



Analysis of Hotel and Tourism in Yangon



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**SUBMITTED IN THE PARTIAL FULFILLMENT OF THE REQUIREMENT FOR
THE DEGREE OF MASTERS IN BUSINESS ADMINISTRATION,
INTERNATIONAL PROGRAM, GRADUATE SCHOOL OF BUSINESS,
SIAM UNIVERSITY, BANGKOK**

2016

Title of Research: **Analysis of ~~Customer Satisfaction~~ for Hotel and Tourism in
Yangon**

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ID: **5617193012**

Major: **Hotel & Tourism**

Degree: **Masters in Business Administration (International Program)**

Academic Year: **2016**

**This is independent study has been approved to be partial fulfillment
of the requirement for Degree of Masters in Business Administration
in Hotel & Tourism**

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Date 29 March 2016

ABSTRACT

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March 29, 2016

The purpose of this paper is to critically evaluate and discuss on analysis of customer satisfaction for hotel and tourism in Yangon and also discuss the Myanmar Tourism Master Plan 2013-2020 (MTMP) through the sustainable tourism development paradigm. The report found that this Master Plan is fully adopted the "Responsible Tourism" approach as the main foundation of its plan. It has the same meaning as sustainable tourism, but more focus on an ethical issue that is responsibility of all stakeholders to take action to develop the tourism industry in Myanmar. After study the Master Plan and its context, 5 aspects related to the Master Plan will be further discussed; 1) The MTMP and a style of tourism planning 2) The MTMP and a strategic integrated sustainable tourism planning 3) The MTMP and the sustainable balancing "Development First" and "Tourism First" approaches 4) The MTMP and implementation and monitoring 5) The MTMP and challenges for responsible tourism planning and also exploring the customer satisfaction. This research the researcher used qualitative method and Secondary data is collected from the articles, journals and online resources. The theory section looks at different concepts of quality as defined and viewed by various authors. Finally the Master Plan is considered to be one of the most advance tourism plans in ASEAN which waiting for implementation and the result of its impacts in the future.

ACKNOWLEDGEMENT

In this section I would like to express my gratitude to: Dr. VijitSupinit, Dean, Graduate School of Business, Siam University, Bangkok, Thailand for his thoughtful and caring supervision by means of his educational excellence. I am most grateful to him especially for his deep understanding of the Independent Study and his good communication skills.



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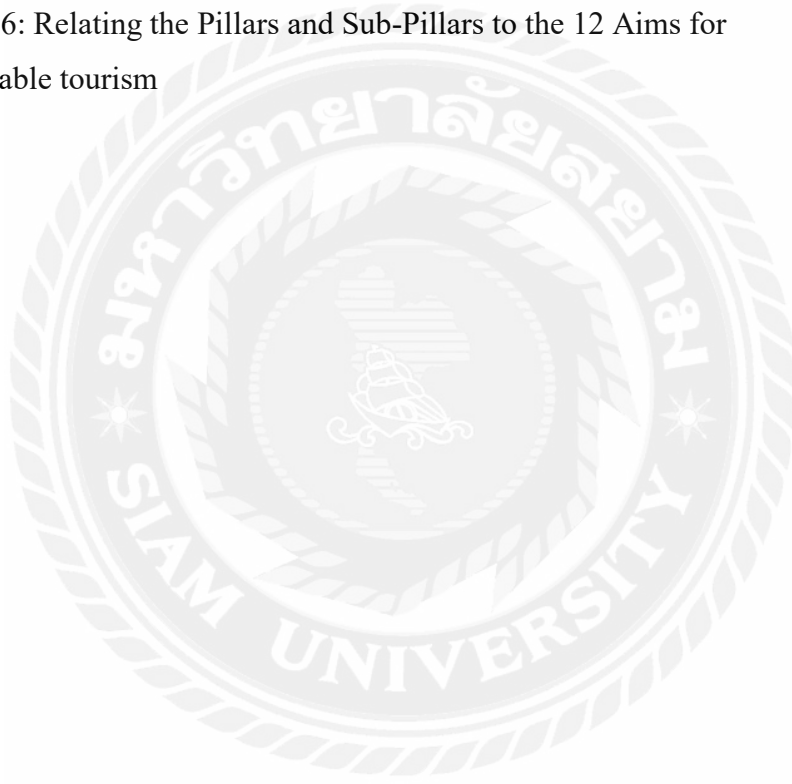
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CHAPTER 1

1.0 Introduction of Tourists in Myanmar

Yangon (Burmese: ရန်ကင်း, MLCTS rankunmruui, pronounced: [jàngòʊnmjə]); also known as **Rangoon**, literally: "End of Strife") is a former capital of Myanmar (Burma) and the capital of Yangon Region. It also served as the Capital in Exile of Azad Hind. Yangon is the country's largest city with a population of over six million, and is the most important commercial center, although the military officially relocated the capital to Naypyidaw in March 2006. Although Yangon's infrastructure is undeveloped compared to that of other major cities in Southeast Asia, it now has the largest number of colonial buildings in the region. While many high-rise residential and commercial buildings have been constructed or renovated throughout downtown and Greater Yangon in the past two decades, most satellite towns that ring the city continue to be deeply impoverished.

Early history

Yangon was founded as *Dagon* in the early 11th century (c. 1028–1043) by the Mon, who dominated Lower Burma at that time. Dagon was a small fishing village centred about the Shwedagon Pagoda. In 1755, King Alaungpaya conquered Dagon, renamed it "Yangon", and added settlements around Dagon. The British captured Yangon during the First Anglo-Burmese War (1824–26), but returned it to Burmese administration after the war. The city was destroyed by a fire in 1841.

Colonial Rangoon

The British seized Yangon and all of Lower Burma in the Second Anglo-Burmese War of 1852, and subsequently transformed Yangon into the commercial and political hub of British Burma. Yangon is also the place where the British sent Bahadur Shah II, the last Mughal emperor, to live after the Indian Rebellion of 1857. Based on the design by army engineer Lt. Alexander Fraser, the British constructed a new city on a grid plan on delta land, bounded to the east by the Pazundaung Creek and to the south and west by the Yangon River. Yangon became the capital of all British Burma after the British had captured Upper Burma in the Third Anglo-Burmese War of 1885. By the

1890s Yangon's increasing population and commerce gave birth to prosperous residential suburbs to the north of Royal Lake (Kandawgyi) and Inya Lake. The British also established hospitals including Rangoon General Hospital and colleges including Rangoon University. Colonial Yangon, with its spacious parks and lakes and mix of modern buildings and traditional wooden architecture, was known as "the garden city of the East." By the early 20th century, Yangon had public services and infrastructure on par with London. Before World War II, about 55% of Yangon's population of 500,000 was Indian or South Asian, and only about a third was Bamar (Burman). Karens, the Chinese, the Anglo-Burmese and others made up the rest. After World War I, Yangon became the epicenter of Burmese independence movement, with leftist Rangoon University students leading the way. Three nationwide strikes against the British Empire in 1920, 1936 and 1938 all began in Yangon. Yangon was under Japanese occupation (1942–45), and incurred heavy damage during World War II. The city was retaken by the Allies in May 1945. Yangon became the capital of Union of Burma on 4 January 1948 when the country regained independence from the British Empire.

Contemporary Yangon

Soon after Burma's independence in 1948, many colonial names of streets and parks were changed to more nationalistic Burmese names. In 1989, the current military changed the city's English name to "Yangon", along with many other changes in English transliteration of Burmese names. (The changes have not been accepted by many Burmese who consider the junta unfit to make such changes, nor by many publications, news bureau including, most notably, the BBC and foreign nations including the United Kingdom and United States). Since independence, Yangon has expanded outwards. Successive governments have built satellite towns such as Thaketa, North Okkalapa and South Okkalapa in the 1950s to Hlaingthaya, Shwepyitha and South Dagon in the 1980s. Today, Greater Yangon encompasses an area covering nearly 600 square kilometres (230 sq mi). During Ne Win's isolationist rule (1962–88), Yangon's infrastructure deteriorated through poor maintenance and did not keep up with its increasing population. In the 1990s, the current military government's more open market policies attracted domestic and foreign investment, bringing a modicum of modernity to the city's infrastructure. Some inner

city residents were forcibly relocated to new satellite towns. Many colonial-period buildings were demolished to make way for high-rise hotels, office buildings, and shopping malls, leading the city government to place about 200 notable colonial-period buildings under the Yangon City Heritage List in 1996. Major building programs have resulted in six new bridges and five new highways linking the city to its industrial back country. Still, much of Yangon remains without basic municipal services such as 24-hour electricity and regular garbage collection. Yangon has become much more indigenous Burmese in its ethnic make-up since independence. After independence, many South Asians and Anglo-Burmese left. Many more South Asians were forced to leave during the 1960s by Ne Win's xenophobic government. Nevertheless, sizable South Asian and Chinese communities still exist in Yangon. The Anglo-Burmese have effectively disappeared, having left the country or intermarried with other Burmese groups. Yangon was the center of major anti-government protests in 1974, 1988 and 2007. The 1988 People Power Uprising resulted in the deaths of hundreds, if not thousands of Burmese civilians, many in Yangon where hundreds of thousands of people flooded into the streets of the then capital city. The Saffron Revolution saw mass shootings and the use of crematoria in Yangon by the Burmese government to erase evidence of their crimes against monks, unarmed protesters, journalists and students. The city's streets saw bloodshed each time as protesters were gunned down by the government. In May 2008, Cyclone Nargis hit Yangon. While the city had few human casualties, three quarters of Yangon's industrial infrastructure was destroyed or damaged, with losses estimated at US\$800 million. In November 2005, the military government designated Naypyidaw, 320 kilometers (199 mi) north of Yangon, as the new administrative capital, and subsequently moved much of the government to the newly developed city. At any rate, Yangon remains the largest city, and the most important commercial center of Myanmar.

