

An Assessment of Ecotourism Effects and strategies on the Economy of Thailand

Mr. CHAWALIT CHATCHALEARMWIT

ID: 5717192008

SUBMIT IN THE PARTIAL FULTILLMENT OF THE REQUIREMENT FOR THE DEGREE OF MASTER IN BUSINESS ADMINISTRATION GRADUATE SCHOOL SIAM UNIVERSITY BANGKOK, THAILAND

Title:

An Assessment of Ecotourism Effects and Strategies on the Economy of Thailand

Author:

Mr. Chawalit Chatchalearmwit

Student ID:

5717192008

Degree:

Master of Business Administration (MBA)

Major:

Hotel and Tourism Management

This is independent study has been approved to be partial Fulfillment of The Requirement for the Degree of Master of Business Administration in Hotel and Tourism Management

6 m

(Dr. Tanakorn Limsarun)

Advisor

Date 15 / July / 2020

(Assoc Prof. Dr. Jomphong Mongkhonvanich)

Dean, Graduate School of Business

Siam University Bangkok Thailand

Date 18 July 12020

ABSTRACT

Title : An Assessment of Ecotourism Effects and Strategies on the Economy of Thailand

Author: Mr. Chawalit Chatchalearmwit

Major : Master of Business Administration (International Program)

Faculty: Hotel and Tourism Management

Advisor:

(Dr. Tanakorn Limsarun)

15 , July , 2020

This study was intended to investigate the misconduct of tour guide operators in ecotourism businesses the study estimate the effects of natural aspects, educational aspects, preservation aspects, consumptive aspects, and community aspects on ecotourism businesses. This study further estimated the impact of ecotourism on Thailand's economy amid these misconducts. A documentary research approach had been adopted for this study. It was suggested in the study that all these aspects to determine the misconduct of guided tour operators created a negative effect on the ecotourism industry. Furthermore, it explained that there was a direct effect of misconduct aspects on the ecotourism and on the economy as well. Ecotourism moderates a direct relationship between natural aspects and Thailand's economy. Similarly, ecotourism moderates a direct relationship between educational aspects, consumptive, preservation, community aspect and with the Thailand economy respectively. The value of this study was to reveal the misconduct of tour guide operators, provide strategies to rectify them and to enhance ecotourism business in Thailand. This study aimed to be valuable for ecotourism business operators, policymakers and countries with a similar background, to use in their ecotourism resources in control measures and promote responsible ecotourism business. This research provided a short review of previous research work

done in this manner, followed by the applicable methodology and the main findings of the study. Moreover, it also mentioned the implications of the findings. Lastly, the recommendations and suggestions are also present in this study for the future purposiveness.

Keywords: Ecotourism, tour operators, economy, misconduct



TABLE OF CONTENTS

ABSTRACT	A
TABLE OF CONTENT	B
1. INTRODUCTION	
1.1 Problem Statement	2
1.2 Research Objectives	3
1.3 Research Scope	3
2. LITERATURE REVIEW 2.1 Ecotourism	
2.1 Ecotourism	4
2.2 Natural Aspects	5
2.3 Educational Aspects	5
2.4 Preservation Aspects	
2.5 Consumptive Aspects	6
2.6 Community Aspects	6
3. FINDINGS	6
4. CONCLUSIONS AND RECOMMENDATIONS	7
REFERENCE	9

1. INTRODUCTION

Ecotourism refers to make traveling in undisclosed and unexplored natural areas that enhance the understanding of natural beauty and its importance towards caring and maintaining the quality of the environment and well-being of that particular area (Blamey, 2001). It is evident that the tourism sector has changed considerably over the period to time, and ecotourism gained popularity (Donohoe & Needham, 2008).

The rise in demand amid travelers to experience natural and scenic beauty areas caused greater hiked in the growth of the tourism industry and overall in the country's economy as well. Therefore, in the present scenario, ecotourism is attracting a large force of tourists and business activities, including Thailand (Kerstetter, Hou, and Lin, 2004). In Thailand, many tour operators are providing these services through a vast variety of ecotourism offer to lure tourists through numerous marketing channels using travel brochures, internet, Facebook, travel magazines (Weaver, 2001).

