

# Electronic Backpack : Low Price Accommodation in Thailand

by

Ms. Siriporn Chartkitcharoen

A Final Report of the Six-Credit Course  
IC 6998 E-Commerce Practicum

Submitted in Partial Fulfillment  
of the Requirements for the Degree of  
Master of Science  
in Internet and E-Commerce Technology  
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Project Title                      Electronic Backpack: Low Price Accommodation in  
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Project Advisor                  Rear Admiral Prasart Sribhadung

Academic Year                  November 2002

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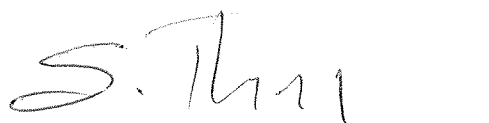
The Graduate School of Assumption University has approved this final report of the six-credit course, IC 6998 E-Commerce Practicum, submitted in partial fulfillment of the requirements for the degree of Master of Science in Internet and E-Commerce Technology.

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## ABSTRACT

Potentially, all current travel and tourism transactions can be performed on-line on the Internet. The opportunity presented by the industry, now the biggest in the world, is huge. The World Travel and Tourism Council (WTTC) reported in *World Economic Impact* that Travel and Tourism – encompassing transport, accommodation, catering, recreation and services for travelers is expected to generate US\$ 4.4 trillion of economic activity and 231 million jobs worldwide in 1998, growing to US\$ 10.0 trillion of economic activity and 328 million jobs by 2010.

The project involves searching for information through many resources, including books, magazines, web sites and journals. With the information collected, several analyses including marketing analysis and SWOT analysis were done in order to come up with the most appropriate marketing plan. Furthermore, many web-programming tools were used to create the prototype of this online business to show how those functions can attract the audience to do transaction.

The following objectives have been achieved.

- (1) The prototype of e-Tourism web site called [www.thaibackpack.com](http://www.thaibackpack.com) has been created to demonstrate the basic functions of the web site.
- (2) The web site ([www.thaibackpack.com](http://www.thaibackpack.com)) can be used as an electronic tourism handbook where all backpackers can search for their itineraries information and low priced accommodation.
- (3) Several analyses and marketing plan have been created based on the knowledge acquired from the courses.

## ACKNOWLEDGEMENTS

In order to complete the project, I confronted many difficulties which finally gave me some lessons to enhance my ability. I would like to give my gratitude to several people who play important parts in this project.

I would like to thank Rear Admiral Prasart Sribhadung for his valuable time, support, advice and comments given in the completion of this project.

I also would like to extend my sincere thanks to Tourism Authority of Thailand and Mr. Pirat Saeowe for their timely assistance and information provided to me while doing the project.

Special thanks go to my friends and parents for their love and unfailing support.



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## I. INTRODUCTION

### 1.1 Introduction

The Internet is not only another medium, but has become the main medium for a company's operation and become advantageous for customers' purchasing. For example, the largest Internet bookstore, amazon.com, performs its business solely on the Internet. Its customers from around the world can access millions of book titles from their desk and order books with a click of a button. In the tourism industry, Microsoft Expedia ([www.msn.com](http://www.msn.com)) and Internet Travel Network ([www.itn.com](http://www.itn.com)) provide their services (e.g. real-time air booking, car, hotel and vacation tour reservations) exclusively on the Internet.

The tourism industry has already reported dramatic changes in its structure over the last few years. The customers desire more frequent but shorter travel. Last minute reservations, global advice, service quality, market transparency and a certain self-service mentality are required. Modern travelers have begun to gather recreational "micro-services" on their own and form a customized holiday package. Advances in the information, computer, and telecommunication technologies that led to the inception of the "cybertrend" also triggered restructuring within the tourism industry. Significant changes in the Internet-based Tourism Information Systems have led to reorganization of the industry chain and changed the way key players in the tourism industry offer, gather and use information. With Internet technology, accessibility of information has moved from only professional travel agents to the end users. Internet also enables direct sales from supplier to customer, which has forced repositioning of traditional intermediaries.

We need to operate a new web site with a name of [www.Thaibackpack.com](http://www.Thaibackpack.com) for Thais and foreign backpackers.

## **1.2 Objectives**

The following are the objects of the project.

- (1) Design and build web site to make an electronic shop a local favorite for low price accommodations such as guesthouse, and bungalow in Thailand.
- (2) To be the leader of low price accommodations reservation that provides to customers.
- (3) To provide information on famous restaurant or traditional food in tourist area.
- (4) To move online travel business by marrying convenience and suitability for all backpackers.
- (5) To encourage Thai and international tourists to travel in Thailand
- (6) To establish Thailand's position as a world-class tourism destination while retaining its distinctive Thai identity.