CHAPTER 2

1.0 Literature Review

2.1A Brief Background to Tourism in Burma/Myanmar

Tourism was introduced to Burma in the period of „high colonialism“ of Southeast Asia (1870-1940). In 1865, the British government decommissioned a fleet of four steamers and three cargo boats, which had been in service on the Irrawaddy since the annexation of Lower Burma to British India in the early 1850s. A Glaswegian entrepreneur bought the fleet, refitted the boats and set up an upmarket river transport business called The Irrawaddy Flotilla Company Limited (IFC). It was onboard the IFC steamer Thooriya, that Burma’s dethroned King Thibaw and the royal family were sent off into their exile in India after the fall of Mandalay in 1885. It was the IFC’s Beloo, onboard which the Prince Edward travelled up the same river to Mandalay in 1889. At its peak in the 1920s, when thousands of Dutch tourists were flocking to Bali, the IFC with 600 vessels carrying 9 million passengers a year was the largest riverboat company in the world. During the Second World War, as the Japanese and Burmese nationalist armies advanced into the country, the retreating British scuttled all vessels of the IFC fleet, 200 in Mandalay alone. The company was restored when the British re-occupied the country in 1945. Upon Burma’s independence in 1948, the IFC was handed over to the Government Inland Water Transport Board of the „Union of Burma.“

In the nascent Union, the Tourist Information Service (TIS), formed under the aegis of Union of Burma Airways, was the principle agency for marketing and facilitating tourism. A number of private hotels and tour operators existed. Tourist visas were valid for a month. However the civil war in Burma and the post-war conditions in Europe and the US were not favorable to the tourist industry. In 1958, faced with a myriad of insurgencies and institutional instabilities, the parliamentary government under Premier Nu handed over the state power to the Caretaker Government, led by General Ne Win. The Caretaker Government lasted fifteen months but the legacy of its creation, the Defense Service Industry (DSI), would endure. The DSI took over many business entities, including Burma Hotels Limited which bought the country’s iconic Strand Hotel. By the time the state power was handed back to Nu, 134 soldiers occupied senior posts previously held by civilians in 19 government departments and

the DSI was already the largest commercial institution in the country. The TIS was incorporated into Tourist Burma under Burma Economic Development Corporation (BEDC), another Burmese army holding created in 1961.

The return to the parliamentary system was short-lived as a 1962 coup brought about a new regime, Ne Win's Revolutionary Council. The validity of entry visas was reduced to 24 hours, targeting the journalists who came in touristic guise. The restriction did not apply to visitors of other professions. In 1964, under the economic guidance of the Burmese Way to Socialism, all the private businesses were nationalized. Tourist Burma was taken over by Corporation No. 20 under the Ministry of Trade, which also nationalized all the hotels. In 1971, the TIS were resurrected in coordination with the Burma Airways Corporation (BAC). The TIS and Tourist Burma merged to form the Hotel and Tourism Corporation under the Ministry of Trade in 1978. Tourism in Burma during the Cold War was underdeveloped just like all other industries in the country, as the state shut itself from the outside world in socialist autarky. Despite this closure, Westerners who managed to visit the country always left with invariably good impressions of the Burmese people and of the country's diverse attractions. Paradoxically the closed-door policy of the socialist era had enhanced the appeal of the country as the last frontier in Southeast Asia.

In 1988, the socialist regime was overthrown by a nationwide uprising and replaced with the junta, the State Law and Order Restoration Council (SLORC, renamed the State Peace and Development Council (SPDC) in 1998). The following year saw a dramatic drop in tourist numbers - from 22,252 in 1988 to 5,044 in 1989. The SLORC's attempts at marketization of the economy were hindered by institutionalized incompetence inherited from the previous regime and its own legitimacy crisis. The junta, however, quickly realized that tourism should be a priority on their national development agenda. Myanmar Tourism Law was passed in 1990 and the Ministry of Hotels and Tourism, set up in 1992, encouraged foreign direct investment (FDI) and joint ventures in the tourism sector. New tourism resources were developed mostly by foreign investment, the two-week tourist visa was extended to one month in the early 1990s and border crossing points were opened up.

From 1989 to 1995, the SLORC had forcibly relocated over 200,000 people in new satellite towns all over the country. In Rangoon, people were removed from their residences in colonial buildings which the SLORC wanted to turn into hotels. In Bagan Archeological Zone, residents had been forced to move out in short notice without compensation to give way to golf courses and hotels. Many of the local residents were traditional caretakers of Bagan temples, who claimed their roots back to the „temple slaves“ of 11th century Bagan. Their removal from „their place of work further exacerbated the conditions under which they lived.“ The forced removal of the impoverished populace from town centers and tourist enclaves did not only serve security purposes but it also ensured a more pleasant and orderly tourist sight.

In 1993, due to visa relaxation and the relative freedom of travel granted to individual tourists, the tourist arrival bounced back to the level of pre-1988 years. „But perhaps of the greatest importance was the decision in 1995 by the SLORC/SPDC to release Aung San SuuKyi who was held under house arrest for six years.“ This decision was well timed with the junta“s planning of „Visit Myanmar Year 1996 (VMY-96)“, which was officially launched in November 1996 with an initial target volume of half a million visitors. Aung San SuuKyi refused to be an unofficial mascot for VMY-96 and responded that the year be designated as „Don“t Visit Burma Year.“ Consequently, and also due to the student unrests that broke out in Yangon in December 1996, the VMY-96 was unsuccessful, failing to achieve 20 percent of the initial target.

By the late 1990s, local and global campaigns against the junta“s human rights violations resulted in the EU and US economic and diplomatic sanctions against the country. Aung San SuuKyi showed her unequivocal stance against tourism under tyranny when she said in 1999: „Burma will be here for a many years, so tell your friends to visit us later. Visiting now is tantamount to condoning the regime.“ A myriad of international „Burma campaign“ groups followed suit. A case in point is the disagreement between Lonely Planet and Burma Campaign UK (BCUK), which had targeted the former for publishing a guidebook on Burma/Myanmar in 2002. In a statement in February 2005, Prime Minister Tony Blair urged through the BCUK that „anyone who may be thinking of visiting Burma on holiday to consider carefully whether by their actions they are helping to support the regime and prolong such

dreadful abuses.“ In October 2012, Blair himself became a business tourist in the country as he led a delegation to Nay Pyi Taw and met with President TheinSein.

The recent international turnaround for tourism in Myanmar reflects the NLD’s general policy reorientation in response to the reforms in Myanmar since the elections in November 2010. Aung San SuuKyi’s earlier position, that „tourism should not be pushed into a direction where this sector becomes the prime foreign currency earner, as had been done with nearby countries“ has not been reviewed in light of the current government policy to make tourism a national priority sector. In a statement dated 20 May 2011, the NLD acknowledged that „It is essential to strike the right balance between commercial and societal consideration although such a balance is often difficult to achieve in a developing country like Burma.“ It addresses the issue of whole Burmese communities that have been „harmed in the interest of tourist industry“ by forced relocation and forced labor and argues that the outcome has been „economic hardship exacerbated by the abrupt breakdown of a traditional way of life and gross violation of basic human rights.“ The danger of tourism „lies not only in conscious misconduct on the part of visitors but also in well-meaning but injudicious behavior.“ The statement concludes with a notion very similar to responsible tourism: „The NLD would welcome visitors who are keen to promote the welfare of the common people and the conservation of the environment and to acquire an insight into the cultural, political and social life of the country while enjoying a happy and fulfilling holiday in Burma.“ Myanmar has never experienced MMT since her independence, and the destinations in the country are promoted as „pristine“ in many tourist brochures. In terms of state-level management of mass tourism, industrial regulations, corporate responsibility, destination level participation, and capacity development, numerous challenges await Myanmar especially in light of the country’s noble aspirations for responsible tourism.

2.2 Transportation Infrastructure

GOM recognizes that its transportation infrastructure critically influences tourism development potential. Compared with other ASEAN countries, Myanmar’s transport sector is under-developed for a country of its size, population, and potential. Therefore, the Ministry of Transportation (MOT) intends to prepare a transport master plan to: (i) harmonize future transport planning with the new State Constitution; (ii)

integrate plans of different transport subsectors; (iii) pursue new opportunities to connect with other countries; (iv) promote domestic connectivity and multimodal transport networks; (v) promote greater private sector participation; and (vi) identify technical, financial and human resources to implement the plan. At the same time, efforts are needed to ensure that tourism considerations are incorporated into comparative cost–benefit analysis when determining which transport projects should be given priority.