Ecotourism conceptually can be determined as business and products that contribute to maintaining sustainability in all the dimensions, such as; nature learning for tourists, employment opportunities for the local community, promotion of economy. However, several demerits also occurred in ecotourism as it is unsure that tour operators perform their business activities to the fullest ecotourism principles and guidelines. The main demerits in ecotourism are considered to be the mismanagement of natural resources, misconduct of ecotourism, poor quality of eco-tours, and therefore it affects the overall functioning of the economy (Sangpikul, 2011).

Many companies are promoting their business through the promotion of 'eco-tours' or 'green-tours' without any ecotourism implementation, mandatory guidelines and ecotourism principles and it escalate the problem of tourist dissatisfaction. Furthermore, it is argued that whether ecotourism contributes economic benefits or misuse of economic, social and environmental dimensions to the country's economy (Hong 2009).

Srisuwan (2004) indicated that major problem in the ecotourism market in Thailand is the practices and settings of ecotourism business as many tour business operators take advantage of ecotourism in a way that they use the term ecotourism as a marketing tool to attract a large tourist base to offset their business products without any real ecotourism experience and this process is termed as greenwashing in which companies do not have a formal understanding of ecotourism but they project themselves as a market player.

In Thailand, the ecotourism business especially there is a constant competition among tour operators to achieve competitive advantages but in return, it hampers the environment benefits due to negligence of tour operators as many companies they do not care about the environment thus it creates the negative effect on the economy of the country. This shows that ecotourism businesses in Thailand mostly are not aware of preconceived nature study, minimum waste management, low impact, contribution towards the local community (Kasim 2006; Matysek & Kriwoken 2003; UNWTO 2010).

1.1 Problem Statement

Given growing eco-tourism, it comes with an abundance of negative effects indirectly on the social and environmental benefits and directly on the economy of the country. The negative effects of ecotourism are mainly on different aspects such as nature, educational, preservation, consumptive and community. In nature aspects, ecotourism causes negative effects on natural areas, protected areas, and undeveloped areas, whereas understanding learning, study, and interpretation of tour operators are being measured in educational aspects (Fennel, 2003).

The negative effects on the economy caused due to ecotourism from the preservation aspect analyzed key elements of conservation and protection and to assess the consumptive aspect of negative effects on economy included impact measurement (low and minimum impact) on ecotourism. Moreover, the community aspect assessed the local community development to analyze the overall effects on the economy (Fennel, 2003, p.25).

It is argued that ecotourism functioning in different countries vary considering the availability of natural resources, the tendency of tourism development, area attributes, business responsibilities. As a result, an effect of ecotourism on the economy is largely due to the misconduct done by tour operators in Thailand is worth required to fill the research gap and enhance the ecotourism industry (Harrison & Schipani, 2007; Rigatti, 2016).

Therefore, the researcher used the potential aspects of ecotourism that impacted and created effects on the economy of Thailand due to the misconduct of tour operators. This can be done by formulating the research problems into various sub problems to analyze the root causes of misconduct from the eco-tour operators in Thailand and to assess its effects on the

economy and finally to suggest strategies required to take corrective measures for its preventions.

The main problem statement of this study is to identify the potential aspects required to understand the root causes of ecotourism effects on the economy due to the misconduct of ecotour operators and provide strategies to improve ecotourism in Thailand. consequently, the subproblems of this study to identify misconducts from tour operators' end through five main aspects such as 1) nature, 2) education, 3) preservation, 4) consumptive, 5) community and to provide strategies later to improve these aspects.

1.2 Research Objectives

The research objectives are as below;

- 1) To evaluate and determine the ecotourism industry of Thailand.
- 2) To evaluate and determine and the effects of ecotourism on the Thailand economy due to misconduct from eco-tour operators.
- 3) To estimate the relationship between potential aspects of misconducts from tour operators and the ecotourism industry of Thailand.
- 4) To estimate the relationship between ecotourism industry of Thailand and the economy of Thailand

1.3 Research Scope

It is aimed that the study would disclose important and valuable information about the factors that ecotourism derives to create effects on the economy of Thailand. It would also illustrate the misconduct created by Eco-tour operators through five potential aspects. The Private and Public administrators and policymakers could avail the findings to alter and moderate their current policies if something better comes up to attract more ecotourism tourist and thus to improve the tour guide operators operational activities with low impact of mismanagement to the community and positive benefits towards the health of Thailand economy.

