

ABSTRACT

Title of Dissertation An Analysis of International Tourism Demand in Thailand
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This study examines the factors that influence the behavior of international tourists-in Thailand from an economic perspective. The focus is on the tourists from 6 regions, covering 25 countries of origin as the highest number of international tourist arrivals to Thailand. A number of important economic factors, income, price, and exchange rate, are studied regarding international tourism demand in the short-run and long-run by using the panel data model of the Generalized Method of Moment (GMM) method. The results of tourism demand in the short-run show that the number of previous tourist arrivals to Thailand was the main factor in determining their next visit to Thailand; in the long-run, Thailand is a high-end market for international tourism.

The forecasting analysis of international tourist arrivals to Thailand for January 2008-December 2010 was based on the seasonal Autoregressive Integrated Moving Average (SARIMA) and the Ordinary Least Square (OLS) techniques. The SARIMA was important because of its emphasis on the seasonality factor, which helped to explain the change in tourism demand in the short-run; on the other hand, the OLS takes into account other related factors, such as tourists receiving information or news about the destination of the country at the time of travel.

The forecasting results of the SARIMA show that the growth of tourist arrivals from East Asia is expected to be the strongest among the six main regions, especially tourist arrivals from China, where the ASEAN market shows an increasing trend.

Malaysia, Singapore, and Vietnam are expected to increase regarding the number of tourist arrivals during the forecasting period.

On the other hand, the OLS technique, with dummy factors of news shocks, shows that the effect of news shocks from the Tsunami disaster was sensitive in every market of study and the effect of South Thailand's insurgency was sensitive for tourism demand only in the market of the Americas as defined for this study.

The policy suggestions and implications that emerged from the results are: 1) government and suppliers in the tourist industry should co-operate in improving their services and quality standards; 2) policy makers and suppliers must closely monitor all tourism service providers to ensure that they do not charge unreasonable prices for their products and services; 3) policy makers should develop more policies on tourism safety and security; 4) they should promote tourist activities; and 5) they should develop the tourism industry in order to cope with the increasing demand.