2.2.1 Roads

Myanmar currently has about 130,000 km of roads of all types (about 2 km of road per 1,000 people), of which less than 20% are paved to all-weather standards. In comparison, road density ASEAN-wide is more than five times higher. This shortfall has two consequences for tourism activity. First, road travel between destinations is time consuming and some areas are essentially cut off from tourism due to inaccessibility. Second, road quality in and around destinations is inadequate, restricting visitor movement and spending.

2.2.2 Civil Aviation

Myanmar has a network of 41 airports, including 3 international airports that are capable of handling 747-class aircraft.²¹ In mid-2013 there are seven national airlines (i.e. Air Bagan, Air KBZ, Air Mandalay, Asian Wings, Golden Myanmar, Myanma Airways and Yangon Airways) with 32,106 scheduled domestic departures. Air KBZ handles the largest number of scheduled domestic flights (31%), followed by Air Bagan (24%), Yangon Airways (23%), and Air Mandalay (21%). Collectively, Yangon, Mandalay, Heho, Bagan, and Thandwe airports handle 85% of all internal flights; however they are frequently overcrowded and require upgrading.

Myanmar is also served by twenty-three foreign carriers, accounting for about 80% of total capacity to and from the country. The main tourist gateway, Yangon International Airport, handles 94% of international air traffic. Table 4 shows the remarkable growth in scheduled international flights and inbound air-seat capacity. Eight new international carriers launched flights to Myanmar between 2012 and 2013, including three with direct flights to Mandalay. The majority of additional flights are

into Yangon, with Southeast and Northeast Asia delivering 64.6% and 31% of the additional capacity, respectively. Average seat occupancy in 2012 was 73.1%, compared to 62.7% in 2011. To relieve congestion in Yangon, MTF recently began promoting tours that enter/exit the country via Nay Pyi Taw and Mandalay.

Consistent with GOM policy to liberalize air services and implement the ASEAN Open Sky Policy (Roadmap for Integration of the Air Travel Sector), the Department of Civil Aviation (DCA) is working to sign new carrier agreements. In anticipation of continued growth, DCA is also evaluating proposals to expand the operating capacity of Yangon International Airport, from about 3 million to 5.4 million passengers per year. At Nay Pyi Taw International Airport, annual operational capacity is 3.5 million passengers, but it currently receives only domestic flights and international charter services. Mandalay International Airport has an operating capacity of 3 million passengers; a private partner is being sought to manage the airport through a public-private partnership agreement. A fourth international airport is scheduled to open in 2016 at Hanthawaddy, 80 km from Yangon, with an operating capacity of at least 10 million passengers per year. Thus, by 2017, Myanmar's international airports are expected to have a total operating capacity of at least 20 million passengers per year, which will be sufficient to meet expected demand.

Table 1. Scheduled International Inbound flights into Myanmar, 2009-2013

Table 4: Scheduled International Inbound flights into Myanmar, 2009-2013

Origin	2009		2010		2011		2012		2013	
	SF	SASC	SF	SASC	SF	SASC	SF	SASC	SF	SASC
Europe	0	0	0	0	0	0	8	2,152	15	4,035
Southeast Asia	3,256	555,958	4,745	792,482	5,990	1,013,971	6,816	1,159,527	8,997	1,591,815
Northeast Asia	832	78,652	1,448	125,473	1,393	135,462	1,733	206,804	2,763	424,671
South Asia	82	11,248	94	11,700	162	22,313	239	33,422	210	28,928
West Asia	0	0	0	0	0	0	76	8,360	263	28,930
Americas	54	2,592	0	0	0	0	0	0	0	0
Total	4,224	648,450	6,287	929,655	7,545	1,171,746	8,872	1,410,265	12,248	2,078,379
y/y (%)			48.8	43.4	20.0	26.0	17.6	20.4	38.1	47.4

SASC = scheduled air-seat capacity; SF = scheduled flights; y/y = year-on-year growth.
Sources: MOHT; PATA; SRS Analyzer.

2.2.3 Railways

Myanmar's rail network covers about 3,500 km with routes connecting primary, secondary and emerging tourist destinations. Although more expensive than travel by public bus, trains are affordable, but not commonly used by tourists because of frequent delays and long travel times. Railway modernization will help support a lower-carbon tourism economy and increase competitiveness by reducing freight costs.

2.2.4 Cruising

In 2012, Yangon received 9 cruise liners carrying almost 3,000 passengers. The extent to which Myanmar can grow this market is currently limited by expensive port charges, laws that restrict vessel size, and lack of a deep water seaport that can receive the large ships that dominate the international cruise industry. Insufficient infrastructure, facilities, and service capacity also restrict the number of international yachts that visit Myanmar. A strategy for developing cruise tourism and yachting in Myanmar's inland and coastal waterways is needed to assess the potential of these markets, guide infrastructure investment, and set out a program to build management capabilities.

2.3 Superstructure and Services

2.3.1 Accommodations

Myanmar currently has 787 hotels, motels, and guesthouses with 28,291 rooms, spread across 48 locations. Eighteen have a four-star rating and five are rated five-star. The majority of accommodation stock is in Yangon, Nay Pyi Taw, and Mandalay (Table 5). Fifty-six new hotels are due to open in 2013, most in Nay Pyi Taw, to accommodate the 2013 Southeast Asian Games and Myanmar's Chairmanship of ASEAN in 2014. The occupancy rate for larger four- and five-star hotels was around 80% in 2012, with smaller, lower standard establishments reporting lower rates. Although some five-star properties offer facilities and services comparable with the best hotels in the region, more needs to be done to improve standards at the middle and lower ends of the market. The Myanmar Hoteliers Association has requested a review of the current star-rating system, which was introduced in 2011, and its members have increased efforts to operate according to the ASEAN tourism standards.

Some hoteliers have responded to the high demand for accommodations with significant and frequently unannounced price increases, causing considerable frustration for tour operators, and generated media reports of opportunism and poor value for money. To address this problem, MOHT and MTF are jointly promoting the conversion of existing structures to hotels –including restoration and adaptive use of Yangon’s exceptional heritage buildings– and development of hotel investment zones. MTF established the Myanmar Tourism Development Company to accelerate development of designated zones in Yangon, Mandalay, and Bagan. Other bodies have been formed to coordinate development in Taunggyi, Chaungtha, Inle Lake, Rakhine, Mawlamyine, Bago, NgweSaung, and Nay Pyi Taw.

Table 2. Accommodation Establishments by Location

Location	2012		2013 ^a		Share (%) ^b
	Number	Rooms	Number	Rooms	
Bagan	75	2,196	-	-	6.7
Chaungtha	18	642	-	-	2.0
Kalaw	24	475	-	-	1.4
Kyaington	13	418	1	53	1.4
Kyaikhto	11	390	-	-	1.2
Mandalay	79	3,374	1	-	10.3
Ngapali	17	619	1	22	2.0
Nay Pyi Taw	33	2,111	31	2,830	15.1
Ngwesaung	21	1,026	1	24	3.2
Nyaun Shwe (Inle)	42	1,134	13	705	5.6
Pyin Oo Lwin	35	706	-	-	2.2
Yangon	204	8,915	5	628	29.1
Others	215	6,285	3	113	19.5
Total	787	28,291	56	4,473	100.0

^a In development. ^b Including development pipeline.

Source: MOHT, 2012.

2.3.2 Restaurants and Retail

Myanmar’s flagship destinations offer a range of restaurant services to suit different tastes and budgets. In addition, retail outlets are common in all primary destinations and languages such as Chinese, English, and Thai are widely spoken by merchants. To meet the demands of cosmopolitan visitors, Myanmar needs interventions to improve quality and choice as well as health and hygiene standards. Another challenge involves increasing the number of service providers that accept credit

card payments and access to automated teller machines. Current limitations inconvenience visitors and restrict spending. As the volume of domestic and overland travel increases, Myanmar must also develop rest areas and tourist service centers along the major highways.

2.3.3 Health and Hygiene

The quality and availability of international-standard health services in Myanmar is limited. While access to clean water and sanitation is improving, there is still significant unmet demand, particularly in secondary towns and rural areas. Most tourist destinations lack sufficient infrastructure and services to collect and treat solid waste and wastewater, inhibiting investment in many tourism-related sectors. Although most hotels have septic tanks, environmental monitoring is inadequate and many hotels make their own arrangements to dispose of sludge and solid waste.

2.3.4 Access to Electricity

Despite its abundant energy resources, Myanmar has the lowest per capita electricity consumption in ASEAN. This is due to the low degree of electrification and lack of industrial development. The percentage of households with access to the electricity grid is currently about 26%; the highest electrification ratios are in Yangon (67%), Nay Pyi Taw (54%), Kayar (37%), and Mandalay (37%). In January 2012, electricity tariffs for domestic consumption (>30kW supplied at 33kV) was 75 kyat/kWh for domestic users and \$0.12 kWh for foreigners. Frequent power outages require restaurants and accommodation establishments to operate their own generators. Extra costs are passed on to clients and contribute to making Myanmar less-price competitive than its neighbors.