Therefore, for this study, the researcher reviewed literature from 45 published papers and research studies from the Ebsco Database in this context and mentioned 35 literature studies at the end of this study. This study proposed framework, findings, conclusions, and

recommendations in this sector for future references. This study adopted a documentary research method to provide improvement in the ecotourism industry as that can lead to improving the economy of Thailand.

This can be achieved with the proper management of the natural, community, and preservation resources and guidance through efficient education and the non-consumptive behavior of tour guide operators. The findings of this research will also be relevant to other countries that possess a similar type of cultural background compared to Thailand especially the ASEAN community and its associate members.

2. LITERATURE REVIEW

2.1 Ecotourism

Ecotourism considerably explained as a foundation to promote sustainable tourism in the form of benefits towards the economy, social and environmental development of the local areas. In economic development, it is indicated in a way that tourists arrival, utilization of natural resources to the undisclosed and unexplored local communities areas such as national parks, wildlife areas, wetlands, and coastal areas, wildlife areas, and other forms of protected flora and fauna (Chung and Fok, 2014; Fennell, 2003; Sangpikul, 2011).

When travelers visit these areas, they experience numerous nature-based activities that reflect ecotourism experiences such as exploring wildlife, bird watching, mountain biking, trekking, nature walk, snorkeling, scuba diving, and cave exploring. Concerning social benefits, it is not always true that ecotourism provides any sort of benefits as it is due to a lack of social learning by tourists with the local communities. However, in some cases, tourists in a special guided tour arrangement such as homestay, local food experience, visitor and host interaction learning a new culture, experiencing local cuisine can be seen as social benefits (Kontogergopoulos, 2004; Sangpikul, 2011).

According to Matysek and Kriwoken (2003) concerning environmental benefits, ecotourism can be assessed as the conservation of natural resources as the main focus is to protect the quality of the natural environment and there is no doubt that ecotourism explained the direct relationship to conservation of natural resources. This is because conservation will protect and maintain the dignity of ecotourism without any misconduct from associated parties and stockholders.

However, ecotourism promotes economy through inbound tourists and eco-tour operators consume the natural resources as they offer their business products to tourists and in return tourists, enjoy the eco-tour trips and activities of ecotourism. Consequently, this raises a concern about whether the operators conduct their business operations in full responsibility for what they do to restore the ecotourism destinations whey there operate (Gopal, 2014).

2.2 Natural Aspects

In natural aspects, the tour guide operators for ecotourism need to comply measures such as a visit with uncontaminated, unexplored and undiscovered areas that involve nature-based activities for tourists to experience and apart from these elements, the eco-tour operators also need to maintain fair practices while conducting their operation and to visit the areas that are associated with cultural attractions in the areas for tourists (Fennell, 2003).

2.3 Educational Aspects

Fennell (2003) opined that in educational aspects that every tour guide operators need to follow; to promote nature appreciation, awareness or respect of the areas that are visited. It is also included to provide nature education and learning for tour guide operators through a brief explanation of the areas, briefing, and instances. The tour guide operators for ecotourism need to practice certain guidelines while carrying out their operation in the field of ecotourism as they need to educate travelers about the opportunity to learn the areas that they are planning to visit, to provide educational activities for travelers. This is because ecotourism promotes responsible tourism in this context (Fennell, 2003).

2.4 Preservation Aspects

This aspect included wildlife and plant conservation or protection guidelines for the eco-tour operators, followed by protective use of natural, cultural, and environmental resources through sustainable management (Blamey, 2001). It also included that there should be a collaborative agreement service providers and community just to maintain and enhance the ecosystem, to incorporate and implement the conservation and preservation of resources into solid management plans, and to provide contributions in the conservation of natural resources or biodiversity in terms of physical, financial and other necessary assistances (Fennell, 2003).

