel in tourism destination especially in high season most of amenities has to served visitors and it might not enough to serve or too crowded with the visitors at there. Second, Cultural impacts, the culture at the destination may lose their uniqueness if they are over modified to serve tourists. Moreover, the cross culture from visitors might has effected to young local people change their original behavior. Third, social problems, drugs, alcoholism, crime and prostitution problems increase at the destination because of tourism (Inskeep, 1991). Finally, other negative socio-cultural impacts from tourism, which are; First, conflicts between tourists and host residents may occur if there are many differences among them. Second, it may raise the servile attitude on the part of tourist business employees. Third, the handicraft and arts of the communities will be produced in large quantity in order to serve tourism which makes them lose of their uniqueness and quality. Fourth, loss of cultural pride, if the culture is viewed by the visitors as an odd culture or as entertainment. Fifth, rapid change in local ways of life because of being overcrowded by too many tourists (Goeldner and Brent, 2003).

1.2) Environmental effect

Tourism industry is the world's largest industry, the environment is taking center stage in tourism development. The environment is the core of the tourism product in many places. Profitability in tourism depends on maintaining the attractiveness of the destination where people want to see and experience. For Positive impacts tourism has the power to enhance the environment, to provide funds for conservation, to set sustainable use limited and to protect natural attractions. For negative impact, tourism has the power to enhance it also has the power to destroy. If tourism is not properly planned and implemented it can destroy the vegetation, create overcrowding, litter trekking areas, pollutions, create sewage problems and ignore the needs and structure of the host community (Goeldner and Brent, 2003).

1.3) Economic effect

Indicators of the economic effects of tourism activity in the local area are likely to include estimates of local income, jobs, and business linkages. The direct measurement of tourism activity, especially of tourism expenditure, presents only a partial

picture of the economic of tourism activity in an area. (Anderson, 1998) Tourist expenditure is a form of consumption and international tourist expenditure can be seen as an invisible export from the host countries, which can be easily measure by the central bank of each country. Tourists spend their money at the destination for variety of goods and services. They purchase accommodation, food, and beverage, pay for transportation, entertainment, buy goods from souvenir shops, retail outlets, and tour packages from tour operators or travel agents. This money will generate income for the host residents at the destination. The tourist expenditure create economic impact to the host residents which must concern on many aspects such as the direct, indirect and induced effects, leakages of expenditure out of local economy and the displacement and opportunity costs (Cooper et al., 1998).

2.4.6 Tourism marketing and marketing mix

The intangible nature of services is over-looked in most analyses of the mix. For example, the product mix is frequently analyzed in term of tangible design properties, which may not be relevant to a service.

The price element overlooks the fact the many services are produced by the public sector without a price being charged to the final consumer.

The promotion mix of the traditional 4Ps fails to recognize the promotion of services, which takes place at the point of consumption by production personnel, unlike this situation with the most fast-moving consumer goods, which are normally produced away from the consumer, and therefore the producer has no direct involvement in promoting the good to the final consumer.

Services often require a different marketing strategy because of the characteristics, which make them distinct from products. In order to manage these characteristics, service marketers developed the 7P framework. As well as the original four P's, product, promotion, price and place, which still apply to services, the extra 3P's, are *people, process management and physical evidence* have been added to the marketing strategy (Monash University, 2006).
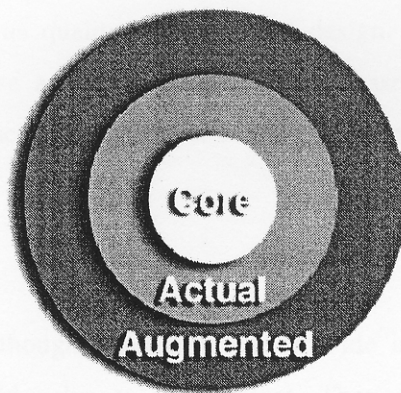
1) Product

Marketing is based on the idea of meeting the need and wants of consumers. A product is any 'offering' made which satisfies these needs. A product can take many forms, a tangible good, a service, or even an idea. As products play an indisputable role in the marketing process, it is essential to determine the appropriate product to offer to potential customers. This study guide will discuss many of the decisions marketers face in designing these products (Monash University, 2006).

Product levels

Products are more than the tangible good the consumer purchases. A product is a combination of the benefit it provides, its tangible features, and the additional service accompanying it (Monash University, 2006).