2.3.5 Mobile Services and Information Technology

Mobile services, smart phone applications, and Internet technology influence the nature and pace of tourism development. Travelers use these technologies to access information about tourist destinations and instantly communicate their impressions on the quality of the visitor experience. With a mobile penetration rate of less than 10% and a very low number of people connected to broadband Internet (0.03%), Myanmar is one of the world's least connected nations. Although telecom and Internet facilities are

available for tourists in most urban areas and major towns, service standards are frequently low. The award of two 15-year telecommunications licenses to international companies in June 2013 is expected to increase the affordability and reliability of mobile and Internet services for both residents and visitors.

2.3.6 Tour Services

Myanmar has 1,026 licensed tour companies, including 17 joint ventures that have the capacity to arrange classic tours. However, most firms are unable to organize customized programs. Among 3,353 licensed tour guides, 2,058 speak English and several hundred speak Japanese, Thai, Chinese, French, and German. The peak season typically experiences a shortage of trained guides, especially those who speak English, Japanese, and the European languages. The availability of tourist vehicles is also limited during the peak season.

2.4 Finance and Investment

Public and private investment in infrastructure and services is critically needed to support the expansion of Myanmar's tourism industry. While GOM is increasing budget allocations to develop economic infrastructure (e.g., roads, power generation and distribution, telecommunications, sanitation, and water supply) in tourist destinations, Myanmar also needs significant levels of private finance. GOM is preparing a financial sector master plan to facilitate greater private access to loans, credit, and financial services, intended to help national investors overcome challenges to obtaining affordable finance for tourism and other projects. In the interim, GOM has liberalized the bank deposit and lending rates within a fixed corridor, lifted additional capital requirements for branch expansion, raised allowable loan ceilings, expanded eligible collateral, and eliminated the deposit-to-capital ratio requirement. Moreover, the Pyidaungsu Hluttaw passed a new microfinance law in 2011, and four new commercial banks were licensed in 2012.

Myanmar has a total of 36 foreign investments in hotels and commercial complexes valued at \$1.41 billion. Thirty projects have been completed and six are in the development stage, including a 414-room, \$300 million build-operate-transfer

(BOT) project that was approved in December 2012. Once completed, these projects will add 1,559 rooms to Myanmar's accommodation stock.

Since passage of the new Foreign Investment Law and its associated Notifications, several international hospitality chains have applied for an investment permit and more are welcome. Myanmar currently allows 100% foreign ownership of hotels rated at three or more stars. Hotels and accommodations classified below the three-star level require a joint venture agreement. MOHT promotes hotel construction on government land through BOT arrangements, setting annual lease fees according to the size of the property or a percentage of revenue. For ecotourism and other specialized tourism activities, a special permit may be required.

Financial and technical support to help Myanmar meet the many challenges ahead is also sought from Myanmar's development partners. The Nay Pyi Taw Accord for Effective Development Cooperation (January 2013) provides guidelines for development partner assistance to the tourism industry and other sectors.

2.5 Concepts of Customer Satisfaction

Customer satisfaction has been a popular topic in marketing practice and academic research since Cardozo's (1965) initial study of customer effort, expectations and satisfaction. Despite many attempts to measure and explain customer satisfaction, there still does not appear to be a consensus regarding its definition (Giese and Cote, 2000). Customer satisfaction is typically defined as a post consumption evaluative judgment concerning a specific product or service (Gundersen, Heide and Olsson, 1996). It is the result of an evaluative process that contrasts repurchase expectations with perceptions of performance during and after the consumption experience (Oliver, 1980).

The most widely accepted conceptualization of the customer satisfaction concept is the expectancy disconfirmation theory (Barsky, 1992; Oh and Parks, 1997; McQuitty, Finn and Wiley, 2000). The theory was developed by Oliver (1980), who proposed that satisfaction level is a result of the difference between expected and perceived performance. Satisfaction (positive disconfirmation) occurs when product or service is

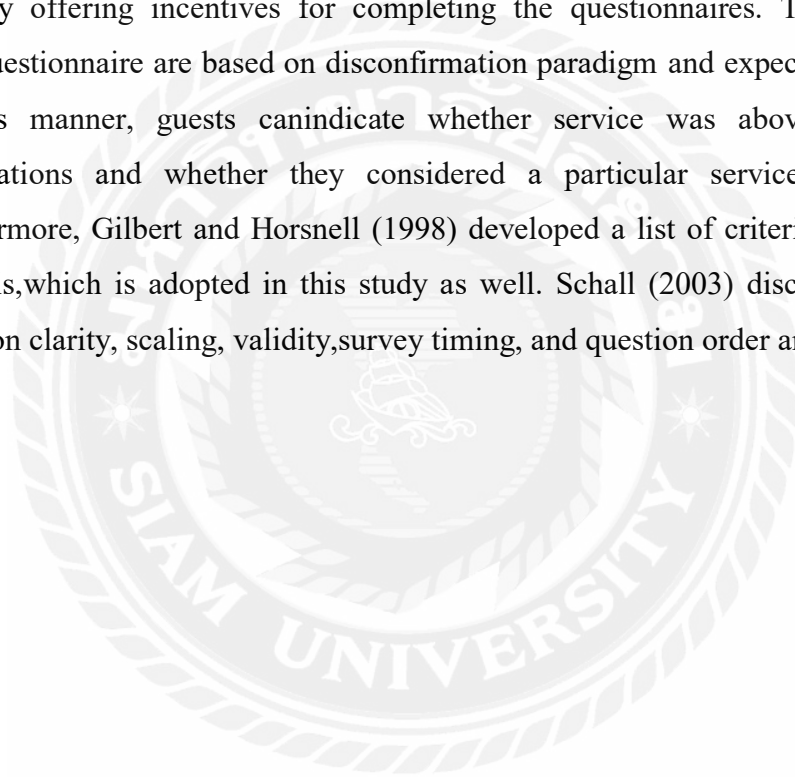
better than expected. On the other hand, a performance worse than expected results with dissatisfaction (negative disconfirmation).

Studies show that customer satisfaction may have direct and indirect impact on business results. Anderson et al. (1994), Yeung et al. (2002), and Luo and Homburg (2007) concluded that customer satisfaction positively affects business profitability. The majority of studies have investigated the relationship with customer behavior patterns (Söderlund, 1998; Kandampully and Suhartanto, 2000; Dimitriadis, 2006; Olorunniwo et al., 2006; Chi and Qu, 2008; Faullant et al., 2008). According to these findings, customer satisfaction increases customer loyalty, influences repurchase intentions and leads to positive word-of-mouth.

Given the vital role of customer satisfaction, it is not surprising that a variety of research has been devoted to investigating the determinants of satisfaction (Churchill and Surprenant, 1982; Oliver, 1980; Barsky, 1995; Zeithaml and Bitner, 2003). Satisfaction can be determined by subjective (e. g. customer needs, emotions) and objective factors (e. g. product and service features). Applying to the hospitality industry, there have been numerous studies that examine attributes that travellers may find important regarding customer satisfaction. Atkinson (1988) found out that cleanliness, security, value for money and courtesy of staff determine customer satisfaction. Knutson (1988) revealed that room cleanliness and comfort, convenience of location, prompt service, safety and security, and friendliness of employees are important. Barsky and Labagh (1992) stated that employee attitude, location and rooms are likely to influence travellers' satisfaction. A study conducted by Akan (1995) showed that the main determinants of hotel guest satisfaction are the behavior of employees, cleanliness and timeliness. Choi and Chu (2001) concluded that staff quality, room qualities and value are the top three hotel factors that determine travellers' satisfaction.

Providing services those customers prefer is a starting point for providing customer satisfaction. A relatively easy way to determine what services customer prefers is simply to ask them. According to Gilbert and Horsnell (1998), and Su (2004), guest comment cards (GCCs) are most commonly used for determining hotel guest

satisfaction. GCCs are usually distributed in hotel rooms, at the reception desk or in some other visible place. However, studies reveal that numerous hotel chains use guest satisfaction evaluating methods based on inadequate practices to make important and complex managerial decisions (Barsky, 1992; Barsky and Huxley, 1992; Jones and Ioannou, 1993, Gilbert and Horsnell, 1998; Su, 2004). The most commonly made faults can be divided into three main areas, namely, quality of the sample, design of the GCCs, and data collection and analysis (Gilbert and Horsnell, 1998). In order to improve the validity of hotel guest satisfaction measurement practice, Barsky and Huxley (1992) proposed a new sampling procedure that is a “quality sample”. It reduces nonresponse bias by offering incentives for completing the questionnaires. The components of their questionnaire are based on disconfirmation paradigm and expectancy-value theory. In this manner, guests can indicate whether service was above or below their expectations and whether they considered a particular service important or not. Furthermore, Gilbert and Horsnell (1998) developed a list of criteria for GCC content analysis, which is adopted in this study as well. Schall (2003) discusses the issues of question clarity, scaling, validity, survey timing, and question order and sample size.



