Dr. Sinee Sankrusme

# Potential Development Strategies on Marine and Beach Tourism



## Sankrusme, Sinee: Potential Development Strategies on Marine and Beach Tourism, Hamburg, Anchor Academic Publishing 2017

PDF-eBook-ISBN: 978-3-96067-653-9

Druck/Herstellung: Anchor Academic Publishing, Hamburg, 2017

#### Bibliografische Information der Deutschen Nationalbibliothek:

Die Deutsche Nationalbibliothek verzeichnet diese Publikation in der Deutschen Nationalbibliografie; detaillierte bibliografische Daten sind im Internet über http://dnb.d-nb.de abrufbar.

#### Bibliographical Information of the German National Library:

The German National Library lists this publication in the German National Bibliography. Detailed bibliographic data can be found at: http://dnb.d-nb.de

All rights reserved. This publication may not be reproduced, stored in a retrieval system or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior permission of the publishers.

Das Werk einschließlich aller seiner Teile ist urheberrechtlich geschützt. Jede Verwertung außerhalb der Grenzen des Urheberrechtsgesetzes ist ohne Zustimmung des Verlages unzulässig und strafbar. Dies gilt insbesondere für Vervielfältigungen, Übersetzungen, Mikroverfilmungen und die Einspeicherung und Bearbeitung in elektronischen Systemen.

Die Wiedergabe von Gebrauchsnamen, Handelsnamen, Warenbezeichnungen usw. in diesem Werk berechtigt auch ohne besondere Kennzeichnung nicht zu der Annahme, dass solche Namen im Sinne der Warenzeichen- und Markenschutz-Gesetzgebung als frei zu betrachten wären und daher von jedermann benutzt werden dürften.

Die Informationen in diesem Werk wurden mit Sorgfalt erarbeitet. Dennoch können Fehler nicht vollständig ausgeschlossen werden und die Diplomica Verlag GmbH, die Autoren oder Übersetzer übernehmen keine juristische Verantwortung oder irgendeine Haftung für evtl. verbliebene fehlerhafte Angaben und deren Folgen.

Alle Rechte vorbehalten

© Anchor Academic Publishing, Imprint der Diplomica Verlag GmbH Hermannstal 119k, 22119 Hamburg http://www.diplomica-verlag.de, Hamburg 2017 Printed in Germany

#### **PREFACE**

As early as 1950's, coastal areas were being chosen as one holiday destination for many. Beach and marine tourism have raised its popularity and become a desirable experience for any tourists around the world. Until today, many tourists still seek for experience and pleasure with the sea water, sand, and the sun. One of the undeniable facts about coastal areas the beauty it beholds and the refreshing and awesome feeling its natural resources provide. Research and study from previous years show that tourism related to coastal areas continues to grow. Coastal tourism is important in the economic area, although there were no enough research and study to support the direct contribution of coastal tourism to the totality of the economy nor to the tourism division.

Thailand, having an exquisite, unique and rich seas and coastal areas, made it to be one of the world's known tourist destinations. One could be able to enjoy its marine and beach tourism. It has an exceptional combination of pleasure and enjoyment in both land and in the sea. This includes rich terrestrial and marine biodiversity, varied cultural and unique historical heritage, clean water and beaches, attractive environment, delectable cuisine, and suitable structure. Other activities to enjoy are ports and marinas viewing, snorkeling, fishing, diving activities, and other water sports. A tourist could also have the pleasure of staying in a hotel and resorts which they could consider as their second home. One of the known and famous tourist destinations in Thailand is Phuket. Travellers would definitely agree that whenever seas and sand is being considered to visit in Thailand, Phuket is one of the top answers. Phuket offers innumerable attractions and exciting entertainment, whether be on land or in the sea. The major beaches in Phuket, namely, Patong Beach, Kata Beach, Karon Beach, Nai Han Beach, Mai Khao Beach, Nai Yang Beach, opens numerous water entertainments such as diving, snorkeling, surfing, sailing, and swimming. Phuket also offers land and forest adventures that most of the tourists would like to experience. Apart from these activities, it can't be denied that the long history has shaped Phuket to be attractive considering its diverse ethnic groups, culture, Sino-Portuguese architectural influence, and its distinctive fine cuisine. Added to this, visitors from different parts of the world, with diverse culture and tradition, does not feel unwelcome because of Thai's well impressed hospitality. In Phuket, there will not be any dull moment for travellers because there is always an activity available on and off the island, whether it's raining or shining.

