

The Marketing Strategy for Cruise Home Port in Andaman Tourism Cluster in Thailand

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Abstract—Cruise Tourism is growing dramatically especially in Asia. Thailand posits as the best tourist destination with cruise port of call and considers to set up Andaman home port recently. Hence, the marketing strategy is demanded for revenue compensated port cost. This research aimed to develop the marketing strategy for cruise home port in Andaman Tourism Cluster of Thailand. The methodology used six step qualitative approach with relevant stakeholders of cruise tourism and port in Thailand. The SWOT analysis was conducted and evaluated by analytic hierarchy process. The TOWS matrix was employed and suggested the 3 key marketing strategy; 1) Product Development Strategy, 2) Market Development Strategy and 3) Business Network Development Strategy. The detailed findings were validated with the panel of 10 experts and Andaman tourism association representatives. Further implication for recommended marketing strategy can be utilized for tourism policy in Thailand.

Index Terms—Marketing strategy, cruise port, Andaman tourism cluster, Thailand.

I. INTRODUCTION

The Cruise Tourism grows especially in the era of increasing aged population. According to research by the Cruise Lines International Association [1], Asia is a fast-growing cruise market, and 80% of cruise liners are confident to expand into this region. With the Asian optimistic growth, the ports in the region are encouraged to expand and establish as home port including Andaman tourism ports [2]. Although the economic contribution from cruise tourism is potentially significant to the nation, the investment upon port infrastructure remains huge amount and country needs to find marketing strategy to attract cruise lines and passengers to spend their trip. The home port policy should focus to increase competitiveness in terms of associated tourism infrastructure [3].

The Andaman tourism cluster of Thailand, focused in this study, located on Thailand west sea border, including Ranong, Phang Nga, Phuket, Krabi, Trang and Satun province. The so called pearl of Andaman, Phuket catered millions of tourists and generate numerable income to Thailand [4]. Despite the limited port capacity in Andaman, more cruise tourists visit Andaman port for sea, sand and sun increasingly every year [5]. The potential port infrastructure in Phuket is now considered to upgrade toward home port recently.

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This research proposes marketing strategy for the cruise home port of Andaman tourism cluster in Thailand. The paper is structured in 5 sections starting from introduction as Section I, a literature review in next Section II, a research methodology in Section III, result in Section IV and finally conclusion and discussion in Section V.

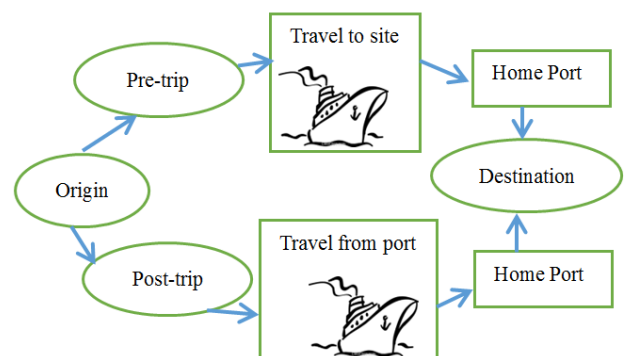
II. LITERATURE REVIEW

The literature review consists of 3 topics related with marketing strategy development of cruise home port in Andaman, Thailand; Current Andaman Cruise Tourism, Marketing Strategy and Research in cruise tourism.

A. Current Andaman Cruise Tourism

Cruise tourist in Andaman currently came from Asia. Current ports in Andaman remain port of call in Phuket and Krabi. Hence the travel connectivity to other international airport in Phuket is better.

Cruise tourists' spending of 188 USD [6] compared with normal tourists' spending of 130 USD [7], the cruise tourists contribute economically more than general tourists. With Andaman port of call, current travel time duration at Andaman is limited within 12 hours for port of call. Whereas if Phuket is home port, the duration of Thailand travel can increase for pre and post-trip and port stay with longer period as shown in Fig. 1.



Source: Adapted from Wang and Pizam (2011, Fig.7.1 p.101) [8]

Fig. 1. Travel process for cruise tourism.

Multimodal transportation management requires high skill of planning. Logistics professionals who handle multimodal delivery can approach to integrate in operation, management and control of transportation, so that delivery from origin to destination is possibly shorter.

B. Marketing Strategy

Marketing strategy started from situation analysis with SWOT. SWOT analysis derived their S-W-O-T from the

assessment of internal situation including Strengths (S) and Weaknesses (W) as well as external situation including Opportunities (O), and Threats (T) [9] underlined for the key success factor. Company can generate key strategy from consider SWOT components rigorously. However, the subjective evaluation possesses a major improvement: the need for the importance ranking for each SWOT factors. The developed analysis of SWOT incorporates Analytic Hierarchy Process (AHP) to prioritize each component of SWOT [10]-[12].

To create key strategy from SWOT, pairing key internal and external factors become challenging procedure of generating a TOWS matrix [13] as shown in Fig. 2 with following:

SO (strengths and opportunities) strategies use an organizational internal strengths to leverage external opportunities.