CHAPTER 3

3.0 Methodology

Methodology is the systematic, theoretical analysis of the methods applied to a field of study. It comprises the theoretical analysis of the body of methods and principles associated with a branch of knowledge. Methodology is essential in gathering relevant information thereby giving effective and reliable representation.

Types of Research Methodology

Qualitative

This type of research methods involves describing in details specific situation using research tools like interviews, surveys, and Observations. ^[3] Qualitative Research is primarily exploratory research. It is used to gain an understanding of underlying reasons, opinions, and motivations. It provides insights into the problem or helps to develop ideas or hypotheses for potential quantitative research. Qualitative Research is also used to uncover trends in thought and opinions, and dive deeper into the problem. Qualitative data collection methods vary using unstructured or semi-structured techniques. Some common methods include focus groups (group discussions), individual interviews, and participation/observations. The sample size is typically small, and respondents are selected to fulfill a given quota.

Quantitative

This type of research methods requires quantifiable data involving numerical and statistical explanations. Quantitative Research is used to quantify the problem by way of generating numerical data or data that can be transformed into useable statistics. It is used to quantify attitudes, opinions, behaviors, and other defined variables – and generalize results from a larger sample population. Quantitative Research uses measurable data to formulate facts and uncover patterns in research. Quantitative data collection methods are much more structured than Qualitative data collection methods. Quantitative data collection methods include various forms of surveys – online surveys, paper surveys, mobile surveys and kiosk surveys, face-to-face interviews, telephone interviews, longitudinal studies, website interceptors, online polls, and systematic observations.

The methodology of this research is broken down into the following framework-

- Research design
- Data collection

3.1 Research Design

A detailed outline of how an investigation will take place. A research design will typically include how data is to be collected, what instruments will be employed, how the instruments will be used and the intended means for analyzing data collected.

A research design is the document of the study. The design of a study defines the study type (descriptive, correlational, semi-experimental, experimental, review, meta-analytic) and sub-type (e.g., descriptive-longitudinal case study), research question, hypotheses, independent and dependent variables, experimental design, and, if applicable, data collection methods and a statistical analysis plan. Research design is the framework that has been created to seek answers to research questions.

Burns and Grove (2003:195) define a research design as “a blueprint for conducting a study with maximum control over factors that may interfere with the validity of the findings”. Parahoo (1997:142) describes a research design as “a plan that describes how, when and where data are to be collected and analyses”. Polit et al (2001:167) define a research design as “the researcher’s overall for answering the research question or testing the research hypothesis”.

This study focuses on the relationship between service quality and customer satisfaction in ambassador hotel Bangkok .The research approach for the research study is “Descriptive Research”. Descriptive research is a study designed to depict the participants in an accurate way. More simply put, descriptive research is all about describing people who take part in the study.

Descriptive research can be explained as a statement of affairs as they are at present with the researcher having no control over variable. Moreover, “descriptive research may be characterized as simply the attempt to determine, describe or identify

what is, while analytical research attempts to establish why it is that way or how it came to be” (Ethridge, 2004, p.24).

Descriptive studies can contain the elements of both, qualitative and quantitative methods within a single research. In descriptive studies data collection is facilitated without changing the environment.

An important distinctive trait of descriptive research compared to alternative types of studies relates to the fact that while descriptive research can employ a number of variables, only one variable is required to conduct a descriptive study. Three main purposes of descriptive studies can be explained as describing, explaining and validating research findings.

There are three basic types of Descriptive research. These are -

1. Observational Method
2. Case Study Method
3. Survey Method

Observation

Observation, as the name implies, is a way of collecting data through observing. Observation can be structured or unstructured. In structured or systematic observation data collection is conducted using specific variables and according to a pre-defined schedule. Unstructured observation, on the other hand, is conducted in an open and free manner in a sense that there would be no pre-determined variables or objectives. Advantages of observation primary data collection method include direct access to research phenomena, high levels of flexibility in terms of application and generating a permanent record of phenomena to be referred to later if a need arises.

Case Studies

Case studies are a popular research method in business area. Case studies aim to analyze specific issues within the boundaries of a specific environment, situation or organization. According to its design, case study research method can be divided into three categories: explanatory, descriptive and exploratory.

1. **Explanatory case studies** aim to answer „how“ or “why“ questions with little control on behalf of researcher over occurrence of events. This type of case studies focus on phenomena within the contexts of real-life situations. Example: “An investigation into the reasons of the global financial and economic crisis of 2008 – 2010”.
2. **Descriptive case studies** aim to analyze the sequence of interpersonal events after a certain amount of time has passed. Case studies belonging to this category usually describe culture or sub-culture, and they attempt to discover the key phenomena. Example: “Impact of increasing levels of multiculturalism on marketing practices: A case study of McDonald’s Indonesia”.
3. **Exploratory case studies** aim to find answers to the questions of „what“ or „who“. Exploratory case study data collection method is often accompanied by additional data collection method(s) such as interviews, questionnaires, experiments etc. Example: “A study into differences of leadership practices between private and public sector organizations in Atlanta, USA”.

Advantages of case study method include data collection and analysis within the context of phenomenon, integration of qualitative and quantitative data in data analysis, and the ability to capture complexities of real-life situations so that the phenomenon can be studied in greater levels of depth.

Survey Method

The essence of survey method can be explained as “questioning individuals on a topic or topics and then describing their responses” (Jackson, 2011, p.17).

In business studies survey method of primary data collection is used in order to test concepts, reflect attitude of people, establish the level of customer satisfaction, and conduct segmentation research and a set of other purposes.

Survey method pursues two main purposes:

1. Describing certain aspects or characteristics of population and/or
2. Testing hypotheses about nature of relationships within a population.

Survey method can be broadly divided into three categories: mail survey, telephone survey and personal interview. The descriptions of each of these methods are briefly explained on the following table as proposed by Jackson (2011).

Table 3.Survey Methods

Survey method	Description
Mail survey	A written survey that is self-administered
Telephone survey	A survey conducted by telephone in which the questions are read to the respondents
Personal interview	A face-to-face interview of the respondent

Source: Jackson (2011)

Alternatively, According to Neuman (2005) from the viewpoint of practicality the most popular variations of surveys include questionnaires, interviews and documentation review. The main advantages and disadvantages associated with these primary data collection methods are explained by Denscombe (2004) in the following manner:

Table 4.Advantages and Disadvantages of Survey Methods

Method	Purpose	Advantages	Disadvantages
Questionnaires	Conducted in order to gather large size of information in a short period of time	Members of the sample group can remain anonymous Considerably cheaper than most of the other primary data collection methods Possibility of generating large amount of data	Difficulties of ensuring greater depth for the research The problem of the „first choice selection“
Interviews	Conducted in order to reflect emotions and experiences, and explore issues with a greater focus	The possibility to direct the process of data collection The possibility to collect the specific type of information required	Great amount of time required in order to arrange and conduct interviews and primary data collection. Additional costs might be incurred associated with arranging and conducting

			interviews, travelling etc. Potential for interviewee bias
Documentation review	Conducted in order to study issues that have developed over a specific period of time	Possibility to retrieve comprehensive information	Challenges associated with access to documentation Inflexibility of the research process

Mainly, the researcher was chosen this technique for two reasons because it is least reliable design but normally the cheapest and easiest to conduct.

In survey method research, participants answer questions administered through interviews or questionnaires. After participants answer the questions, researchers describe the responses given. In order for the survey to be both reliable and valid it is important that the questions are constructed properly. Questions should be written so they are clear and easy to comprehend.

Another consideration when designing questions is whether to include open-ended, closed-ended, partially open-ended, or rating-scale questions (for a detailed discussion refers to Jackson, 2009). Advantages and disadvantages can be found with each type:

Open-ended questions allow for a greater variety of responses from participants but are difficult to analyze statistically because the data must be coded or reduced in some manner. Closed-ended questions are easy to analyze statistically, but they seriously limit the responses that participants can give. Many researchers prefer to use a Likert-type scale because it's very easy to analyze statistically. (Jackson, 2009, p. 89).

It also provides the need to explain the causal relationship between service quality and customer satisfaction in the hotel industry and also required the collection of quantitative data as well. This involves testing the theories that already exists and these tests will be carried out through questionnaires.

3.2 Data Collection

Data collection is the process of gathering and measuring information on targeted variables in an established systematic fashion, which then enables one to answer relevant questions and evaluate outcomes. The data collection component of research is common to all fields of study including physical and social sciences, humanities and business. While methods vary by discipline, the emphasis on ensuring accurate and honest collection remains the same. The goal for all data collection is to capture quality evidence that then translates to rich data analysis and allows the building of a convincing and credible answer to questions that have been posed.

Generally there are three types of data collection and they are

1. Surveys: Standardized paper-and -pencil or phone questionnaires that ask predetermined questions.
2. Interviews: Structured or unstructured one-on-one directed conversations with key individuals or leaders in a community.
3. Focus groups: Structured interviews with small groups of like individuals using standardized questions, follow-up questions, and exploration of other topics that arise to better understand participants.

Both primary and secondary data source were used to ask research questions.

3.2.1 Secondary Data

Secondary data is information collected by others for purposes, which can be different than those of the researcher. It is a synthesis of published and unpublished documents related to the research and it is of highly importance, as it comprises the logical framework of the research (Sekaran, 2003, Fink, 1995).