Figure 2.2: Products levels

(Source: Monash University, 2006)

These three levels include:

Core product is the core benefit the consumer is actually purchasing when they buy a product.

Actual product is the components of a product. Its features, brand name, packaging, styling and quality.

Augmented product is the additional consumer services and benefits built around the core and actual product such as installation, after sales service, warranty, delivery and credit.

If organizations view their products on all three levels, they may identify areas for improvement and possible competitive advantage (Monash University, 2006).

Product Classifications

Several product classification schemes have been developed based on product characteristics to assist in developing general marketing strategies for groups of products. Consumer products can be classified according to their durability or tangibility or the consumers shopping habits. Consumer goods include convenience, shopping, specialty and unsought goods. Industrial products are classified based on the practical purpose for which they are used and can be classified as materials and parts, capital items and supplies and services (Monash University, 2006).

Product Attribute Decisions

The benefits a product will offer are communicated to the consumer through tangible product attributes such as quality, features and design. These are the attributes, which consumers will largely use as the basis to their purchase decision. Marketers use these features to position a product in the mind of the target customer (Monash University, 2006).

Branding

Brand names, although intangible, can provide information to consumers, encourage brand loyalty and add value to the product. They often convey the product quality, an indication of price and tell you where you are likely to be able to buy the product. Brand names make the comparison of different products easier and, where the same brand is used across a wide range of goods, consumers believe that there will be consistency of quality across the different products. Hence, brand names reduce the risk of new product failure if the brand has previously been a successful one. There are a number of decisions involved in branding including; whether or not to brand a product, the type of brand sponsor to use, whether to use a family brand, should brand extension be allowed, is

multibranding a possibility, and what should the brand name be (Monash University, 2006).

Packaging and Labelling

Packaging does more than protect the product, many consumers notice the package design or label before they notice the more specific details of the product. Therefore, these attributes of a product should be considered effective promotional tools and marketing strategies developed to utilise them. The risk of new product failure can be reduced if the packaging and labelling is consistent across a number of different products carrying the same brand name. Consumers expect the same quality of product and therefore the risk of trying something new is reduced (Monash University, 2006).

Product Line and Mix

A product line is a group of products belonging to an organisation that are directly related because they function in a similar manner, are sold to the same customer groups are marketed through the same types of outlets or fall within given price ranges. For example, Unilever's line of detergents and softeners includes Drive, Omo, Rinso, Percil, Lux, Surf, Fab, Huggie and Comfort. Unilever sells them all through various supermarkets, in this instance, with individual brand names. Product line managers must make decisions on the appropriate length of the product line.

A product mix is the set of all product lines that an organization has for sale. A product mix is discussed in relation to its breadth, the total number of product lines the company sells, (for example Unilever sells cleansers, toothpaste, soap, food, beverages and personal care products as well as detergents), its length (the total number of products it carries in each product line) and its depth (the number of versions of each product) (Monash University, 2006).

New Product Development

In current markets, changes in consumer tastes and preferences, as well as technology developments and competition are rapidly changing. There is no guarantee that a successful product will remain successful in the long term. Therefore, organizations cannot rely on their existing products and must have processes in place to develop new product opportunities and follow them through to commercialization. With a high rate of new

product failure this process needs to be stringent and well coordinated. The new product development process for finding and growing new products consists of eight steps are; idea generation,screening,concept development and testing, marketing strategy, business analysis, product development, test marketing and commercialization (Monash University, 2006).

Product Lifecycle

All products have a life cycle, although the exact shape and length of the product life cycle curve will vary for each product. This cycle might spread over many years or might take place over a couple of months. Organizations need to develop new products so that they are able to maintain a constant level of sales across a range of products even though individual product sales may be moving into decline. Most products move through five distinct stages during their `lifetime' (Monash University, 2006).

The product development stage begins when an organization identifies a new product idea and begins to develop that idea to commercialization.

The introduction stage sees the launch of the product and is characterized by slow sales growth and heavy expenditure. The growth stage is when sales growth accelerates and profits reach their peak.

The maturity stage is a period of stabilized sales as most consumers have accepted the product. Increasing marketing competition causing profits to begin declining.

The decline stage is when sales decline and profits drop.

