

STRATEGIES TO SURVIVE AND THRIVE OF MYANMAR TOURISM GDP: CASE STUDY OF BAGAN TOURISM

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ABSTRACT

When Myanmar began opening its door to the outside world, most tourists became keen to visit and see Myanmar since 2010s. This research will focus on workable strategy development of Myanmar tourism GDP as other popular neighboring countries. The total contribution of Travel & Tourism to GDP was MMK 6,468.9bn (USD 4,918.2mn), 6.6% of GDP in 2017, and the forecast to rise by 5.4% in 2018. Moreover, in 2017 Travel & Tourism directly supported 570,000 jobs (2.5% of total employment). The research methodology is desk review of country tourism GDP related success and challenges as well as field interview to tourism key stakeholders like hotel, restaurant, visitors/tourists, and local community. These research recommendations advised ten strategies to survive and thrive of Myanmar Tourism GDP with more profitable Win-Win status of tourists/visitors and tourism stakeholders through community-based tourism inspirations.

Keywords: *Tourism GDP, Stakeholders, Advice Strategies, Win-Win, Community-based Tourism*

INTRODUCTION

The trend towards globalization of the world economy and tourism will compete of international tourism companies and local enterprises will be attributed to loss of tourist host country's GDP (WTO, 2002). This was seen in Malaysia to compete international companies and rural communities through rural tourism plan in 2001 to generate benefits to rural communities (WTO, 2002).

Myanmar's economy is much more dependent on extraction of natural resources and selling to other countries since the Independence year of 1948 till now. Therefore, Myanmar must focus on reducing natural resources exploitation to industrial development, trade export and tourism sectors to compete with the GDP of other countries and to reduce poverty of country level.

The total contribution of Travel & Tourism to GDP was MMK 6,468.9 bn (USD 4,918.2mn) that was 6.6% of GDP in 2017. It is forecast to rise by 5.4% in 2018 and 7% of GDP in 2028 (WTTC, 2018). Therefore, it will need good strategy development in this sector of Travel & Tourism in Myanmar to attract more tourists.

LITERATURE REVIEW

(1) Community Based Tourism Initiatives

There are 5 important key factors which make community-based tourism successful like inclusion of stakeholders, recognition of individuals and mutual benefits, appointment of legitimate convener,

formulation of aims and objectives and perceptions of community decisions (Kibicho, 2008).

Therefore, Okazaki (2008) suggested for the community participation since tourism planning process of community-based tourism model will support the sustainable tourism through 'the ladder of citizen participation', 'power redistribution', 'collaboration process' and 'social capital creation'.

(2) Tourism Opportunity and Ability to Use Social Media

The Social media can be used as tools of tourist behavior changes in traveler's decision-making processes upon their choices of travel elements (destination, accommodation, activities, restaurants, etc.) (Sigala, Christou & Gretzel, 2012).

Moreover, Sabanaeva (2017) analyzed the growth of the internet has supported the globe of social media having over several hundred million active users since the late 1990s. Therefore, new opportunities in the market are using social media for their tourism sector development. Because of growing reliance upon tourist information in social media as well as branding image of tourist destinations are important to encourage by relevant stakeholders.

(3) Tourism and the Sex Trade Industry

Although tourism is important to society, sex tourism needs more action to look after the health and well-being of female prostitutes, particularly in countries of

Southeast Asia (Mason, 2011). This is absent in tourism sector of Myanmar, sex selling services in several places like some KTV, massage parlors, guest house, etc. is illegal there. Therefore, that attributes to drug using and insecure cases as consequences by supporting corruption of local polices.

Due to economic crisis in Asia, and economic declines for recent decade, poor countries need to do more profit in tourism to get foreign currency in their low GDP countries. Therefore, women face greater competition in this sex tourism industry and make less income (Mason, 2011). This results in reduced medical care expense of women, that also no budget like Myanmar because of illegal sex industry practice.

(4) Marketing development of travel and tourism

Tourism is the foremost source of income for many countries and supporting country GDP. Thus, tourism marketing is an important factor of sustainable tourism development. Tourism marketing is usually consumer-oriented approach at tourism destinations (Sharpley & Pearce, 2014).