Phuket, as the main site of this study, is considered to be one of the world class marine and beach destination, both for local and foreign tourists. Phuket is Thailand's largest island and considered most famous among visitors who long for relaxation and adventure. Phuket offers the best marine and sea pleasures such as blue sparkling waters, fine sandy beach, diving. In line with Adventures and unique experience, there are rocky coastlines, large lime stone cliffs facing the ocean, forest adventures, island hills with tropical plant life, and other nature adventures. And there are still numerous attractions available for foreign visitors. Aside from the major beaches mentioned earlier, there are also several beaches in Phuket that travellers can consider to visit. These are Rawai Beach, Laem Phrom Thep, Khao Rung, Kamala Beach, Nai Ton Beach, Surin Beach, Emerald Beach, and Freedom Beach.

This study will further support the previous study and research regarding marine and beach tourism as the most utilized selling point of tourism in Thailand. This study will use trip evaluation in order to measure the satisfaction and dissatisfaction of travellers. In can be observed that every year, Thailand is able to support large numbers of tourists both foreign and Thai. This had greatly helped in boosting the income of Thailand in the area of tourism. Thailand has diverse attractions that made tourist to consider it to be among their top destinations. It includes beautiful islands, exquisite beach, challenging diving sites, entertainment and unique historical places. The richness, uniqueness, and attractiveness of the Thai sea and shores made Thailand as one of the tourist attraction and destination for marine and beach activities.

The main purpose of this study is to come up with an analysis and an influence relationship between satisfaction and identified measurement variables. These variables are product, attributes, management, tourist expenditures, and demographic of marine and beach tourism. Particularly, getting an evaluation from respondents in Phuket on how they are satisfied with what Phuket has to offer. These respondents will give their evaluation based on product, attributes, management, satisfaction, tourist expenditures. Structural equation model (SEM) was applied to test the causal relationships between satisfaction and product, attributes, management, tourist expenditures and demographic. One hundred (100) tourists who had visited the marine and beach destinations in Phuket were given a survey containing Likert scale questions. The method of research used is mixed method where both qualitative and quantitative approach was used. The emphasis of this study will be on the development and improvement of Thailand' eco-tourism, marine, and beach tourism. The following

variables were considered during the study: (1) Products, (2) Attributes, (3) Management, (4) Satisfaction, (5) Tourist expenditures, and (6) Tourist demographic. Moreover, this study will also discover strategies in order to implement the development and improvement needed. These strategies will also help to boost up the number of tourists coming to Thailand. Since the competition in the tourism field is stiff and aggressive, this study will make sure that the appropriate strategies will be embraced in order to attract tourist to choose Thailand as their number one destination. Not only to choose Thailand as their destination, but particularly to travel by sea or by the marine route. Research experts, Swanson & Horridge (2004) and Song et al. (2011), developed a multiphase model of travel. This model indicates that several properties of the overall tourism system produce customer satisfaction or dissatisfaction. The multiphase model was eventually modified by Sankrusme (2017). This study covers the proposal that travellers' satisfaction or dissatisfaction is directly or indirectly influenced by the following: product, attributes, management, tourist expenditures and demographic.

As an overall evaluation, the results show that the foremost age group of respondents gaining 55% were within the range of 36-55 years old. Most of the respondents are 59% male, while in the level of education 39% had university education. As for the annual income, tourists with the largest group with 33% has an annual income range of \$50,000 to us \$69,999. The occupation of respondents with the highest percentage of 45% was employee/authority. The length of intent to stay was 6 to 10 days with 42%, the amount of money spent during the trip was within US\$1,000-1,999 gaining 47%. The general view of the tourists considering the product, attributes, management, satisfaction, and tourist expenditures was evaluated as satisfied.

Consequently, Model Modification was also performed by the researcher by taking into account the suggested modifying parameters using the Model Modification Indices (MI). At the same time, the parameters were also continuously modified until Goodness of Fit Index was coherent with the empirical data. This process was performed in order to acquire the relative error. There were 6 Goodness of Fit indices that were found to be consistent with the empirical data and have passed the acceptance criteria. These 6 indices include  $\chi^2/df = 0.91$ , CFI = 1.00, GFI = 0.95, AGFI = 0.91, RMSEA = 0.000, and SRMR = 0.048. It can be seen that the linear equation model was suitable and consistent with the empirical data.