2) Price

Pricing is an integral part of a marketing strategy as it generates revenue for the firm. Setting the price too high may cause an organization to forgo potential sales, setting it too low mean they miss out on potential profits. Merely basing the price on the cost of the products production may not be optimal. Price is commonly used as a strategic weapon between competitors and plays an important role in shaping customers perceptions of the products value and quality. There are many different pricing strategies that an organization may choose to adopt and none will be appropriate in all markets at all times (Monash University, 2006).

Internal Factors affecting Price Setting

To determine an optimal price for their product, a company's pricing decisions are affected by many factors internal to the firm as well as the external environment (Monash University, 2006).

Marketing objectives is a company must take into consideration the `positioning' it has selected for its product and ensure that the price set is consistent with this image. Any corporate or marketing objectives must also be taken into consideration. These could include survival, current profit maximisation, market share maximisation or product quality leadership (Monash University, 2006).

Marketing mix strategy is all the marketing mix decisions must be consistent and coordinated to achieve the desired positioning of the product. Therefore, when determining the appropriate price, the product itself, its promotion and distribution must be considered (Monash University, 2006).

A cost is a company wants to least cover the cost of producing, promoting, and distributing the product (Monash University, 2006).

External Factors affecting Price Setting

The Market and Demand

The market and demand will influence the maximum price that an organization can charge for a product (Monash University, 2006).

Type of Market

The flexibility organizations can exert over their pricing strategies varies depending on the type of market they are competing in (Monash University, 2006).

Pure competition is such that all products are identical and no seller can exert much influence on the price set. If one seller was to charge above the `market price' consumers would not purchase their product. If they charge below that price they will sell all they want but competitors would soon match their offering, hence reducing their overall profitability (Monash University, 2006).

Monopolistic competition occurs where sellers differentiate their products and compete on factors other than price (Monash University, 2006).

Oligopolistic competition consists of a few sellers who are highly sensitive to each other's pricing and other marketing strategies. In this situation, long term price cuts are usually emulated but price increases are not necessarily so (Monash University, 2006).

Pure monopoly is where the seller has the freedom to set a price that he deems appropriate as there is an absence of competitive pressure. However, governments often enforce a price ceiling or threaten deregulation to stop price levels rising too high (Monash University, 2006).

Consumer Perceptions

Consumers are prepared to pay what they perceive a product to be worth. If marketers set the price above this level, consumers will not purchase the product. If marketers set the price below this level, the consumers will purchase the product but would have been prepared to pay more, so the organisation has missed potential profit. As each consumer has their own value they attach to the product, it is the task of market researchers to determine an appropriate level for the target market (Monash University, 2006).

Price-Demand Relationship

Each price an organisation might charge for a product will lead to a different level of demand. For most goods the higher the price, the less demand there will be for the product. Using economic concepts such as price elasticity and demand curves gives marketers an insight into the most profitable level at which to set their price (Monash University, 2006).

Competitors Prices and offers

Consumers evaluate the price of a product against competing products. Organisations therefore often use price to position their products against the competition. A price higher than the competition signals a product of higher quality. In setting prices, organisations must be aware of competitors' likely reactions to their pricing strategy (Monash University, 2006).

Other external factors

Other external factors that may impact on the organisations pricing strategy must also be considered. These include economic conditions, governments, political and legal policies and the reactions of other members of the distribution channel to any price changes (Monash University, 2006).

General Pricing Approaches

Cost-based Pricing

Cost plus pricing involves adding a standard mark-up (either a dollar figure or percentage) to the cost of the product. It is the simplest of the pricing methods but ignores current demand for the product and competitive forces and is therefore not necessarily optimal (Monash University, 2006).

Break even analysis and target profit pricing target profit pricing requires a firm to determine the target profit that they wish to achieve and then set a price that should enable them to achieve this level. An insight into the appropriate level of this price can be determined by using a `break even analysis' (Monash University, 2006).

Buyer-based Pricing

Perceived value pricing based on buyers' perceptions of value rather than the sellers costs. The marketer must use non-price variables (promotion, distribution, product features, brand name etc.) to increase the perceived value of the product and then set a price to match this perceived value. Difficulty often arises in determining what consumers perceived value of the product truly is (Monash University, 2006).

Competition-based Pricing

Going-rate pricing requires prices to be set by following the prices of the competitors in the market. An organisation may charge exactly the same, slightly higher or slightly lower than their competitors. As the competitors make changes to their pricing, the organisation will mimic the changes. This method of pricing is popular especially when demand elasticity is difficult to measure (Monash University, 2006).