The collection of secondary data has both advantages and disadvantages, one of the foremost advantages of using secondary data is that it helps the researcher formulate and understand better the research problem, broadening at the same time the base for scientific conclusions to be drawn. Nevertheless, it should be taken under consideration that other researchers, organization or government departments for studies with

different objectives and purposes collected the data; therefore, it might not be suitable for the current research.

For the purpose of this study, the collected secondary data included: textbooks, academic articles and journals related to the service quality and customer satisfaction. This type of data collection was mainly used for the literature review since it was unable to meet the research objectives.



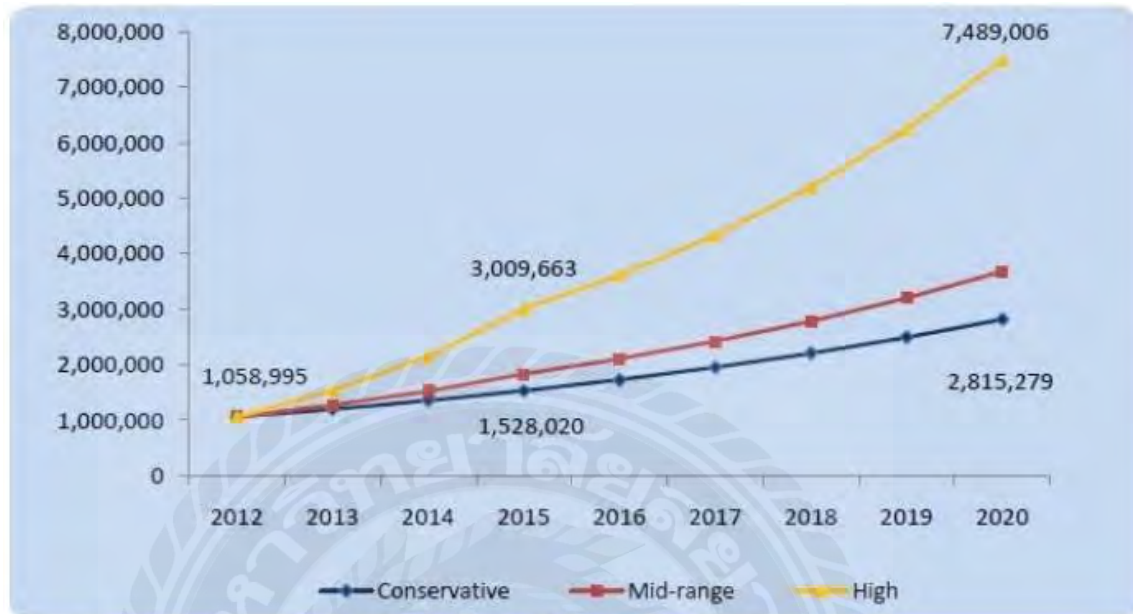
CHAPTER 4

4.0 Findings

In order to create a roadmap to shape the sustainable tourism future in Myanmar, the Government of Myanmar decided to formulate the first Myanmar Tourism Master Plan 2013-2020 which prepared by the Ministry of Hotel and Tourism with closely collaborative involvement or aid-assisted by various internal stakeholders, the Government of Norway, the Asian Development Bank and many expert teams. The Master Plan, aligning with the 2012-2015 policy priorities of the Framework for Economic and Social Reforms and the parameters of the forthcoming National Comprehensive Development Plan, mainly adopts the Responsible Tourism approach and the vision⁵⁵ and the 9 aims of the Myanmar Responsible Policy, which developed through an extensive consultative process and with broad support from national stakeholders, as its core guiding principle. The goal of the Master Plan is to maximize tourism's contribution to national employment and income generation, and ensure that social and economic benefits of tourism are distributed equitably. The Master Plan states that Myanmar will work to develop Myanmar as a year-round destination with a geographically spread product base. It welcomes tourists from around the world and will continue to facilitate smooth and efficient access to the country. Importantly, the value and yield of tourism will take precedence over simply increasing the volume of international visitors. GOM will closely monitor the expansion of the sector and encourage forms of quality tourism that are consistent with national, state, and regional development objectives. Furthermore, Myanmar will balance the need to ensure the well-being of host communities and the protection of its natural and cultural heritage with the need to boost tourism's contribution to foreign exchange earnings and gross domestic product (GDP) growth.

From growth scenarios (Figure 1), the Master Plan has set a high target of 3.01 million international visitors in 2015 and 7.48 million in 2020. Based on this high growth scenario, tourism receipts are projected to increase from a baseline of \$534 million in 2012 to \$10.18 billion in 2020, with the corresponding number of tourism-related jobs rising from 293,700 to 1.49 million. To ensure that this growth is managed responsibly, for the benefit of all of Myanmar's People, the Master Plan includes 38

projects with an indicative cost of \$486.6 million. 21 of these projects, with an indicative cost of \$215.6 million, are critical (prioritize) to the successful implementation of the Master Plan.



Sources: Asian Development Bank estimates; Ministry of Hotels and Tourism.

Source: Ministry of Hotels and Tourism. (2013), p.19

Figure 1: Visitor Forecasts, 2013-2020

<p>Strengths</p> <ul style="list-style-type: none"> • Tourism is a national priority. • Rapidly increasing visitor arrivals. • Outstanding historic, natural and cultural heritage. • Renowned friendliness of Myanmar's people. • New destination with extensive international media exposure. • Commitment to effective and efficient Government. 	<p>Constraints</p> <ul style="list-style-type: none"> • Lack of trained human resources. • Insufficient public services, infrastructure, and financial systems. • Weak regulatory environment. • Insufficient coordination among and between the public and private sectors. • Lack of accurate tourism information.
<p>Opportunities</p> <ul style="list-style-type: none"> • Strategic location between the People's Republic of China and India. • Robust market demand. • Increase foreign direct investment and public revenue. • Deepen regional cooperation. • Job creation. • Technology transfer. • Intercultural exchange with international visitors. 	<p>Risks</p> <ul style="list-style-type: none"> • Visitor's perception of poor value for money. • Negative economic, social and environmental impacts. • Speed of economic reform and liberalization. • Inappropriate metrics used to measure tourism performance. • Global economic instability and climate change. • Natural disasters.

Source: Myanmar Tourism Master Plan Report (TA-8136).

Source: Ministry of Hotels and Tourism. (2013), p.20

Figure 2: Strengths, Constrains, Opportunities, and Risks

The Master Plan divided into 3 main parts; Part I – Strategic issues- including the country context and various issues related to tourism development of Myanmar

(mainly past and present situations with some future projections) and ends this section with the summarizing of strengths, constraints, opportunities and risks (Figure 2); Part II – The way forward - setting out Myanmar’s vision for tourism, 9 guiding principles (all of adopted from the Myanmar Responsible Tourism Policy) , 6 strategic programs and 25 key objectives (Figure 3) which will be conducted through 7 cross-cutting themes⁵⁸; Part III – Implementation and monitoring – including setting organizational framework for implementing the Master Plan (Figure 4), financing the Master Plan and also the summary of implementation framework with priority projects and activities in a long-term action plan covering 2013-2020 and a short term action plan for 2013-2015.



Source: Ministry of Hotels and Tourism. (2013), p.25

Figure 3: Myanmar Tourism Master Plan: Strategic Programs and Key Objectives



Source: Ministry of Hotels and Tourism. (2013), p.38

Figure 4: Implementation arrangement: Myanmar Tourism Master Plan

Discussions on the Myanmar Tourism Master Plan (MTMP)

After studying through this master plan and various related literatures (i.e. tourism planning in developing world, sustainable tourism planning, ethic of global tourism, Myanmar's situations and challenges, etc.), there are some issues that should be further discussed as the following;

1. The MTMP and a style of tourism planning

This MTMP is the first Tourism Master Plan at national level which helps to transform the national tourism's policy (Responsible tourism) into actions at all below levels. It definitely has a top down led tourism planning style in their nature which the national government must takes leading role to formulate the plan if would like to achieve the more sustainable tourism plan. Even though, some prefer the bottom up approach more or the high degree of public participation or stakeholder's involvement is a crucial factor for achieving sustainable tourism development plan, but there are many reasons to support the leading role of the national government such as; the fragmentation of tourism industry in nature, it is difficult for individuals actions of small parties in tourism industry to make a positive difference by comprehensive

perspective and coordination ability like the government (s); Sustainability relates to areas of public concern-environmental, socio-cultural and economic aspects – which are the main responsibility of the governments who have more tool – such as the power to make regulation, offer economic incentives, and other resources – to promote and implement good practice. However, there must be certain degree of stakeholder’s involvement throughout the process as well, normally depending on the each context. For Myanmar, in the time of socio-economic and political reforms and also the awareness of its people on sustainable development is not so intensive, then the GOM had allow some appropriate level of stakeholder’s involvement in the process of making this tourism master plan in many ways such as; adopting 2 of the prior tourism related policies (Myanmar Responsive Tourism Policy and Policy on Community Involvement in Tourism) which had high involvements of stakeholders in the process into the making processes of the Master Plan; Inviting international expert teams and specialized organizations to join in the process; held discussion groups and workshops, conducted visitor surveys and seminars or public presentations. This is a challenging step for the GOM starting a good governance practice in sustainable way through developing the Master Plan.