2.5 Consumptive Aspects

This aspect is a very important one for tour guide operators in ecotourism field to follow that tour guide operator should try to make a low impact and minimal impact to the environment, to promote nonconsumptive activities such as no animals hunting or killing, non-exploitation of natural resources, non-disturbance of wildlife habitats, to conduct proper management of waste during trips and to promote recycling and reuse of materials (Blamey 2001; Fennell, 2003)

2.6 Community Aspects

Blamey (2001) proposed that tour guide operators for ecotourism to promote local community business operations, to enhance local involvements and partnership during their business activities, to boost local empowerment and cultural appreciation, to encourage the purchase and sale of local products and to improve the holistic approach of the local community through ecotourism

3. FINDINGS

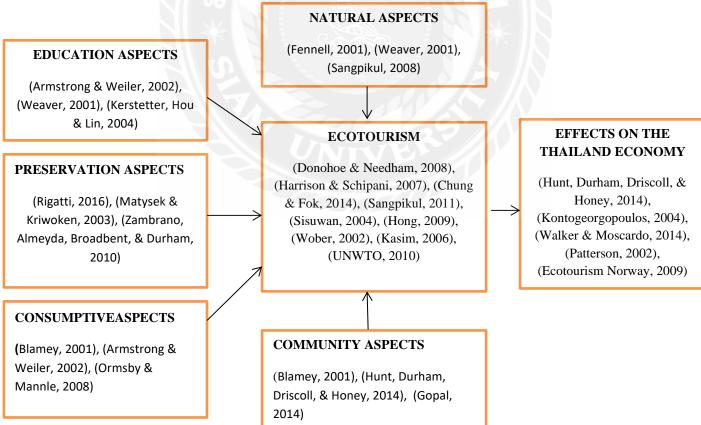


Figure 1: Model adopted as a guideline for this study

This study used a documentary research approach and analyzed previous research work in a similar field. The results achieved have shown that are as follows:

- 1) Natural aspects have effects on ecotourism due to misconduct from the eco-tour operators.
- 2) Educational aspects have effects on ecotourism due to misconduct from the ecotour operators 3) Preservation aspects have effects on ecotourism due to misconduct from the ecotour operators 4) Consumptive aspects have effects on ecotourism due to misconduct from the ecotour operators 5) Community aspects have effects on ecotourism due to misconduct from the ecotour operators 6) Ecotourism moderates the direct relationship between the economy of Thailand and natural aspects. 7) Ecotourism moderates the direct relationship between the economy of Thailand and educational aspects. 8) Ecotourism moderates the direct relationship between the economy of Thailand and preservation aspects. 9) Ecotourism moderates the direct relationship between the economy of Thailand and consumptive aspects 10) Ecotourism moderates the direct relationship between the economy of Thailand and community aspects.

4. CONCLUSIONS AND RECOMMENDATIONS

This study examined how ecotourism created effects on the Economy of Thailand as it can contribute huge earning factors for any country's national income if that particular country is blessed with natural resources. Ecotourism can promote local communities and areas so that they can attract a large source of tourists and that can boost the financial health of the country. In terms of economic contribution, ecotourism tour operators generated economic benefits to the local areas through employment, tourism activities, tourist expenditure, and expenses for service providers (Rigatti, 2016).

However, this can be obtained only when guided tour operators perform their ecotourism activities according to the standards and guidelines of ecotourism. In this paper, the tour operators played an important role to determine whether ecotourism contributed positive effects or negative effects on the Thailand economy and the Tourism industry. The results mentioned that misconduct in natural aspects, tour guided operators' misconduct create negative effects on the ecotourism (Patterson, 2002).

In Thailand as during business, they do not appreciate the natural environment and hence it affects ecotourism and therefore it hampers the Thailand economy. The major misconducts done from the guided tour operators were the negligence towards the natural understanding of flora and fauna and it is management (Fennell, 2003; Weaver 2001).

Regarding educational aspects, Weaver (20011) mentioned that in most cases the guided tour operators ignore this aspect to provide educational guidance towards conserving and protecting the natural resources. This is due to when tour guide operators start their operation of tour guiding they provide the information in verbal form rather than in written form. In some scenarios, verbal information might get lost so tourists are more like to not give much importance to the surrounding environment and ecosystem. Hence this creates a negative effect on ecotourism and overall negative impact on the economy.

The preservation aspect contributed major setback effects on ecotourism as most guided tour operators overlook the importance of preservation of the ecosystem. This is due to when tourists visit certain areas to explore and to experience and they perceive as they get it directly from guided tour operators so consume these resources without any proper suggestions. In return, it creates a negative effect on the ecotourism industry (Wearing & Neil, 2009).