Sealed-bid tenders when firms 'bid' for jobs they often use a form of competition based pricing. In this situation firms are not certain of their competitors price, however they base their price on what they believe their competitors price will be (Monash University, 2006).

New Product Pricing Strategies

In the introductory stage of a product lifecycle there are fewer competitors and therefore there is more flexibility in price setting. This poses the challenge to marketers to determine an appropriate pricing strategy.

Market skimming policy involves setting a price high to skim the maximum profit from the segments willing to pay the high price. A company will make fewer sales each will be but more profitable. This policy is most effective if the product has a product quality and image consistent with the higher price.

Market penetration policy involves setting a low initial price to penetrate the market quickly, build market share, and brand loyalty before competitors enter onto the market. Although receiving smaller profit margins, the volume of sales will be larger than under a price skimming policy. The policy is particularly attractive if the organization receives economies of scale (lower cost per unit at high volumes) by producing in larger quantities. This policy is more successful for low involvement, repeat purchase products.

3) Place

Deliver product elements to customers involves decisions on the place and time of delivery, as well as the methods and channels employed. Delivery may involve physical or electronic distribution channels (or both), depending on the nature of the service being provided. Use of messaging services and the Internet allows information-based services to be delivered in cyberspace for retrieval, wherever and whenever is suits the customer. Firms may deliver service directly to customers of through intermediary organizations, such as retail outlets that receive a fee of a percentage of the selling price, to perform certain tasks associated with sales, service, and customer contact. Speed and convenience of place and time of customer are becoming important determinants in service delivery strategy (Lovelock et al., 2005).

4) Promotion

In the simplest terms, promotion or marketing communication is the way in which organizations communicate with their customers. The customers may be intermediaries (such as advertising agencies, retailers or sales people) or the end user of the product. End users may continue the communication chain by influencing the decision making of their friends and acquaintances. Each of these different communication processes may be influenced by a variety of factors. Elements of the Promotion mix, there are five major promotion tools include; Advertising, Personal selling, Direct marketing, Sales promotion, and Public relations.

Steps in developing Effective Communication

There are nine elements in the communication process: sender, encoding, message, media, decoding, receiver, response, feedback, and noise.

The communication process begins with the *sender* or originator of the message, this message is then *encoded* or transformed into words or pictures that convey the intended *message*. Marketers need to remember that these symbols are not universal and that cultural implications are always important, particularly in countries like Australia where there is a high migrant population.

The *media* that is used to communicate the message will also have a major affect on the perception of the message. For example the program that is being shown around the advertisement, the other advertisements that are shown in the same advertising slot, the time of night or day it is shown, and even the time of year, may affect a television advertisement. Some organizations use more that one form of media because they are attempting to portray different product attributes through different media channels. For example advertising for a car may use print advertising to show technical details of the car and television advertising to show the image or design of the car, and to generate a particular `feeling' that the organization wishes to associate with the car.

The receiver of the communication then *decodes* the information to `make sense of' the message. Consumers may have different physical abilities (such as hearing or eyesight), they may or may not be interested in the organization's message, and they may interpret the information contained in the message to have different meanings depending on their experience and frame of reference. To use an extreme example, football supporters

watching the same football match may select different information from the same material and form quite different conclusions based on the same input if they are on opposing sides. A referee's decision will be viewed as biased or fair depending on which side benefits from the decision. The receiver will then *respond* to the communication based on the information that he or she has decoded. They may shout at the referee or they may cheer.

In marketing terms, the response may be to `buy the product', and this will provide valuable *feedback* to the organization about the effectiveness of the promotional activity. The organization may also undertake research designed to assess whether consumers recall or recognize the promotions, and whether they `like' these promotions. Throughout the communication process, there may be *noise*, or distortions which may result in the receiver getting a different message from which was sent by the sender (Monash University, 2006).

Channels of Communication Source

Personal communication channels (Personnel Source)

The channels through which two or more people have direct communication, and there is allowance for feedback and personal interaction. Examples of personal communication channels include experts making statements to buyers (eg. consumer advocates) or simply friends and relatives. The latter constitutes an important form of personal communication – *word of mouth* – as it is perceived to be more trustworthy and credible. Companies can put personal communication channels to work by: creating opinion leaders who may influence others to buy, using endorsements from influential people, or managing word of mouth by determining what buyers are communicating amongst themselves, providing customer satisfaction and assisting customers in searching for information on the company and products (Pimonsompong, 2003).