2. The MTMP and a strategic integrated sustainable tourism planning

Sustainability has been mainstreamed, widely accepted and frequently adopted as a core development’s paradigm for our world today. Since tourism is one of the development tools, it should fully embrace the principle of –Sustainable tourism”

For tourism development in Myanmar, the GOM had visibly adopted the sustainable tourism approach in their development agenda in many ways such as; the joined/rejoined regional cooperation and international networking in tourism which also adopting sustainable tourism as their main paradigms; by official statements in various national tourism-related documents (i.e., the Framework for Economic and Social Reform, the Myanmar Responsible Tourism Policy, the Policy on Community Involvement in Tourism (CIT) and the Myanmar Tourism Master Plan 2013-2020); the continuing to integrate stakeholders participation as many as possible in the past process of formulation tourism policies, strategic or master plan, especially, the international experts or professional organizations on sustainable tourism development for giving

knowledge-based or technical supports. These mentioned actions above are some responsibilities and commitments of the GOM to the world for making Myanmar “a better place to live and better place to visit” by using (responsible) sustainable tourism approach as a guide through the Master Plan.

The Leftist “Development First”	The Rightist “Tourism First”
Sustainable human development	Economic enlargement
Tourism-as-system	Tourism-as-industry
Tourism-as-culture	Tourism-as-consumerism
Modern world systems	Globalization
Periphery	Core
Underdevelopment	Modernization
<i>Aiming for an independent, differentiated destination with minimal dependency on the core. Focus on sustainable human development goals as defined by local people and local knowledge. The key question driving development is “What can tourism give us without harming us?”</i>	<i>Aiming to maximize market spread through familiarity of the product. Undifferentiated, homogenized product dependent on core with a focus on tourism goals set by outside planners and the international tourism industry</i>
Holistic	Economistic

Source: Burns, M.P. (2003), p.26

Figure 5: Bipolar view of tourism planning approaches

In general, tourism planning requires a strategic planning approach, which seeks and optimal fit between its development system and its environment through the creation of a long-term direction (vision), goals and strategies for allocation of resources and monitoring impacts, and detailed action plan. Moreover, with its multi-faceted activity, complex in nature and involving various stakeholders in different degrees, a process of sustainable tourism planning and management required integrated approach planning for linking all disparate planning and development activities into an overall, broad strategic tourism plan providing an integrated framework for directing tourism. The tourism master plan is a type of tourism plan called a “Tourism Development Master Plan and or Strategic Development Plan” which is needed to translate tourism policy into action, setting the direction and activities to achieve the policy objectives. It should be comprehensive, encompassing all the factors and components involved in the operation, management, measurement and control of tourism. (Figure 5). Also, master

plans and strategic development plans require continuous monitoring and adaption to changing circumstance.

Sustainable Tourism Pillars and Sub-Pillars (see in Part 2 Methodology)		Aims for Sustainable Tourism (UNWTO-UNEP Box 1.1)
1. Tourism policy and governance		All the 12 Aims
1.1	The position of tourism in development policies and programmes	
1.2	Tourism policy and regulatory framework	
1.3	Tourism governance and institutional setup	
2. Economic performance, investment and competitiveness		1. Economic Viability 2. Local Prosperity 5. Visitor Fulfilment
2.1	Measuring tourism and its contribution to the economy	
2.2	Trade, investment and the business environment	
2.3	Brand, marketing and product positioning	
2.4	Resilience, security and risk management	
3. Employment, decent work and human capital		3. Employment Quality
3.1	Human Resources planning and working conditions	
3.2	Skills assessment and the provision of training	
4. Poverty reduction and social inclusion		2. Local Prosperity 4. Social Equity 6. Local Control 7. Community Wellbeing
4.1	An integrated approach to poverty reduction through tourism	
4.2	Strengthening pro-poor tourism initiatives	
4.3	The inclusion of disadvantaged groups in the tourism sector	
4.4	The prevention of negative social impact	
5. Sustainability of the natural and cultural environment		8. Cultural Richness 9. Physical Integrity 10. Biological Diversity 11. Resource Efficiency 12. Environmental Purity
5.1	Relating tourism to natural and cultural heritage	
5.2	Focussing on climate change	
5.3	Enhancing sustainability of tourism development and operations	
5.4	Measuring and monitoring tourism impacts	

Source: Ministry of Hotels and Tourism. (2013), p.22

Figure 6: Relating the Pillars and Sub-Pillars to the 12 Aims for sustainable tourism

After reviewing literatures, it shows the MTMP influenced its framework by several well-known guidelines or guidebooks relating to sustainable tourism development. It also reveals the characteristic of the strategic integrated planning within sustainable tourism paradigm emphasizing on responsible tourism approach throughout several parts of the plan. Here are some aspects to be discussed and evaluated as following;

- The MTMP's outline has been arranged in 3 parts (Phases) similar to which recommended in the structure of tourism development Master Plans and Strategic Development Plans from "the Sustainable tourism for development guidebook" (2013).
- The MTMP's guiding principles, which directly adopted the 9 aims of the Myanmar Responsible Tourism Policy, and its 7 cross-cutting themes for implementation, are compatible and synchronized with the 12 Aims for

Sustainable Tourism and the 5 Sustainable Tourism Pillars and 17 sub-Pillars. (Figure 6).

- The MTMP has reflected the sustainable development paradigm in a term of “Responsible Tourism” which still needs to maximize the benefits and minimize the costs of tourism achieving the 3 principle outcomes of sustainable development – economic growth, environmental sustainability and social justice, but focusing more on the responsibility of each role-player in tourism sector, and destinations in general to take action to achieve sustainable tourism development. In Myanmar tourism context, the responsible tourism has to be related to ethical issue, because 1 of the 9 aims from Myanmar Responsible Policy (also in guiding principle of MTMP) is “minimizing unethical practices”. The examples are as following;

- In the MTMP’s vision statement, “we intend to use tourism to make Myanmar a better place to live in—to provide more employment and greater business opportunities for all our people, to contribute to the conservation of our natural and cultural heritage and to share with us our rich cultural diversity. We warmly welcome those who appreciate and enjoy our heritage, our way of life, and who travel with respect”⁷⁰ This statement is related to one of the most important resource for responsible tourism - the Global Code of Ethics for Tourism.⁷¹ It could be implied that “the hosts” will do their best to make a better place to visit and prefer more to welcome those “guests” who are really respect “the hosts” which both of them would ethically committed to take their actions in tourism;
- Key objective 3.2: Strengthen Tourism-Related Social and Environmental Safeguards, states that GOM will promote collaboration between MOHT and other internal and external agencies to combat all forms of sex tourism and human trafficking⁷² which are considered to be an unethical tourism activities in tourism industry.
- The GOM will improve national requirements for Environmental Impact Assessment (EIA) and Social Impact Assessment (SIA) of tourism-related projects.⁷³

- Key objective 3.4: Develop adaptation frameworks and strategies on tourism and climate change and Key Objective 3.5: Promote Innovative and Green Technologies in Tourism. Both climate change and green technologies are 2 important of global environmental ethics today.
- In Strategic Program 5: Improve connectivity and tourism-related infrastructure should be the highest priority for the plan's implementation, due to many reasons such as;
 - The issue of insufficient and inefficient public services and infrastructure which is one of the most critical constraint in SWOT Analysis;
 - The cleanliness and availability of transportation options are 2 of least satisfied aspects from visitors survey (1,085 departing visitors in November-December 2012);
 - The need to improve quality of public infrastructure to facilitate the visitor and catalyze private investment in tourism facilities, also improving facilities and infrastructures that support the tourism sites will benefit both tourism industry and local community.

Besides, GOM will incorporate tourism considerations to national infrastructure plan and as a key element of the National Transportation Strategy. Then this first Tourism Master Plan of Myanmar recommends investing over 50% of the estimation's cost (\$251 million of totaling \$486 million) on this strategy. Thus, those all examples are clear evidences of the urgent needs to implement this strategy.

3. The MTMP and the sustainable balancing “Development First” and “Tourism First” approaches

Generally, there are usually contested bipolar views (or schools) – the “Leftist” or “Development First” and “the Rightist” or “Tourism First” in tourism planning approaches which have to be balanced or finding “desirable” and “acceptable” solutions for all involved parties as much as possible. Sustainable tourism planning paradigm with ethical supports of responsible tourism approach should be able to achieve the searching for the best of “all win” solutions. However, for many national tourism plans,

especially of developing countries, they are not fully and thoroughly adopted sustainable tourism approach as their core development principle (just only an add-on, a market niches or a trendy word in a plan). Most of their plans are extensively focused on expanding economic benefits over others, increasing enormously tourism demand-side and concerning mostly on “exploring” or “open up” the new destinations for mass tourism tourists. Sadly, without proper planning and management of the destinations, there are a lot of adverse impacts to their natural and cultural heritage resources.