WO (weaknesses and opportunities) strategies improve internal organizational weaknesses and leverage external opportunities.

ST (strengths and threats) strategies use organizational strengths to avoid or decrease the effect of external threats.

WT (weaknesses and threats) strategies as defensive strategies improve internal weaknesses and avoid environmental threats.

	STRENGTHS-S	WEAKNESSES-W
	1. 2. - - - n	1. 2. - - - n
	List of Strengths	List of Weaknesses
OPPORTUNITIES-O	SO STRATEGIES	WO STRATEGIES
1. 2. - - - n	1. 2. - - - n	1. 2. - - - n
List of Opportunities	Use strengths to take advantage of opportunities	Overcome weaknesses by taking advantage of opportunities
THREATS-T	ST STRATEGIES	WT STRATEGIES
1. 2. - - - n	1. 2. - - - n	1. 2. - - - n
List of Threats	Use strengths to avoid threats	Minimize weaknesses to avoid threats

Source: Sevkli *et al.* (2012, Fig. 1, p. 15)

Fig. 2. A presentation of TOWS matrix.

C. Research in Cruise Tourism

The destination attributes like safety, transportation and price effect on tourist satisfaction. Cruise visitor satisfaction with a destination remains important consumer indicator for cruise port, the research found that satisfaction delineates to cruise tourist revisit and word of mouth [14]. The information provision and logistic connection are recommended to set up in cruise home port. The cruise port is assessed their value regarding to provincial value like culture, history and aesthetic places [15].

The community related with cruise port needs to be well-informed because they share their environment with cruise travel. The resident stress could be occurred if the cruise port had been established [16].

III. RESEARCH METHODOLOGY

The research methodology used qualitative approach with

AHP to prioritize the factors [2], [12], [17]. The method consists mainly of six steps as shown in Fig. 2. In the first step, researchers gather the data of current situation from two sources: one is thorough research with government and business documents and the another is the primary source from in-depth-interview series the 12 relevant stakeholders which include government executives, cruise tourism entrepreneurs and related association deputy. Next step, both external and internal situation factors were formulated from content analysis. In the third step, a detailed SWOT analysis was performed based on research questions. Fourth, the results of SWOT were sent to 5 experts to rank based on pairwise comparison. For the five step, the TOWS matrix was conducted and generated the detail strategy. The categorization into 3 category were performed. Lastly, the presentations with 2 focus groups in Phuket and Bangkok were arranged to validate the findings. Total duration of qualitative research was 6 months from December, 2016 to May, 2017.

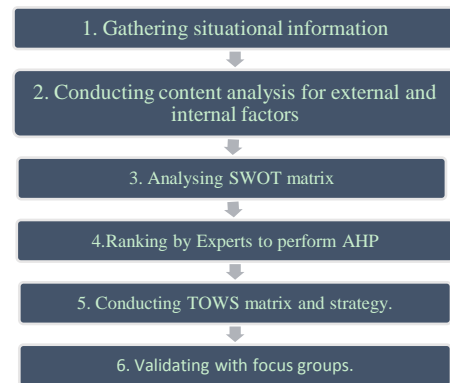


Fig. 3. Six steps in this research.

TABLE I: SWOT MATRIX RANKED FROM THE PERCENTAGE OF IMPORTANCE SCORE.

Factors	Situation
Political Factor	<ul style="list-style-type: none"> Thailand poses stabilized political climate in tourist perception
Economic Factor	<ul style="list-style-type: none"> Tourism become mainstay of Thailand economy especially Andaman tourism. The Thailand location provide geographical advantage to offer exotic travel route and destination within CLMV region.
Socio-cultural Factor	<ul style="list-style-type: none"> Higher elderly population effects on the increasing travel by cruise. More global environmental concern establishes ecology tourism and effects on Andaman tourism management.
Technology Factor	<ul style="list-style-type: none"> Internet penetration in Andaman is acceptable but the information technology is needed to improve for cost effectiveness in tourism management.
Cruise operator behavior	<ul style="list-style-type: none"> The service operation adapts to various groups of customers with various size of cruises and route of travel. They target toward mid income passengers especially in Asia. The competition drives for marketing promotions to retain cruise tourists.
Cruise tourist behavior	<ul style="list-style-type: none"> Asia cruise tourists increase with younger, family bounded and shorter duration. The website becomes new source of information to perform cruise decision. Asia tourists expect the offering of new route and price promotion whereas Europe and US cruise tourists expect on service process operation and people quality.

IV. RESULTS

The situational analysis found the critical factors as shown in Table I.

The SWOT matrix was developed and compared between each pair of components by 5 cruise tourism experts. The importance percentage were derived from AHP pairwise analysis [17] and specified in Table II.

TABLE II: SWOT MATRIX RANKED FROM THE PERCENTAGE OF IMPORTANCE SCORE.