Considering the prediction coefficient (R<sup>2</sup>) of Tourist Satisfaction (SAT), it was acquired to be at 0.85 or it can be defined as, the level in which the variance of Tourist

Satisfaction can be explained by using the variables in the model was at 85%. While the other variables considered like, Product (PRO) had a prediction coefficient (R<sup>2</sup>) of 0.82 or it can be defined as, the level in which the variance of Product can be explained by using the variables in the model was at 82%. Attributes (ATT) had a prediction coefficient (R<sup>2</sup>) of 0.69 or it can be defined as, the level in which the variance of Attributes can be explained by using the variables in the model was at 69%. Management (MAN) had a prediction coefficient (R<sup>2</sup>) of 0.69 or it can be defined as, the level in which the variance of Management can be explained by using the variables in the model was at 69%.

While looking into the direct and indirect influences that affect the initially mentioned variables, the following details were concluded:

- (1) The direct effect of Tourist Satisfaction (SAT) on Product (PRO) was at 0.91 and a statistical significance at 0.01. Therefore, Tourist Satisfaction (SAT) had direct influence on Product (PRO).
- (2) The direct effect of Tourist Satisfaction (SAT) on Attributes (ATT) was at 0.83 and a statistical significance at 0.01. Therefore, Tourist Satisfaction (SAT) had positively direct influence on Attributes (ATT).
- (3) The direct effect of Tourist Satisfaction (SAT) on Management (MAN) was at 0.83 and a statistical significance at 0.01. Therefore, Tourist Satisfaction (SAT) had positively direct influence on Management (MAN).
- (4) The direct effect of Tourist Expenditure (EXP) on Tourist Satisfaction (SAT) was at 0.92 and a statistical significance at 0.01. Therefore, Tourist Expenditure (EXP) had positively direct influence on Tourist Satisfaction (SAT).
- (5) The direct effect of Tourist Demographic (DEM) on Tourist Satisfaction (SAT) was at 0.07 and no statistical significance. Therefore, Tourist Demographic (DEM) had not influence on Tourist Satisfaction (SAT).
- (6) The indirect effect of Tourist Expenditure (EXP) on Product (PRO) was at 0.84, on Attributes (ATT) was at 0.77, on Management (MAN) was at 0.77 and a statistical significance at 0.01. Therefore, Tourist Expenditure (EXP) had positively indirect influence on Product (PRO), Attributes (ATT), and Management (MAN) through Tourist Satisfaction (SAT).
- (7) The indirect effect of Demographic (DEM) on Product (PRO) was at 0.07, on Attributes (ATT) was at 0.06, on Management (MAN) was at 0.06 and no statistical

significance. Therefore, Demographic (DEM) had positively indirect influence on Product (PRO), Attributes (ATT), and Management (MAN) through Tourist Satisfaction (SAT).

From the details mentioned, it can be observed that tourist satisfaction has a positive influence on product, attributes, management, and tourist expenditures. One variable, tourist demographics, was found to be of no influence on satisfaction. The results of the hypothesis testing can be seen below:

Tourist expenditures have a positive influence on satisfaction
 Tourist demographic have a positive influence on satisfaction
 Tourist satisfaction have a positive influence on product
 Tourist satisfaction have a positive influence on attributes
 Tourist satisfaction have a positive influence on management
 Supported
 Tourist satisfaction have a positive influence on management

The outcome of this study will be used in planning and development of the marine and beach tourism. Also, the outcome will be used in constructing a competitive strategy in order for the plans to be realized. This will not only benefit the tourist themselves, but to help the destinations marketers to better understand the elements and components that can contribute to make the tourist satisfaction to be at an acceptable level. The marketers can also improve on how to provide the suitable products, attributes, and management that will directly cater to the needs and wants of a traveller. With this, it is then proposed that destination suppliers and managers need to consider the inferences of these variables, which may lead to increase the overall satisfaction of tourists. Moreover, the conclusions from SEM can also serve as a guide for a successful sea and marine tourism. Given the facts and details of this study, destination managers should concentrate on acquiring a high satisfaction level in order to establish an affirmative post-purchase visitor behavior and to heighten the strategy of competitiveness. The propositions provided in the satisfaction model can be used in the policy-making process basing on the reasons of interest, principles or consideration.

