

## Thailand

### **Market Summary**

*Trade partners have given feedback that the current political protests are hurting the economy and political stability. There is a direct impact on outbound sentiments where consumers are likely to postpone their holidays because of the current uncertainty. Trade partners are monitoring the situation closely and have reported charter flight cancellations from China to Thailand. At the peak of the protest in mid March, trade partners reported cancellations in Australian bookings, although these were small when compared to bookings to other destinations.*

### **1. Market News**

- **Politics:** Cabinet ministers and senior military officers were urged to protect their family and their own safety as political protests began in Thailand in early March. "Any ministers who are concerned about their safety can request tighter security," Deputy Prime Minister, Suthep Thaugsuban said. The recent violence had been anticipated and security services had expanded their surveillance efforts to ensure peace and order. The government did not have a black list of key members of the anti-government movement and was only monitoring some of their activities to prevent potential unrest. The Deputy Prime Minister said he did not believe the planned protests from March 12 to 14 would attract anywhere near the one million supporters which the organiser claimed to have. Therefore special security laws were not enforced. The opposition party, Puea Thai Party and the red shirt group have announced plans to gather 20,000 signatures to impeach the nine judges who ruled to seize 46 billion baht of the frozen assets of Thaksin and his family on 26 February.

The protests have since lead to the deaths of nine civilians and soldiers, with up to 900 people injured. News reports of new protest marches remain unconfirmed, with both protesters and the Thai government at what seemed to be a deadlock on the current situation.

*Source: Bangkok Post 3 March 2010 and April 2010 reports.*

### **2. Consumer Insights**

- Consumer confidence fell in March for the second straight month due to deepening political instability, said the University of the Thai Chamber of Commerce. The university's consumer confidence index in March fell to 77.3 points from 78.4 the previous month, said Thanavath Phonvichai, director of the UTCC Economic and Business Forecasting Centre. The overall

economic outlook index also slipped to 69.8 in March from 70.9 the previous month, while the job opportunity index and expectations of future income also dropped. Mr Thanavath said consumer confidence would likely slip again in April, from an escalation in political tensions and recent rises in fuel and oil prices. "If the political tensions ease, then confidence will certainly rebound. We see economic growth averaging 4 to 5 per cent this year, assuming the political standoff ends this month," he said. Economic growth will be led by exports, projected by the university to rise by 15 to 20 per cent from last year, he said. "But if the political situation drags on, then growth this year could range between just 3 and 4 per cent," he added.

*Source: Bangkok Post 9<sup>th</sup> April 2010*

- For the latest in visitor arrivals, please visit 'Research and Statistics' at [www.tourism.australia.com](http://www.tourism.australia.com)

### 3. Trade Update

- The advertorial campaign with Premier Aussie Specialist Agents launched in January targeting the off-peak months. To date 25 per cent of the target has been achieved.
- A similar campaign with Siam Orchard Travel launched in February and resulted in close to 25 per cent of target bookings met.
- Tourism Australia in partnership with Premier Aussie Specialist Agents participated in the Thai International Travel Fair from 25 to 28 February. Tourism Australia collaborated with Dreamworld to bring in cartoon characters, Sponge Bob and Patrick to create awareness of the destination among families.
- Trade partners have been monitoring the situation closely to check on any cancellations for the upcoming peak Songkran holidays in April.
- In March, 1,800 award achievers from Amway Thailand visited Perth for incentive travel.
- As at March 2010, there were 266 Aussie Specialist agents from 91 agencies, of which 156 are qualified.

### 4. Airline News

Thai International Airways has reduced the five times direct service between Bangkok and Brisbane to three times a week, starting January 2010. This is a result of route rationalisation and low demand for this sector.

## 6. Key Campaigns and Activities in Thailand

January to March campaigns and activities				
START DATE	END DATE	DESCRIPTION	TARGET AUDIENCE	PARTNERS
January	June	Advertorial and tactical advertisement during the off peak months	Single/Dinks/FIT/GIT	Premier Aussie Specialist Agents
January	May	Magazine Front Cover Wrap Up	Incentive Companies	NIL
25 February	28 February	Thai International Travel Fair (TTAA)	Consumers	Premier Aussie Specialist Agents <i>Dreamworld</i>
February	June	Advertorial and tactical advertisement during the off peak months	FIT	Siam Orchard

April to June campaigns and activities				
START DATE	END DATE	PROJECT/EVENT	TARGET AUDIENCE	PARTNERS
June	June	Product Update Training and Corporate Dinner Testimonial Night	Corporate/Travel Agents	State Tourism Organisations / Convention Visitor Bureaus