

Thailand

Market Summary

An increase of 4 per cent in May 2010 (YTD) arrivals is attributed to the Amway incentive award achievers group of 1,800 pax in March.

1. Market News

- **Agencies maintain economic forecasts** – Local economic agencies confirmed the economy will continue to expand. The National Economic and Social Development Board (NESDB), the Bank of Thailand and Finance Ministry said exports accounting for 70 per cent of the country's GDP, have surged with the recovering global economy and increased consumption in key markets. Amphon Kittiamphon, secretary-general of NESDB said Thailand's 2010 economic growth will remain at 3.5 to 4.5 per cent. For 2011, the economy is expected to have the same growth rate; however, tourism revenue will be affected. The economic projection will be reviewed in August.

Source: Bangkok Post 8 June.

- **Unemployment likely to surge through Q3** – Unemployment in Q2 and Q3 is likely to rise because of new graduates and a widespread drought. Unemployed workers in Q1 numbered around 430,000, or 1.3 per cent of the total workforce, a sharp drop from 818,000 year-on-year, according to the National Economic and Social Development Board. Last year unemployment averaged about 570,000, or 1.5 per cent of the 38.66 million-strong workforce.

Source: Bangkok Post 1 June.

- **Higher Food Prices lift inflation to 3.5 per cent** – Inflation rose for the eighth consecutive month in May to 3.5 per cent from 3 per cent in April, driven by higher prices for fresh food, especially vegetables. Food and beverage prices rose 4.6 per cent year on year, with a sharp 15 per cent rise for fresh vegetables. May consumer prices rose 0.20 per cent vs. 0.5 per cent in April.

Source: Bangkok Post 2 June.

2. Consumer Insights

- **May Confidence picks up** – Consumer confidence revived in May after three months of decline. The consumer confidence index, based on a survey of 2,222 respondents, increased to 75.5 from 75.0 in April, with the overall economic outlook index also increasing to 67.6 from 67.2, the job opportunity index to 66.9 from 66.5 and expectations of future income 92.1 from 91.2.

Source: Bangkok Post 11 June.

For the latest in visitor arrivals, please visit 'Research & Statistics' at www.tourism.australia.com

3. Trade Update

- As at June 2010, there are 244 Aussie Specialist agents from 87 agencies, and 142 are fully qualified.
- 12 buyers from Thailand attended ATE 2010. They are AMC, Global Link ,First World Glory Travel, Heng Chiang Tours, Holiday Tours Thailand, Regale International, Reliance Holidays Thailand, Roongsarp Discovery, Roongthong Tour & Service ,Siam Orchard, Thaisiri Tours and Victory Travel.

4. Airline News

- **Air Asia offers 1 million free seats** – In order to boost future traffic demand and to create “excitement” in the Thai and regional tourism markets, local subsidiary Thai Air Asia participates in the 1 million free seats scheme by the airline group. To offset the free fares estimated at 2 billion baht, the airline will generate earnings from optional services such as in-flight food and beverages and priority boarding. The free seats will raise the carrier's load factor from 3 January to 8 May 2011, when travel under the promotion is permitted. While the fare is free, passengers will have to pay airport taxes and other fees totalling 207 baht per sector for Thai domestic flights, and 800 baht for international flights.

Source: Bangkok Post 18 May.

- **Air Asia chief pushes for budget carrier hub at Don Muang** – Air Asia group Chief Executive Tony Fernandes has urged the Thai authorities to dedicate Don Mueang Airport as a hub for low-cost carriers (LCCs) and establish a terminal devoted to no-frills airlines in Bangkok, complete with lower operating charges. Building an LCC terminal at Suvarnabhumi would take time so turning Don Mueang into a base for budget carriers offered a quick solution that would help Thailand woo back foreign tourists.

Source Bangkok Post 31 May.

6. Key Campaigns and Activities in Market

Country Name campaigns and activities				
START DATE	END DATE	DESCRIPTION	TARGET AUDIENCE	PARTNERS
January 2010	June 2010	Co-op Campaign with Premier ASP Agents Consortium targeting the off peak months.	Singles, Dinks, FIT, GIT	Cherry Australia, First World Tour Co Ltd, Glory Travel Thailand, Heng Chiang Tours, Holiday Tours, Majestic Travel International, Pineapple Travel, Regale International, Reliance Holiday Thailand, Roongsarp Holidays, Roongsarp Discovery Travel, Roongsarp Grand Tour, Roongthong Tour and Service, Thai Siri Tours, World Surprise and Zanda Convention Fair Tour.
February 2010	May 2010	Co-op Campaign with Siam Orchard targeting the off peak months black out period April.	Singles, Dinks, FIT, GIT	Siam Orchard
20 Sep 2010	22 Sep 2010	South East Asia Mission – Hanoi, Vietnam	Agents	