The consumptive impact explained when tourists are provided with simple and sufficient information regarding the place where they visit, there are more likely to behave in a very positive way and respectful. According to the findings of the study, it indicated that tourists hardly care about this aspect when they visit the unexplored areas and being very careless towards the low impact (Armstrong & Weiler, 2002). This is due to misconduct from the guided tour operators as they do not feel to motivate tourists to show some appreciation or feel respectful and appreciative of nature. Hence it is also created a negative effect on ecotourism (Blamey, 2001).

Concerning community aspect on ecotourism, guided tour operators have a strong and significant influence over tourists and are regarded as the key person who implements responsible practices and environmentally friendly behavior during trips (Skanavis & Giannoulis, 2010). Therefore, it was found that community aspect created a negative effect on ecotourism due to the misconduct done from the tour guide operators in the form of lack of attention paid by tour guide operators in the training of tourists and to run a responsible tourism business (Randall & Rollins, 2009).

It was further found out that most of these companies do not invest their revenue on training and supervision of tour guides to sustain in the long run and to build the strength of the company. Hence it also created a negative impact on the ecotourism business (Walker & Moscardo, 2014).

For the future study, it is suggested that to include other aspects or evaluate other factors that create an impact on ecotourism due to the misconduct of guided tour operators and if they create a negative effect on ecotourism then ultimately it will create the same effect on the functioning of the economy. Given this context, several misconducts aspects can create negative effects on ecotourism. Therefore, the researcher used only five major aspects to analyze and to find the root causes of misconduct such as natural, educational, preservation, consumptive and community in this study. This research model is suggested to be modified and developed to become a better research construct model.

REFERENCES

- Almeyda, A.M., Broadbent, E., Wyman, M., and Durham, W.H.(2010), Ecotourism impact in the Nicoya Peninsula, CostaRica (n.d.). *International Journal of Tourism Research*, 12, 803-819. https://doi: 10.1002/jtr.797
- Armstrong, E. and Weiler, B. (2002), Getting the message across: An analysis of messages delivered by tour operators in protected areas. *Journal of Ecotourism*, 1(2/3), 104-121. https://doi.org/10.1080/14724040208668118
- Blamey, R.K. (2001), Principles of ecotourism. In Weaver, D. (Ed.) *The Encyclopedia of Ecotourism*. Oxford: CAB International. doi:10.5194/hess-15-1355-2011
- Cheung, L. and Fok, L. (2014). Assessing the role of ecotourism training in changing participants' pro-environmental knowledge, attitude and behavior, Asia Pacific *Journal of Tourism Research*, 19(6), 645-661. https://doi.org/10.1080/13504622.2014.898247
- Donohoe, H. and Needham, R.D. (2008), Internet-based ecotourism marketing: Evaluating Canadian sensitivity to ecotourism Tenets, *Journal of Ecotourism*, 7(1), 15-43. doi: 10.2167/joe152.0
- Diamantis, D. (1999). The concept of ecotourism: Evolution and trends, *Current Issues in Tourism*, 2(2/3), 93-122. Ecotourism Norway (2009), *Ecotourism in Norway*. Retrieved 15 March 2020 from http://www.visitnorway.com/en/Stories/Theme/Ecotourism-Norway doi: 10.1080/13683509908667847
- Fennell, D. (2003). *Ecotourism: An introduction*. London: Routledge. Retrieved from https://doi.org/10.1002/jtr.283
- Fennell, D. (2008). Ecotourism and the myth of Indigenous stewardship. *Journal of Sustainable Tourism*, 16(2), 129-149. https://doi.org/10.1080/13683500108667896
- Gopal, S. (2014). Environment sustainability: The tour operator's perceptions. *TOURISMOS*, 9(1), 127-143. https://doi.org/10.1177%2F1467358418824143