There are many kinds of travel services in USA in the year 2012-2013 among them 10% is for business purpose, 15% for meeting attending and 75% are traveling for leisure aim (Miles Marketing Destinations, 2015). Therefore, it is needed to do more marketing strategy for leisure travelers. 21% of US travelers mostly use official visitor guides (publications of City, Region and State Vacation Department). These kinds of publications are very rare to find by Myanmar Government Departments officially issues.

(5) Tourism GDP of Myanmar

Travel and Tourism's revenue is related with travelers' activity of a duration of less than one-year inclusion with economic aspects to distribute as GDP (WTTC, 2017).

In total, Travel & Tourism generated US\$7.6 trillion (10.2% of global GDP) and 292 million jobs in 2016, equivalent to 1 in 10 jobs in the global economy. The sector accounted for 6.6% of total global exports and almost 30% of total global service exports. The total contribution of Travel & Tourism to GDP was USD 8,272.3bn (10.4% of GDP) in 2017, and is forecast to rise by 4.0% in 2018, and to rise by 3.8% pa to USD12,450.1bn (11.7% of GDP) in 2028. In 2017 Travel & Tourism directly supported 118,454,000 jobs (3.8% of total employment) (WTTC, 2018).

The total contribution of Travel & Tourism to GDP was MMK 5,606.7bn (USD4.6bn), 6.6% of GDP in 2016, and is forecast to rise by 3.8% in 2017, and to rise by 7.5% pa to MMK12,008.0bn (USD9.9bn), 7.0% of GDP in 2027. In 2016, Travel & Tourism directly supported 804,000 jobs (2.7% of total employment) (WTTC, 2017).

The total contribution of Travel & Tourism to GDP was MMK6,468.9bn (USD4,918.2mn), 6.6% of GDP in 2017, and is forecast to rise by 5.4% in 2018, and to rise by 7.0% pa to MMK13,371.3bn (USD10,166.0mn), 7.0% of GDP in 2028. In 2017, Travel & Tourism directly supported 570,000 jobs (2.5% of total employment) (WTTC, 2018).

(6) Effective tourism strategies and policies

Due to China's rapidly evolving tourism market, there are both challenges and opportunities in competitive global market (Destination NSW, 2012). Its strategies are identified as:

- Extend marketing activity into more geographic markets
- Support aviation and route development to keep pace with demand
- Target high performing consumer segments
- Improve the quality and range of visitor experiences
- Increase consumer promotion
- Develop trade distribution networks
- Expand commercial and Government partnerships
- Increase resources to facilitate growth
- Moreover, Thailand has very good tourism policy for their country as (Wattanavrangkul, 2017).
- Sustainable tourism with quality and value-added balancing in economic, social and environment
- Wealth distribution
- Pride of local heritage
- Collaboration between public sector, private sector and local community
- Increase spending per head and length of stay
- Minimum natural resource usage
- Cambodia is still facing problems in cleanliness, human resource capacity building, the price increase, etc. (Royal Government of Cambodia, 2012), thus Royal Government of Cambodia has formed the tourism development strategic plan of

2012-2020, inclusion with as;

- Tourism product development and product quality improvement
- Marketing and promotion
- Travel facilitation and transportation and regional and international connectivity
- Tourism safety system and management of tourism's negative impact on society, culture, environment and economy
- Legal systems and management mechanisms with effective implementation
- Human resources development

RESEARCH METHODOLOGY

Desk review is done to observe tourism sector strategies and challenges of Global, neighboring in Myanmar. Myanmar is booming hotel and restaurants related travel and tourism sectors, thus this research observed impact of these booming new business in tourism popular destination areas like Yangon, Mandalay and Bagan.

Moreover, field data collection, interviews and case study are done mostly in Bagan and Mandalay to tourists, local travelers, handicraft makers and sellers, hotel staffs, restaurant owners and transportation business men to learn their perception and future supporting strategies to thrive this business more. All data are analyzed in SPSS software to observe tourism business perceptions and travelers' perceptions as well as to know how to improve tourism.

