

CHAPTER 5

Conclusion and Discussion

5.1. Conclusion and discussion

This study examines the decision and behavior of 2,425 ASEAN tourists who traveled to Thailand by air during March 2014 to June 2014. The primary objectives of this study are (1) to determine factors affecting the choice of low-cost airlines and full-service airlines and (2) compare the behavior of ASEAN tourists, who travel by low-cost airlines and full-service airlines regarding choice of airline, expenditure, and length of stay. A probit model is employed to analyze the choice of airline. Descriptive statistics are used to explain travel style. The expenditure function is estimated using Tobit model, and the length of stay is analyzed by Poisson regression model. In term of choice of airlines, the findings indicate that respondents who travel to Thailand for the first time and are a resident in Indonesia, Malaysia, Singapore, and Vietnam are in a significantly large group tended to travel by low-cost airlines. Thus, tourism market should provide more promotion and champagne to attract those groups of tourist. Regarding the factors influencing travel expenditure, the findings indicate that respondents who are female, respondents who have highly family income, and respondents who travel to Thailand by low-cost airlines are a large group tended to spend more on the travel expenditure. The respondents who travel by low-cost airlines tend to spend more on other significant expenditure (1,404.17 US dollars), followed by local product (209.36 US dollars), and accommodation (177.68 US dollars). Low-cost airlines respondents prefer to buy local food in Thailand ($n = 1,575$) and to stay in a hotel in Thailand (77.1%). Thus, tourism market should focus on these groups of tourist to contribute local economy in Thailand. In terms of length of stay, the findings indicate that respondents who are older, reside in Cambodia, Indonesia, Myanmar, Malaysia, the Philippines, Singapore, and Vietnam, are respondents whose primary purpose is honeymoon, study,

and health check, are respondents whose tourist lifestyle as N-tertainers, and travel by low-cost airlines tend to stay longer in Thailand than the others.

5.2. Policy implications

In Thailand, tourism sector is one of the leading sources of revenue, it has been directly boosting the Thai economy, notably from the receipts from international tourist arrivals. According to travel and tourism economic impact 2015 - Thailand report in 2015, the tourism sector will contribute nearly 26 percent to Thai GDP in 2025. Additionally, the establishment of ASEAN Economic Community (AEC) in 2015 encourages ASEAN tourists traveling in their region, and ASEAN tourists traveling to Thailand. Moreover, the growth of air transports both low-cost and full-service airlines increase connectivity and number of travelers. Regarding to research findings, policy implications can be categorized as follows:

(1) As research findings, the respondents travel to Thailand for the first time, and who are residents in Indonesia, Malaysia, Singapore, and Vietnam tend to travel to Thailand by low-cost airlines. There are many low-cost airlines, which have air routes across those countries and Thailand, operating in those countries; for example, Lion air is operated in Indonesia, Air Asia is operated in Malaysia, Fly scoot is operated in Singapore, and Viet jet is operated in Vietnam. The growth of low-cost airlines encourages more new-ASEAN tourists to travel Thailand. Additionally, low-cost airlines respondents tend to spend more on total travel expenditure while traveling in Thailand by 2.06 times, compared to full-service airlines respondents. Consequently, the Ministry of Tourism and Sports, Tourism Authority of Thailand, and the entrepreneurs should promote products and services that related shopping, massage and spa, and helpful and friendly of Thai people to encourage a new-ASEAN tourists particularly in low-cost airlines tourists traveling to Thailand and spending more in Thailand.

(2) Regarding to the findings, the respondents who are residents in Laos, Cambodia, Myanmar, and the Philippines tend to travel to Thailand by full-service airlines. Moreover, the three main items influence of full-service airlines tourists on the decision to travel to Thailand are helpful and friendly people, overall safety, and low cost airfares. Additionally, the three main favorite vacation activities of full-service airlines

tourist in this study are sun/ sand/ sea activities, shopping, and sight-seeing/ excursion. The competition in air transport leads to airfare decreasing (Zhang, Hanaoka, Inamura & Ishikura, 2009). Consequently, to encourage new-tourists from Laos, Cambodia, Myanmar, and the Philippines traveling to Thailand, the Ministry of Tourism and Sports, Tourism Authority of Thailand, and the entrepreneurs should promote Thailand tourism by full-service airlines airfares together with sun/ sand/ sea activities, shopping places, sight-seeing/ excursion, helpful and friendly people and overall safety in Thailand.

(3) Regarding to the findings, the main purpose to travel Thailand is vacation both full-service airlines and low-cost airlines tourists. To increase the number of tourists to traveling Thailand, the Ministry of Tourism and Sports, Tourism Authority of Thailand, and the entrepreneurs should promote products and services that related vacation such as vacation activities (shopping, sight-seeing/ excursion, sun/ sand/ sea activities) and vacation destinations (Bangkok, Phuket, Chonburi).

(4) Regarding the findings related to source of decision-making traveling to Thailand, the total number of ASEAN tourists who choose TAT website, other website, and social medial application are more than the number of ASEAN tourists who choose friend (the first rank of source of decision-making traveling to Thailand both in low-cost airlines and in full-service airlines tourists). As research findings, most of low-cost airlines and full-service airlines respondents make flight and accommodation reservation through website and phone. The growth of internet and social media users have led to easy to access all travel information such as flight reservation, accommodation reservation, and tourist attractions. To encourage ASEAN tourists traveling to Thailand through internet and social medial application such as Facebook, Instagram, and Twitter, it tends to increase number of generation Y tourists, who were born between 1981 and 2000, traveling to Thailand. Consequently, the Ministry of Tourism and Sports, Tourism Authority of Thailand, and the entrepreneurs should publicize and give precedence to full and accurate travel information on the internet for easily access and more convenient for ASESN tourists.

(5) Regarding to findings, the main cities where both low-cost airlines and full-service airlines tourists visited in Thailand, are Bangkok, followed by Chonburi,

Phuket, Chiang Mai, and Krabi. Those main cities are well-known tourist attraction, and tourism carrying capacity in those cities tends to face the problem of excessive number of tourists in future. Thus, to distribute the ASEAN tourists and to increase the number of tourist attractions, the Ministry of Tourism and Sports, Tourism Authority of Thailand, and the entrepreneurs should promote tourism in the second cities, such as Prachuap Khiri Khan, Surat Thani, Rayong, and Trat, It will lead to distribute travel income to local people and local entrepreneurs, and it will lead to improve the quality of local people's life.

(6) Regarding to the findings, both low-cost airline and full-service airlines respondents whose primary purpose is honeymoon, study, and health check tend to stay longer than the respondents whose primary purpose is the other. If the tourists stay longer, they tend to spend more on travel expenditure while traveling to Thailand, such as accommodation, local product, and local transportation. Therefore, the Ministry of Tourism and Sports, Tourism Authority of Thailand, and the entrepreneurs should promote honeymoon package, study in Thailand promotion, and medical tourism to encourage the tourists to stay longer on travel and spend more on travel expenditure.

5.3. Limitations and future research

This study noted a lack of respondents who travel to Thailand by low-cost airlines from Cambodia, Laos, Myanmar and the Philippines. Moreover, the data was collected during March 2014 to June 2014 which does not cover all the traveling season in Thailand. Therefore, future research might collect more data for capturing the sample from all ASEAN countries and more travel information patterns.