Non-personal communication channels

There are three channels in non-personal communication channels. First are commercial sources. These are channels where media carry messages without any direct personal contact or feedback from commercial part. Second are public sources, these are channels where media carry messages without any direct personal contact or feedback from public part, For Thailand, the public part are Tourism Authority of Thailand and local

governments. Third are experimental sources, these information are from the development unit from government, for example, Ministry of industry, marketing development research unit. Examples of non-personnel communication channels are include TV advertising and billboards. Major media include print, broadcast, and display media. This form of communication has a direct effect on buyers. It can also affect buyers indirectly by creating more personal communication (e.g. word of mouth may increase when there is an interesting advertisement on television) (Pimonsompong, 2003).

5) People

People are customers of the organization as well as the service personnel and other customers. These three groups need to be managed in order to deliver a quality service that will satisfy customer needs (Monash University, 2006). Many services depend on direct interaction between customers and a firm's employees (like getting a haircut of talking to a call center staff). The nature of these interactions strongly influences the customer's perceptions of service quality. Service quality is often assessed based on customers, interactions with front-line staff, and successful service firms devote significant effort to recruiting, training, and motivating these employees (Lovelock et al., 2005).

6) Process

Process management is *how* the service is delivered to the customer. For example, consider a first class restaurant: to deliver first class service, they need to make sure they have first class fresh food, make sure they have a first class chef, a first class location, first class furniture and fittings, first class staff to serve the guests, and so on. Process management is making sure that all this happens effectively and efficiently (Monash University, 2006).

7) Physical evident

Physical evident is what the customer can sense physically that contributes to their perception of the service. Physical evidence comes in two kinds, essential and peripheral. *Essential* is that evidence you cannot do without for the service to take place and

peripheral evidence refers to anything else consumers will view and evaluate as part of the service quality. For example, in an airline or any other form of travel; the physical evidence ranges from the ticket you receive, to the lounge you sit in while waiting to leave, the food on the airline and so on. Essential evidence would include the plane without which you could not travel. However, you could travel without the peripheral evidence – the food, the waiting lounge or the ticket (Monash University, 2006).

The elements in each marketing mix of service industry that have important to do the marketing strategy in the organization. The benefits of marketing mix are assessment-marketing situations and plan the marketing development plans (Table 2.17)

Table2.17: Marketing Mix 7Ps

Product	Price	Place	Promotion	Participants	Physical evidence	Process
Quality	Level	Location	Advertising	Personnel	Environment:	Policies
Brand name	Discounts and	Accessibility	Personal selling	Training	Furnishings	Procedures
Service line	Allowances	Distribution	Sales promotion	Discretion	Colour	Mechanisatio
Warranty	Payment terms	Channel	Publicity	Commitment	Layout	Employee
Capabilities	Customer's own	Distribution	Personnel	Incentives	Noise level	Discretion
Facilitating	Perceived	Coverage	Physical	Appearance	Facilitating	Customer
Goods	Value		Environment	Interpersonal	Goods	Involvement
Tangible clues	Quality/ price		Facilitating	Behaviour	Tangible clues	Customer
Price	Interaction		Goods	Attitudes		Direction
Personnel	Differentiation		Tangible clues	Other customers:		Flow of
Physical			Process of	Behaviour		Activities
Environment			Service	Degree of		
Process of			Delivery	Involvement,		
Service				Customer/		
Delivery				Customer		
				Contact		

Source: Booms and Bitner (1981); Rafiq and Ahmed (1995)

Comparison opinion between business and customer by marketing mix that the business organizations should concern because it will helps organizations have successful in marketing management. The marketing mixes in customer view's are:

1) **Customer Value** is the value of services or products that customers will received compare with the amount of money that customer pay. Therefore, the business organizations should serve what customers want.

2) **Cost to Customer** is the cost or money the customers ready or happy to pay with expects services or products should worthwhile to cost of customer.

3) **Convenience** is the convenience for customers to contact or buy the services or product from business firms.

4) **Communication** is the communication between customers and business firms that customer always prefer to receive news and prefer to give the comments or recommendations to business firms.