Thus, filed data collection is completed in the mid of November 2018 in Bagan and some interviews in Mandalay.

RESULTS

1. Booming Travel & Tourism Sector in Myanmar

World Travel & Tourism Council (2018) points out that Travel & Tourism is expected to have attracted capital investment of MMK 4,213 bn in 2017. This is expected to raise by 4.6% in 2018 and the next 10 years will be MMK 766.3 bn in 2028 (*Current exchange rate is 1,600 MMK = 1USD in November 2018*). Moreover, Travel & Tourism total contribution to GDP long term growth is expected 7% growth p.a. during 2018-2028. Therefore, its total contribution to employment will be 3.4% growth p.a. during 2018-2028.

2. Assessment of Bagan Tourism

Bagan is a key tourist destination in Mandalay Region

with over 2,000 ancient pagodas and temples. You can visit Bagan all year round as there is no actual rainy season like in the lower parts of Myanmar. With more than 1,500 years of history, beautiful local art, such as lacquer ware, basket and cloth weaving, it is the most fascinating place for travelers. Many tourists arrive at Nyaung U airport, but it is also possible to reach Bagan by road or on one of the river cruises.

Numerous traditions have been preserved in Bagan and its surrounding villages, including handicrafts such as beautiful lacquer ware, basket weaving, sand art painting, wood carving and bronze wares. If you cannot make it to a workshop to witness these items being made, be sure to browse some of the stalls around the pagodas for suitable souvenirs and keepsakes. There are also some truly delicious locally produced foodstuffs such as jaggery, toddy, tamarind flakes, plum jams and bean paste.

Bagan is an ancient city in central Myanmar (formerly Burma), southwest of Mandalay. Standing on the eastern banks of the Ayeyarwady River, it is known for the Bagan Archaeological Area, where more than 2,000 Buddhist monuments tower over green plains. Holy sites around Old Bagan include ornate Ananda Temple, built in 1091 and topped with a golden stupa. Nearby is the vast 12th-century Dhammayangyi Temple.

The number of days that tourists can spend in Bagan's ancient cultural zone has been reduced from five to three starting in 2017, but the entrance fee for Bagan's ancient cultural zone will remain unchanged at Myanmar Kyat 25,000 (USD 15).

If tourists stay for more days, locals can earn more money. Some of the drivers of horse carts and motorcycle taxis have more opportunities to earn a living in Bagan. According to the statistics for visitors to the Bagan ancient cultural zone showed that more than 90 percent stayed for three days, although they were allowed five days. Most tourists to Bagan take in the sights during the first two days of their stay. They then visit Poppa, Kyaukpadaung and Chauk. Now that the number of days they can spend in Bagan has been cut, tourists who want to use Bagan as a base to visit other townships nearby could face problems (Zaw, 2018). The number of tourist arrivals to Bagan has increased by more than 53,000 in the 2016-17 fiscal year, compared with the year, leading to a total collection of entrance fees by over K134 billion for both years, said U KyiTheinKo, general secretary of the Myanmar Tourism Federation (Thu, 2017).

Bagan zone entrance fees of Myanmar Kyats 25,000

per tourist from the department of archaeology, national museum and library are now collected by the MTF, following an agreement between the Ministry of Religious Affairs and Culture in March 2016. According to the agreement, 90 per cent of the total collection is to be given to the government, 4 per cent goes to conservation and regional development and the final 6 per cent is to be kept for tourism promotion costs. A total of K7,380.5 million was collected from March 1, 2016 to February 17 this year from Bagan zone entrance fees. Currently, the department of archaeology, national museum and library has kept 2 per cent (K147.6 million) for Bagan heritage cultural conservation, and another 2 per cent is for environmental preservation that is controlled by Nyaun-U district administrator. But the local non-government organizations such as Bagan Heritage Trust, Bagan Regional Development Association and Bagan Plastic Campaign can apply to obtain the 4 per cent of the total entrance fees, according to the agreement. Bagan Heritage Trust team will implement pagoda conservation efforts such as removal of plants from the pagodas and clearing rubbish around the temples, by using some funds from the 2 per cent for environmental preservation.