- Harrison, D. and Schipani. S. (2007). Lao tourism and poverty alleviation: Community-based tourism and the private sector. *Current Issues in Tourism*, 10, 2-3, 194-230. doi: 10.2167/cit310.0
- Hong, W. (2009). "Global Competitiveness Measurement for the Tourism Sector." *Current Issues in Tourism*, 12(2), 105-32. https://doi.org/10.1080/13683500802596359
- Hunt, C. A., Durham, W.H. Driscoll, L., and Honey, M. (2014). Can ecotourism deliver real economic, social, and environmental benefits? A study of the Osa Peninsula, Costa Rica, *Journal of Sustainable Tourism*, 23(3), 339-357. https://doi.org/10.1080/13683500802596359
- Kerstetter, D.L., Hou, J.S, and Lin, C.H. (2004). Profiling Taiwanese eco tourists using a behavioral approach. *Tourism Management*, 25(4), 491-498. https://doi.org/10.1016/S0261-5177(03)00119-5
- Kontogeorgopoulos, N. (2004). Conventional tourism and ecotourism in Phuket, Thailand: Conflicting paradigms or symbiotic partners? *Journal of Ecotourism*, 3(2), 87-108. https://doi.org/10.1007/s10708-005-8631-6
- Kasim, A. (2006). "The Need for Business Environmental and Social Responsibility in the Tourism Industry." *International Journal of Hospitality and Tourism Administration*, 7(1), 1-22. https://doi.org/10.1300/J149v07n01_01
- Matysek, K.A. and Kriwoken, L.K. (2003). The natural state: Nature based tourism and ecotourism accreditation in Tasmania, Australia. *Journal of Quality Assurance in Hospitality and Tourism*, 4(1/2), 129-145. https://doi.org/10.1300/J162v04n01_07
- Patterson, C. (2002). The Business of Ecotourism. Wisconsin: Explorer's Guide.
- Ormsby, A. and Mannle, K. (2006). Ecotourism benefits and the role of local guides at Masoala National Park, Madagascar. *Journal of Sustainable Tourism*, 14(3), 271-277. https://doi.org/10.1080/09669580608669059
- Randall, C. and Rollins, R.B. (2009). Visitor perception of the role of tour guides in natural areas, *Journal of Sustainable Tourism*, 17(3), 357-374. https://doi.org/10.1080/09669580802159727
- Rigatti, V. (2016). How can an eco-lodge become a sustainable and successful business model: Environmental, social, and economic perspectives? Unpublished thesis, Master degree of science in international tourism management. Modul University, Vienna. https://doi.org/10.1177%2F1467358420904123
- Ross, S. and Wall, G. (1999). Ecotourism: Towards congruence between theory and practice. *Tourism Management*, 20, 123-132.
- Sangpikul, A. (2011), Developing good practices for ecotourism tour operators. *Sasin Journal of Management*, 17(1), 53-86. https://doi.org/10.1177%2F1467358418824143

- Sangpikul, A. (2015), An investigation of ecotourism practices of tour operators in Thailand, Malaysia, and Indonesia. *Modern Management Journal*, 13(2), 153-172.
- Srisuwan, S.(2004). *Attitude of Tour Operators in Bangkok toward Ecotourism Operation*. Master thesis. Bangkok: King Mongkut's Institute of Technology Ladkrabang.
- Skanavis, C. and Giannoulis, C. (2010). Improving quality of ecotourism through advancing education & training of Greek eco-tour guides: The role of training in environmental interpretation, TOURISMOS: An International Multidisciplinary. *Journal of Tourism*, 5(2), 49-68.
- Tourism Quebec. (2010). *Ecotourist's code of conduct*. Retrieved 25 January 2020 from http://www.bonjourquebec.com/qcen/ codeecotouriste0.html
- Walker, K. and Moscardo, G. (2014). Encouraging sustainability beyond the tourist experience: ecotourism, interpretation and values. *Journal of Sustainable Tourism*, 22(8), 1175-1196. http://dx.doi.org/10.1080/09669582.2014.918134
- Weaver, D. (2001), *Ecotourism*. Milton: John Wiley & Sons. https://doi.org/10.1177%2F0010880401422010
- Wearing, Stephen, and John Neil. (2009). *Ecotourism: Impacts, potentials and possibilities* (2nd ed.). Oxford: Butterworth-Heinemann. https://doi.org/10.1080/11745398.2011.639443
- World Tourism Organization (UNWTO). (2010). Sustainable Tourism Development. Retrieved from http://I www.unwto.org/sdt
- Zambrano, A., Almeyda, M., Broadbent, E., and Durham, W. (2010), Social and environmental effects of ecotourism in the Osa Peninsula of Costa Rica: *The Journal of Ecotourism*, 9(1), 62–83. doi: 10.1080/14724040902953076