5) **Caring** is the service from business organizations that customer would prefer good service from business firms in any times.

6) **Completion** is the expectation from the customers to receive the products or service that they want in completely of service process.

7) **Comfort** is comfortable of physical evident that business firms should provide for customers.

Table2.18: Comparison the Marketing mix in businesspersons' view compare with consumer's view

Marketing mix in businessperson's view	Marketing mix in consumer's view
1) Product	1) Customer value
2) Price	2) Cost to customer
3) Place	3) Convenience
4) Promotion	4) Communication
5) People	5) Caring
6) Process	6) Completion
7) Physical evidence	7) Comfort

(Source: Chudej et al., 2004)

2.4.7 SWOT analysis

A SWOT analysis is an instrumental framework in Value Based Management and Strategy Formulation to identify the Strengths, Weaknesses, Opportunities and Threats for a particular company. Strengths and weakness are internal value creating (or destroying) factors such as assets, skills or resources a company has as it disposal relatively to its company. They can be measure using internal assessments or external benchmarking. Opportunities and Threats are external value creating (or destroying) factors a company cannot control, but emerge from either the competitive dynamics of the industry or market or from demographic, economic, political, technical, social, legal or cultural factors.

Table 2.19: Typical examples of factors in a SWOT Analysis diagram

Strengths	Weaknesses
−specialist marketing expertise	−lack of marketing expertise
−exclusive access to natural resources	−undifferentiated products and services
−patent	−location of your business
−new, innovative product or service	−competitors have superior access to distribution channels
−location of your business	
−cost advantage through proprietary know–how	−poor quality goods or services
	−damaged reputation
−quality process and procedures	
−strong brand or reputation	
Opportunities	**Threats**
−developing market	−a new competitor in your home market
−merges, joint ventures of strategic alliances	−price war
−moving to new attractive market segments	−competitor has a new, innovative substitute product or service
−a new international market	
−loosening of regulations	−new regulations
−removal of the international trade barriers	−increased trade barriers
−a market led by a weak competitor	−taxation maybe introduced on your products or services

(Source: Value Based Management.net, 2006)

2.5 Related research

Tourism industry has many affects to the local destination areas. Therefore, the study potential in tourism will be assessment before the development. The advantages of

study potential and prospective of tourism are resolve the tourism impact, high affective of development, and decrease cost of development.

Tourism effect

International Money Fund (1997) has studied in economic situation of Asia found that because of strong economic growth, disposable incomes have soared in Asian countries and along with it, the propensity to travel. Leisure consciousness has been enhanced with travel no longer seen as a luxury. In fact, it is now seen as an affordable commodity to be enjoyed by all who choose to engage in a variety of leisurely pursuits. Some Asians may see travel as a status symbol, while others see it as relief from the pressures of work. The introduction of a 5-day workweek in China will provide Chinese residents with more leisure time that will likely be devoted to travel. A number of Asian countries have recorded significant growth in real per capita income over the last 5years with Singapore (7.3%), Thailand (6.8%), China (10.3%), 5. Korea (6.7%), and Indonesia (7.1%) showing the highest growth (IMF 1997). Rising incomes have created a middle class of sophisticated and affluent Asians who are better educated, have more disposable income, and who appreciate the value of leisure. Mak and White (1992) has shown travel propensity and tourism spending to be positively correlated a ed with per capita income among the major Asia Pacific countries. This means that increases in income levels will enable a greater proportion of Asians to travel overseas. Unlike previous generations, these generations of primarily young travelers are intent on enjoying the fruits of their labor.

Lee (1997) has studied on "Institutional analyses of tourism development in Phang Nga, Thailand Tourism" One of the main issues of tourism is that most of the resources demanded in tourism are classified as public goods, which are mostly publicly provided. Several governmental organizations are in charge of tourism resource development. The cooperation between these agents is crucial to a tourism development plan and its implementation. It is confirmed that the national government seeks to use tourism as a tool for generating and redistributing income within the country. Furthermore, it can be used for regional/local development (Lee, 1997). Because of Tourism has a special feature that distinguishes it from other economic sectors of industries in that tourism products are composite products, i.e. the products are necessarily an aggregate of a wide

range of goods and services. First, it relies heavily on natural capital such as beaches, mountains and so on, all of which are in the public domain. Seconly, the effiency of the industry is not determined by the management of its operators but also depends heavily on the management of the public infrastructure such as air, land and sea traffic, pollution control, etc. Thirdly, tourism thrives on cultures, especially those sites proclaimed by UNESCO to be the World Heritage. Lastly, tourism benefits from social capital. Tourists often seek to attend local festivals, witness collective activities suchas harvesting, of became guests of community-based eco-tours (Kaosa-ard, 2005).