(2.1) Assessment upon tourism business of Bagan

There are 35 respondents for this research interview during October 2018 to owner and staff of hotel (5 respondents), restaurant (2 respondents), shops (11 respondents), tour agency/tour guide (4 respondents), handicraft makers (5 respondents), transportation (car, bike, pony cart related 7 respondents) in Bagan. Their responses are as follows:

Table 1: Tourism Business Sector's Responses

Factor	Strongly agree	Agree	Don't know	Disagree	Strongly disagree	Total response
More income by tourism	24 (69%)	8 (23%)	-	3 (8%)	-	35 (100%)
Travelers are satisfied /happy	12 (34%)	20 (57%)	1 (3%)	2 (6%)	-	35 (100%)
Good Government policy support & assistance to tourism sector	-	5 (14%)	21 (60%)	8 (23%)	1 (3%)	35 (100%)
Benefits to local community	24 (68%)	9 (26%)	1 (3%)	1 (3%)	-	35 (100%)

Source: Field data collection by researcher (Oct 2018) in Bagan

As in table 1 shown, 69% of tourism business sector is strongly agreed that more income earned by tourism. But, it needs to improve Government policy and more assistance to support tourism business as nearly 86% of respondents don't know or disagree these Gov' supported policy. Significantly, local community gain benefits from tourism sector with 68% feel strongly agree as table 1.

Table 2: Tourism Business Development

Needs to improve	Strongly agree	Agree	Don't know	Disagree	Total response
Enough investment	14 (40%)	6 (17%)	5 (14%)	10 (29%)	35 (100%)
Access loan	14 (40%)	14 (40%)	6 (17%)	1 (3%)	35 (100%)
Good networking	10 (29%)	7 (20%)	14 (40%)	4 (11%)	35 (100%)
More travelers	26 (74%)	9 (26%)	-	-	35 (100%)
Quality services/products	23 (66%)	8 (23%)	4 (11%)	-	35 (100%)

Source: Field data collection by researcher (Oct 2018) in Bagan

Tourism sector development will need more GDP of country, these will need to improve to obtain 'Sufficient Investment' for private sectors, particularly 40% of respondents suffering to seek 'Sufficient Investment' for their business development as in table 2. Moreover, 'Access Loan', 'More Travelers Visit' and 'Quality Services/Products' must be solved most of these business sectors as described in table 2.

(2.2) Assessment upon travelers' perspectives

There are conducted interview to 30 domestic travelers and 15 tourists in Bagan to know their purpose of visit, and perception related tourism.

Table 3: Reason of visit to Bagan

Traveler type	Pilgrimage	Relax	To see Bagan environment	Relax/To learn local culture, knowledge	Pilgrim age Relax	Pilgrimage, to see Bagan	Pilgrimage learn local culture, knowledge	Relax, to see Bagan	Total
Domestic traveler	9(30%)	-	-	-	5 (17%)	11 (36%)	5 (17%)	-	30 (100%)
Tourist	-	2(13%)	1(7%)	1(7%)	-	-	-	11 (73%)	15 (100%)
TOTAL	9(20%)	2(5%)	1(2%)	(2%)	5 (11%)	11 (25%)	5 (11%)	11 (24%)	45 (100%)

Source: Field data collection by researcher (Oct 2018) in Bagan

This research will focus to domestic travelers and tourist's purpose of visit to Bagan as table 3. Most of domestic traveler are 'Pilgrimage' and 'To see Bagan Environment' as dual visiting reason with 30% and 36% respectively.

But, most of tourists have different reason with 'Relax' and 'To see Bagan' as dual reason with 13% and 73% respectively.