Strength (30)	Opportunity (13)
S1 -Andaman port location centralized among CLMV regions. (54) S2 - Attractive destination (46)	O1 -Expansive cruise tourism with upsized cruise and Asia coverage. (28) O2 -Increasing Asia cruise tourists with higher spending. (27) O3 -Cruise tourist demand for new destination and route. (23) O4 -Higher spending power in cruise tourism. (11) O5 -Stable and Safe Thailand destination in tourism. (11)
Weakness (23)	Threat (34)
W1- Inefficient public transportation, logistics infrastructure and utility. (57) W2- Insufficient capacity in Andaman Tourism sites. (29) W3-Quality problem of Tourism professionals to serve multiple language tourists. (14)	T1- Lack of government policy integration to develop Andaman tourism cluster. (66) T2- Increasing cruise competition within Southeast Asia region. (28) T3- Low connectivity of International airlines with Andaman airport (6)

TOWS matrix was developed from matching internal and external factors to identify initial strategies for cruise home port as Table III.

TABLE III: TOWS MATRIX TO DEFINE INITIAL STRATEGIES.

S-O Strategy	S-T Strategy
<ul style="list-style-type: none"> Offer the cruise route to increase travel duration and spending in Thailand. (S2-O12345) Present the connected route from Andaman port to Myanmar and neighboring countries. (S1-O12345) 	<ul style="list-style-type: none"> Develop the tourist places in Andaman with community and government organization.(S1-T1) Cooperate with airlines to create fly-cruise program to cruise home port. (S2-T3)
W-O Strategy	W-T Strategy
<ul style="list-style-type: none"> Develop public transportation, facility, utility and logistics infrastructure. (W1-O12345) Develop people service quality with education and training. (W2-O12345) 	<ul style="list-style-type: none"> Target qualified tourists to match with existing capacity of public facility and tourist sites. (W12-T13) Collaborate with neighboring port as collaborative competition to connect each other. (W12-T2)

Initial strategies from TOWS matrix were categorized to 3 key strategies to propose for relevant stakeholders. First strategy, product development strategy aimed to create proper tourism product to serve with cruise tourists who need variety of travel programs ranged from adventure to healthcare to make family and repetitive trip. Second strategy, market development strategy purposed to expand qualified market for cruise tourism by promoting new routes with Phuket home port for cruise lines. The third strategy, business network development strategy focused on building travel business network by creates mutual understanding and improvement to higher service quality for cruise tourism. The key detailed strategies have been endorsed from expert focus groups as shown in Table IV.

TABLE IV: KEY STRATEGIES FOR CRUISE HOME PORT IN ANDAMAN TOURISM CLUSTER

Strategy 1 Product Development Strategy
<ul style="list-style-type: none"> Develop tourist sites including cultural heritage, adventure place, niche travel sites in Phuket and neighboring provinces. Create pre and post trip to support cruise trip starting from Phuket. Develop the connected route to Myanmar, Srilanka and India with Phuket cruise home port.
Strategy 2 Market Development Strategy
<ul style="list-style-type: none"> Present developmental plan toward key stakeholders; cruise lines, connected port authority, and domestic business network. Promote the modernization of port and supportive infrastructure toward cruise lines and tourism authority in target source countries. Promote the new routes including Phuket and vicinity, connected port and new destination to Myanmar, Srilanka and India.
Strategy 3 Business Network Development Strategy
<ul style="list-style-type: none"> Develop community tourism potential in Phuket and vicinity. Develop service quality of relevant service business to serve with cruise tourism. Collaborate with airlines to connect Phuket home port with target source countries.

V. CONCLUSION AND DISCUSSION

The cruise tourism industry become fascinating growing sector, which potentially contributes financial income to nations. Recently, Asia countries like China, Taiwan, Korea, Japan, Singapore, Malaysia actively recognize and develop their cruise ports to serve cruise industry. Andaman port of Thailand also posits as one of potential port to grow in Asia Cruise Trend, however the more revenue is demanded from establish a home port. This research proposed the marketing strategy for Andaman cruise home port which will set up at Phuket province. From six-step qualitative research, the three main strategies were proposed as shown in Fig. 4.



Fig. 4. Three key marketing strategies for for Cruise Home Port in Andaman Tourism Cluster in Thailand.

Tourism product development in Phuket and vicinity remains important factor for cruise tourist satisfaction and purchasing decision [14], [18]. To increase demand side of cruise tourism, the public presentation with cruise lines and target source markets is encouraging to conduct by cruise tourism taskforces who are set up from both government and private parties to expand market for Thailand cruise port [19]. From empirical research, Attracting qualified cruise tourists need premium providers with higher service quality and offering escape experience [20]. The holistic tourism business needs to understand clear cruise tourism behavior and develop their services together as a business network.

This research provides strategic implications and

suggestions toward government, tourism authority and travel business stakeholders for the development of cruise home port to develop their product, market and network in order to attract more cruise lines and tourists. Finally the country economic contribution ensures ultimate result of sustainable investment.

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