The results of this study can provide propositions that can help marketers and managers of marine and beach tourism. These propositions are as follows: (1) Manager and marketers can be able to directly offer tourist satisfaction in line with product, attributes, tourists' expenditures, and management. (2) Improvement on the attributes of the destination services can be done and implemented by tourism suppliers. (3) Managers and marketers can

formulate better strategies and planning on how to improve and develop better marine and beach tourism. (4) In line with marketing strategies, marketers and managers can competently use these results with strategy provide better positioning and promotional strategy.

#### **ACKNOWLEDGMENTS**

I would like to express my gratitude, first of all, to the Tourism Authority of Thailand which provided me with information on tourist statistics and related data. My horizon was widened and my understanding was deepened while working with them. Thank you also to the private and government sectors who had provided me with secondary data from textbook, journal, articles, etc. Their guidance and practical advice have helped me to accomplish the great task in this study. I would also like to express my deepest appreciation to Associate Professor Dr. Montree Piriyakul for his patience and valuable guidance, inspiration and encouragement, and for the constructive comments he gave to this study. Finally, I would like to thank those tourists who participated in completing the questionnaire. To all who have contributed in making this study and research possible, thank you very much. I could not make it at this point without your profound help and support.

#### ABOUT THE AUTHOR

Dr. Sinee Sankrusme is currently an associate professor of International Business at Department of International Business, Faculty of Business Administration, Ramkhamhaeng University, Thailand. She held position as head department of international business. She has authored almost one hundred articles and several books related to international business communication, international business and trade documents, international business and effects on changes, organizational behavior and management, agribusiness, agricultural marketing, agricultural business, management and human resource management, etc. Especially, her textbook entitled International Business Correspondence was published in Germany. Most of her research focuses on international business, marketing, human resource, business, organization and management, etc. She is widely recognized for numerous publications in the international business journals and also joined the international business conferences as below:

#### INTERNATIONAL BUSINESS JOURNAL

- 1. An Analysis of Business Leaders in Thailand. The Business Review: Cambridge, Vol. 8, No 1, Summer 2007, pp. 114-120.
- **2.** Analysis of Colored Local Liquor Marketing Strategies among Companies before Liquor Liberalization. The Business Review: Cambridge, Vol. 8, No 1, Summer 2007, pp. 114-120.
- 3. Competitive 4P's Strategy Analysis before Liquor Liberalization. The Journal of American Academy of Business, Cambridge, Vol. 17, No. 1, September 2011, pp. 94-103.
- 4. Analysis of ASEAN Economic Change, Consumer Behavior, Marketing Trends and International Trade with NAFTA. Journal of American Academy of Business, Cambridge, Vol. 17, No. 2, March 2012, ISSN 1540-1200, pp. 50-57.
- 5. Marketing Strategy Competition among Beer Companies before Liquor Liberalization. Journal of Marketing Development and Competitiveness Vol. 5(6), 2011, pp. 65-82.
- 6. Development Strategies on Taking Thailand's Health Healing Related Tourism Business into the Global Market. Review of European Studies, Vol. 5, No. 5, December 2013, pp. 220-232. ISSN 199918-7173 (Print), ISSN 1918-7181 (Online).
- 7. Development Strategies on Taking Thailand's Health Promotion Related Tourism Business into the Global Market. International Business Research Journal, Vol. 5, No. 11 November 2012, pp. 83-94. ISSN 1913-9004 (Print), ISSN 1913-9012 (Online).