Table 4: Perception of visit by Domestic Travelers and Tourists

Perception	Strongly agree	Agree	Don't know	Disagree	Total
Very relax in visit	10 (22%)	32 (71%)	1 (2%)	2 (5%)	45 (100%)
Nice accommodation	2 (5%)	31 (69%)	9 (20%)	3 (6%)	45 (100%)
Hospitality of local people	2 (5%)	25 (55%)	18 (40%)	-	45 (100%)
Peacein pilgrimage	24(53%)	7 (16%)	14 (31%)	-	45 (100%)
Increase knowledge of Bagan	4 (9%)	28 (62%)	12 (27%)	1 (2%)	45 (100%)
Preference local products	4 (9%)	26 (58%)	15 (33%)	-	45 (100%)

Source: Field data collection by researcher (Oct 2018) in Bagan

As in table 4, domestic travelers and tourists feel very relax in this Bagan visit with 71% like. Moreover, they like their accommodation of hotels and motels with 69% agree. All are impressive upon 'Hospitality of local people', 'Peace in pilgrimage', 'Increase knowledge of Bagan' and 'Preference local products' with more than 50% respondents.

Table 5: To Improve Bagan Tourism

To Be Improved	Strongly agree	Agree	Don't know	Disagree	Total
Quality of accommodation	25 (55%)	9 (20%)	8 (18%)	3 (7%)	45 (100%)
Quality of restaurant	19 (42%)	14 (31%)	8 (18%)	4 (9%)	45 (100%)
Increase tourism attraction destinations	32 (71%)	7 (15%)	3 (7%)	3 (7%)	45 (100%)
More hospitality of local people	3 (7%)	14 (31%)	11 (24%)	17 (38%)	45 (100%)
Access travel & tourism information	7 (15%)	16 (36%)	14 (31%)	8 (18%)	45 (100%)
Safety & security	13 (29%)	23 (51%)	3 (7%)	6 (13%)	45 (100%)

Source: Field data collection by researcher (Oct 2018) in Bagan

As shown in table 5, there are still necessary improvement needed like in the sections of 'Quality of accommodation', 'Quality of restaurant', and 'Increase tourism attraction destinations' in Bagan as well as the whole country like Chin State, Kachin State and Shan State.

DISCUSSION

Regarding to literature review and results of field observations, this part of research will guide to do survive and thrive strategies for tourism GDP increase as follows:

Survive Strategies:

- 1) To change customer satisfaction approach as providing quality services and reducing hotel fees in top tourism destination places (Like Yangon, Mandalay, Bagan, Chaungtha Beach, Inle Lake)
- 2) To create clean cities of State/Region for attracting tourists
- 3) To create community benefits tourism model
- 4) More transportation facilities in ethnic States
- 5) Tourism marketing by Government and private sectors cooperation
- 6) *Private companies of tourism sector (Top Hotels like Inle Princess Resort, Pan Pacific Hotels, Pullman Yangon, Yangon Excelsior, and Top travel agency like Intrepid Travel, G Adventures, Pandaw Cruises, DNQ Travel, and Myanmar Government (Ministry of Hotel and Tourism) must do together tourism marketing in every year in Myanmar and other neighboring countries.*

Thrive Strategies:

- 1) To do tourism cooperation under The South Asia Sub-regional Economic Cooperation (SASEC) Program.
- 2) *SASEC program has excellent opportunity to develop tourism GDP promotion program together Maldives, India, Sri Lanka, Nepal, Bangladesh, Bhutan, and Myanmar for mutually benefits to people during 2016-2025 (Asian Development Bank, 2017).*
- 3) To favor FDI in tourism sector by relieving appropriate financial regulations and land regulations for tourism facilities.
- 4) Peace building in ethnic areas to create new tourism destinations.
- 5) To support tourism investment to local communities' inclusion.
- 6) Tourism business related capacity building to local communities.

CONCLUSION

Myanmar is one of the poorest countries in the world and is poor in forming strategies, policy and regulations of economic development. Therefore, Myanmar tourism GDP development will need proper strategies and workable policies by all stakeholders of private sector, Government Departments and local community to compete and overcome tourism GDP to other Asian Countries. We must do and learning from good practices and strategies of other developing and developed countries in the World. This research will support that Myanmar Tourism GDP become more profitable Win-Win status of tourists/visitors and tourism stakeholders through community-based tourism inspirations.

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