Hla Aung (1997) has studied in "How multinational and national firms compete: A case study of the hospitality industry in Thailand" currently competition between organizations. Although the in-depth nature of the research method restricts it to a particular case, the insights it generates are valuable for understanding competition between today's service organizations. Empirical support is found for the core competencies of nurturing, empowerment, data management, new service development and alliancing. Accompanying the core competencies, the missions of the firms and the characteristics of the marketplace environment are found to be moderating factors underlying a business's competitive advantages (Hla Aung, 1997). Paonak (1997) has studied in "Modelling the evolution of spatial and ownership patterns of a peripheral tourism destination: Chiang Mai, Thailand" is examined using a geographical multiple research strategy and Keller's model of hierarchies of control and capital input. The spatial development pattern of hotels in Chiang Mai during 1960-1992 is portrayed using mapping, mean centre analysis, and spatial clustering analysis. The geographic origin of major shareowners of these hotels during the same period is revealed mainly from an official register records search. The potential validity of Keller's model of hierarchy of control and capital input, and of Butler's model of tourist area life cycle (the model from which Keller's model is extended) is examined in a Southeast Asian context. Both models prove valid as "theoretical guide posts" or as conceptual frameworks. The models lay out the stages of development of a tourist destination: Butler's in general evolution, Keller's in hierarchies of control. Using both models together facilitates the identification of a current development stage of a tourist destination, in this case, Chiang Mai. The label of the hierarchical levels of control over a tourist destination, however, is site-specific depending on the political economy of the region. In a developing country destination like Thailand, the primacy of the capital city is eminent. The hierarchical levels of control thus proceed from the local, to regional, to the

capital city, to the national, and the international, consecutively. A spatial model of control over tourism space is proposed, filling the gap that presently exists in the study of geography of tourism and tourism control.

Potential research

Tongyoi (2003) has studied in "Geographic Information System for Development Planning of Agriculture, Industrial, and Eco-Tourism in Songkhla Lake Watershed" by used three levels of environmental information were defined, manely Element Environmental Information (EEI), Intermediate Environmental information (IEI) and Advance Environmental Information (AEI). The IEI showed preliminary suitable area for agriculture spreads over Sadao, Ranot and Cha-Uat districs. For Hatyai, Khlong-Hoi khong and Sadao districts are industry area. The areas such as waterfalls, caves and ancient which are scattered in Phatthalung and Songkhla provinces can be developed for eco-tourism.

Lengpornpan (2003) has studied in "Study Potential Resources of Eco-Tourism in Songkhla Lake Watershed" found Songkhla has eight of high potentiality tourism destinations. For moderate potentiality tourism destinations, Songkhla has 22 destinations. For low potentiality tourism destinations, Songkhla has 19 destinations. The recommendations from this study are, First, Development eco-tourism in Songkhla should develop follow the eco-tourism principle in seriously. Second, Planning, development and tourism management should follow the sustainable plan. Third, Tourism education is necessary to provide to the public for increase local people to realize in value of environment and local cultural. Fourth, dedicate local people to have opportunities to develop the tourism with TAT and local governments. Finally, local people should received the benefits from tourism development in fair and can be sustain.

Srisuwan (2005) has studied in Marketing Strategies for Sustainable cultural tourism in The South of Thailand: A Case of Nakorn Si Thammarat" were to determine the factors influencing tourists destination decision making for cultural tourism in the southern provinces, to examine the potential for developing cultural tourism and to guideline for marketing strategy for cultural tourism in Nakorn Si Thammarat. The study found that Thai and foreign tourists are influenced by different important marketing mix factors (7Ps) when making decisions for cultural tourism in southern provinces. The

important factors for Thai respondents were physical evident, price, people, and place at high importance level, whereas, product, process, and promotion were moderate importance level. For foreign respondents, physical evident, price, people, and process were high importance level, whereas, product, place, and promotion were moderate importance level. Moreover, Nakorn Si Thammarat has moderate potential for being a cultural tourist attraction.