8. Potential Development Strategies on Cultural Tourism. Social Science Research Network (SSRN), 2017.

#### INTERNATIONAL BUSINESS CONFERENCE

- 1. Analysis of Alcoholic Beverage Marketing History in Thailand. International Conference on Business. The 6<sup>th</sup> Hawaii International Business Conference, May 24-28, 2006, Honolulu, Hawaii, USA.
- 2. The Changing Nature of Marketing in Japan. International Conference on Business. The 6<sup>th</sup> Hawaii International Business Conference, May 24-28, 2006, Honolulu, Hawaii, USA.
- 3. An Analysis of Business Leaders in Thailand. International Business Conference. The Global Business & Finance Research Conference, July 11-14, 2007, London, England.
- 4. A Study of the Beer Market Leader, Challenger and Niche Strategies. The 2008 International Joint Conference on e-Commerce, e-Administration, e-Society, and e-Education (e-CASE 2008), March 27-29, 2008, Bangkok, Thailand, Organized by International Business Academics Consortium (IBAC), Knowledge Association of Taiwan (KAT), Faculty of Commerce and Accountancy, Chulalongkorn University, Thailand.
- 5. Whisky Marketing Strategy Analysis among Market Leader, Challenger and Niches. International Conference on Business and Information, September 24-26, 2008, Heidelberg, Germany.
- 6. Case Study Analysis of Wine Marketing Strategies. International Business Research Conference, December 2-4, 2009, Sydney, Australia.
- 7. Comparison of the Marketing Environment before and after Thailand's Economic Crisis: Case Study of Alcoholic Beverages. International Business Research Conference, December 2-4, 2009, Sydney, Australia.
- 8. Case Study of the C.V.S Syndicate Company: Marketing Strategy before Liquor Liberalization. International Conference on Business and Economic Sciences, January 25-27, 2011, Dubai, United Arab Emirates.
- 9. Case Study of TIS Worldwide Marketing (1997) Company: Marketing Strategy before Liquor Liberalization. International Conference on Business and Economic Sciences, January 25-27, 2011, Dubai, United Arab Emirates.
- 10. Relationship among Public Management, Service Quality, and Overall Attractiveness that Affects Foreigners' Perception Regarding the Potential of the Thai Medical Tourism Industry. 21<sup>st</sup> Annual World Business Congress, July 4-8, 2012, Helsinki, Finland.
- 11. Marketing Strategy Analysis of Boon Rawd Brewery Company. International Conference on Business, Management and Economics, July 30-31, 2013, Zurich, Switzerland.

- 12. Marketing Strategy Analysis of Thai Asia Pacifica Brewery Company. International Conference on Business, Management and Economics, July 30-31, 2013, Zurich, Switzerland.
- 13. Marketing Strategy of Seagram (Thailand) Limited. 2<sup>nd</sup> Global Conference on Business, Economics, Management & Tourism, October 30-31 2014, Prague, Czech Republic.
- 14. Market Leader of Beer Chang. Entrepreneurship, Responsible Management, and Economic Development, March 14-18, 2016, Cairo, Egypt.

### **CONTENTS**

		Page
PREFACE		i
ACKNOWLEDGMENTS ABOUT THE AUTHOR		vii viii
LIST OF TABLE	ES	xiv
LIST OF FIGUR	ES	XV
CHAPTER 1	INTRODUCTION	1
	Background of the Study	12
	Purpose of the Study	18
	Scope of the Study	18
	Hypotheses	18
	Expected Benefits	19
	Definition of Terms	19
CHAPTER 2	LITERATURE REVIEW	20
	Variables of the study	20
	Satisfaction	21
	The Relationship between Variables	23
	Satisfaction and Expenditures Relationship	23
	Satisfaction and Tourist Demography Relationship	26
	Satisfaction and Product, Attributes, Management Relationship	28
	Satisfaction and Product	28
	Satisfaction and Attributes	30
	Satisfaction and Management	33
	Concept of the Study Framework	36

CHAPTER 3	RESEARCH METHODOLOGY	39
	Population and Sample	39
	Instrument of the Study	40
	Questionnaire	40
	Measurement of Variables	41
	Product	41
	Attributes	41
	Management	41
	Satisfaction	42
	Tourist Expenditures	42
	Tourist Demographics	42
	Procedures of Research Tool Creation	44
	Reliability	45
	Data Collection	51
	Data Analysis	52
CHAPTER 4	RESULTS OF THE STUDY	54
	Travel Behavior and Statistical Features of the Respondents	54
	Tourist Approval and Satisfaction	59
	Model Fit	61
	Hypothesis Testing	63
	Structure Equation Model (SEM) Analysis	65
	Prediction Coefficient	65
	Direct and Indirect Effect in the Model	66
	Measurement Quality	67
	Convergent Validity	67
	Discriminant Validity	69

CHAPTER 5	STRATEGIES ON MARINE AND BEACH TOURISM	71
	Potential Development Strategies	71
	Variables Influencing Tourism Product Development	72
	Developing Marine and Beach Tourism Strategies	73
	Tourism Development Plans and Strategic Development Plans	74
	Marine and Beach Tourism Strategy (Tactics)	75
	Framework Strategy	77
	Product	77
	Attributes	81
	Management	84
	Tourist Expenditures	86
	Satisfaction	89
CHAPTER 6	CONCLUSION, DISCUSSION AND RECOMMENDATION	92
	Summary and Conclusion	92
	Discussion	94
	Recommendation	101
	Implication	102
	Limitations and Future Research	105
BIBLIOGRAPHY		107
APPENDIX		116