According to the MTMP, unlike those countries, the GOM tries to impose the sustainable strategic programs and key objective actions in the plan. All of them are carefully planned, well integrated in order to balance those 2 contested issues by creating new tourism innovations (both hardware and software), conserving and safeguarding their resources and establishing responsible collaborations among stakeholders. Interestingly, a number of its strategic programs, key objective actions and statement are emphasizes more on “Quality” rather than only “Quantity”. As the following examples;

- In its vision statement “We warmly welcome those who appreciate and enjoy our heritage, our way of life, and who travel with respect”
- In its guiding principle, it mentions “tourism value and yield will take precedent over increasing the volume of annual visitors”
- Strategic Program 4: Develop Quality Products and Services; the GOM will promote more diversity and sophistication in their products and services in order to tailor-made to the needs of high – and low-spending travelers from domestic, short-, and long-haul market....which are consistent with the Responsible Tourism Policy, the ASEAN Tourism Marketing, and the recently released ASEAN Short Term Marketing Strategy for Experiential and Creative Markets.”
- Strategic Program 6: Build the Image, Position, and Brand of Tourism Myanmar; it has mentioned “The Master Plan recognizes that marketing involves much more than advertising, promotion, and selling. Rather, it is a strategic activity that embraces market research, product development, market development, competitor analysis, pricing strategies, public relations, customer service, promotions, brand

development, and effective management of Myanmar's identity in the global market place.”

4. The MTMP and implementation and monitoring

Since this is the first time for conducting the MTMP, the implementation and monitoring section is rather brief and in general. As following Strategic Program 1: Strengthen the Institutional Environment, the main concern is about strengthening the institutional arrangements for implementation and monitoring by introducing the organizational framework for implementing the Master Plan. The GOM needs to create new 3 agencies; the critically important Tourism Executive Coordination Board (TECB), the Tourism Technical Authority (TTA), and the Education and Training Department within the Ministry of Hotels and Tourism (MOHT) and also rearranges existing departments in order to build up a new the relationship among them by setting the focal point together, clarify the contributions (or job descriptions) of each parties and guiding the way to work in collaboration.

Like the implementation, the monitoring process, leaded by MOHT, has definitely no previous monitoring evaluation result in the plan. It mainly suggests the general procedure of monitoring process by following typical steps in the arranged time frame. However, it emphasizes on the important of the producing an annual report, the un-bias data collection for monitoring from the beginning until the completion of each project and the periodically reviewing and monitoring the plan.

From this point, the implementation and monitoring section of the MTMP certainly should be, continuous monitored, revised and adapted for changing circumstances, and also provide more efficient technical assistance to the GOM for implementing and monitoring the priority programs that recommended in the Master Plan.

5. The MTMP and challenges for responsible tourism planning

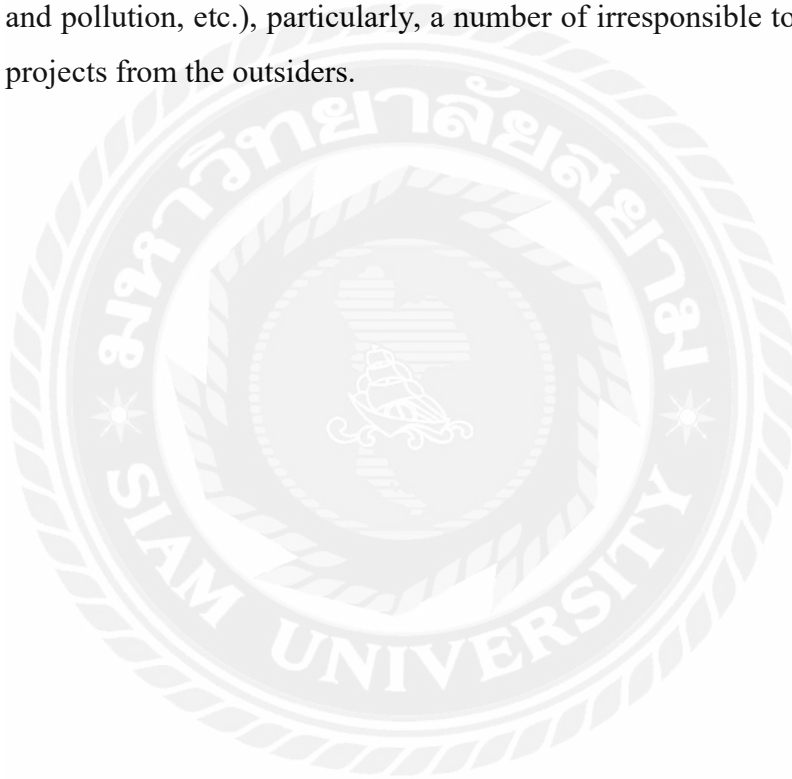
As the MTMP formulation is based on various internal and external factors, then the dynamic situations and changing of context are definitely affected the plan. For

Myanmar circumstance, there are several challenges that could be dilemma for the MTMP, particularly, implementation and monitoring processes, as following aspects;

- Uncertainty in socio-political situation after the next election in 2015 might affects the direction, tourism approach, policies, implementation, and monitoring of the Master Plan or even reject this MTMP in the future;
- Long military-led or top-down authorized culture which still has been influenced to the society, particularly the government agencies in many levels, might interrupt and delay the pace toward sustainability of this Master plan ,due to several reasons such as, with their non-integrated managements among various agencies or their “Not In My Back Yard” attitudes ;
- Human rights abuses/violations with some groups of people (e.g. at several parts of Myanmar which have been closely watched and sanctions by international community;
- Improper handling of its ethnic diversity in some parts of the country that are not support the Global Code of Ethics for responsible tourism and discouraging local community’s involvement in Community Involvement Tourism (CIT) policy ;
- Crony capitalism and corruptions still widely exist and dominate the society. They will allow little space for transparency, accountability and conducting CSR;
- Unethical tourism forms (e.g. Dark tourism) and destinations (e.g. human rights violation; human trafficking) will discourage many visitors to travel in the country.
- Less concern (or unaware) of sustainable tourism development for the people in general which might cause the MTMP to be unsuccessful such as, some tourism agencies have use its term as only for promotion and marketing purposes, or the CIT will not be flourish in those less awareness of the sustainable and responsive tourism.
- The distrust on capability and effectiveness of all Myanmar tourism stakeholders for handling or balancing the needs of both Mass Tourism visitors and Foreign Independent Travelers (FIT) that increasingly influx to visit Myanmar and the

protection of abundant precious natural and cultural heritage resources in the near future.

- Lack of experiences in public-private partnership and collaborations in tourism that will not make the most efficiency for implementing the plan;
- Limit access to the financial supports, especially, for the small and medium sustainable tourism entrepreneurs to establish and operate their businesses.
- Low level of local participation or involvement in decision making of development processes that might cause severely negative impacts for local communities (e.g. relocation, land seized by the government or private agencies and pollution, etc.), particularly, a number of irresponsible tourism development projects from the outsiders.



CHAPTER 5

5.0 Conclusion and Recommendation

The Myanmar Tourism Master Plan (MTMP) is served as an important vehicle for moving the country forward. The Government of Myanmar (GOM) promises the world to make Myanmar “better place to live, better place to visit” by adopting the “Responsible Tourism approach” as a core of sustainable tourism development principle. With a number of supports from many international experts, influenced by many sustainable development guidelines from various sources; then the Master Plan has been visionary and well-constructed with strategic integrated sustainable tourism approach at national level which aims to balance all 3 components of sustainable development with benefits and costs from tourism development. However, it confronts with many challenges from both internal and external influences which might largely impede the implementation of the Master Plan. Then, it should continually monitor, revise and adapt to change which is continuing process. At this point, the Master Plan is considered to be one of the most advance tourism plans in ASEAN which waiting for implementation and the result of its impacts in the future.

5.1 Recommendation

At this stage, there are some recommendations for improving the MTMP in the future.

- The GOM should always set the responsible tourism approach as the main foundation’s principle of any tourism planning ,especially led by the GOM, at all levels in Myanmar. Moreover, it should ensure the public that “a dream in the paper can be turned into reality” by implement those suggestion projects within the time frame and plays leading role to draw all stakeholders to work together toward sustainability.
- The GOM have to use various types of instruments to influence the Master Plan implementation in different circumstances; not just only the Command and Control instrument; such as, Measurement instruments, Economic instruments, Voluntary instruments and supporting instruments.

- The unethical responsible tourism forms or destination should be controlled; but encourage more on the visitors to appreciate and respect the places which they have visited.
- There should be a strong commitment to regular monitoring and reviewing the Master Plan, and then communicating results between all stakeholders should become common.
- Human resource development should be strongly and continually supports by both domestic and international parties related sustainable tourism..
- There should be more financial, technical or knowledge-based or any kind of sustainable supports for local or small and medium businesses.
- The public-private partnership in tourism development should be intensively supported and should free from corruptions.
- There should be more emphasis on local involvement or bottom-up tourism development such as, the Community Involvement Tourism (CIT) where the locals agree to develop the tourism projects in their places. Also, promoting the “good practice” destinations which are successful by the sustainable approach to be learning center of CIT or Community-Based-Tourism (CBT) in the future.

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