## **1.3 Keys to Success**

To succeed in this business we must:

- (1) Provide reliability and quality low price accommodations for customers.
- (2) Provide easy-to-use management feature including online reservation and travel information.
- (3) Provide 100% customer satisfaction, design a customer relationship management, and implement employee and customer feedback.
- (4) Provide information on tourist areas.

## **1.4 Scope of Project**

The scope of this project includes:

- (1) Online reservation for low price accommodations
- (2) Travel information
- (3) Traditional food information
- (4) Travel tips

### **1.5 Deliverables**

Deliverables for this project will be as follows:

- (1) The final report that covers the scope of information mentioned earlier
- (2) A web site which will be designed and developed for showing the concept of architectural design.





## **II. LITERATURE REVIEW**

### **2.1 Tourism Trends and Prospects**

Tourism has been one of the most remarkable economic and social phenomena of the 20<sup>th</sup> century. It should remain so throughout the 21<sup>st</sup> century. Every year, a bigger portion of the world population takes part in tourism activity and for the majority of the world's nations, tourism has evolved as one of the most dynamic and fastest growing sectors of their economy.

Europe and the Americas are still the main tourist receiving regions. But since other regions are growing at a faster pace, their respective shares in the world total show a declining trend. In 1999, Europe accounted for less than 60 percent and the Americas for less than 20 percent of international tourist arrivals. East Asia and the Pacific is the region which has most benefited from this transformation of the market. Historical data shows that this region experienced the highest growth rate, having obtained a 15 percent share of the world market by 1999. In 1997 and 1998, however, arrivals in the region dropped slightly as a result of the East Asian Financial Crisis.

By 1999, East Asia and the Pacific experienced a remarkable recovery in the volume of international tourism. The region reached a new record high of international tourist arrivals after two years with slight decreases. A total of 97.5 million tourist arrivals were recorded in 1999, corresponding to a growth rate of 11.5 percent, some 7 points above the rate of 4.5 percent recorded for the world as a whole. South-East Asia saw the highest growth during 1999 of 15.3 percent, while North-East Asia recorded 10.1 percent and Oceania 6.3 percent.

International tourism receipt for East Asia and the Pacific as a whole increased 11.5 percent in 1999 compared to 1998. The region's receipts per arrival amounted to

US\$753. As the growth of arrivals has been higher than the growth of receipts, the receipts per arrival decreased by 4.6 percent, a reflection of shorter length of stay. From the region's estimated total receipts of US\$73.4 billion in 1999, North-East Asia earned US\$37.6 billion (+3.5 percent), South-East Asia US\$20.0 billion (+11.3 percent) and Oceania US\$12.8 billion (+6.5 percent).

It can be concluded that even though the number of international tourist arrivals has recuperated spectacularly, for international tourism receipts, there is still some way to go. Although part of the receipts lost in 1997 and 1998 has regained, the region has yet to recover to the pre-crisis receipts level expressed in US dollars. International tourism receipts for 1999 were still US\$9 billion below the record US\$82.3 billion reached in 1996.

## **2.2 Implications for Thailand**

Thailand's response to changes in global and regional tourism trends has been impressive. In a region short of success stories in the past few years, Thailand is the exception envisaging a 10.7 percent growth in international tourist arrivals in 2000 to more than 9.5 million, with earnings up to 286,1000 million baht, despite a fall in the baht's value against the US dollar from 25 in mid 1997 to 36 at the end of the first quarter of 1999. The baht has dropped further since then but stabilized at around 42 baht to the US dollar during 2000. During the first half of 2001 it dropped further to below 45 baht to the US dollar. Contributory factors to this success have been the willingness of Thai hoteliers to price in baht and thus offer very attractively priced tour packages and also the effectiveness of the "Amazing Thailand" marketing campaign.

Thailand is at the forefront in supporting its small and medium scale tourism enterprises through electronic commerce. Recognizing the difficulty for such operators to communicate with their potential customers, and the fact that 60 percent of

Thailand's arrivals are free independent tourists who have a high level of utilization of the Internet, TAT is linking its web site to small and medium scale regionally-based tourism companies.

Thailand has recognized the importance of the domestic tourism market both to fill any gaps in demand from overseas markets, and as a major opportunity in its own right given that a smaller proportion of the Thai population can afford to travel overseas owing to the baht's devaluation. According to TAT's estimates, more than 55 million domestic trips generated 233,300 million baht in 2000. Despite these admirable responses to rapidly changing global and regional operating environments, there is a number of issues that must be addressed if Thailand is to build on its past initiatives. These include evolving its successful brand image to attract not only a wider range of international tourists but also with the objective of getting them to spend more whilst in Thailand. However, a wide range of tourism markets will definitely require a more diversified range of tourism products.

It is the Government of Thailand's stated objective to distribute the benefits of tourism more evenly throughout the country. This will involve bringing tourists into contact with fragile communities and environments. It is already evident that some hoteliers and tour operators are more interested in exploiting such communities for short term profits rather than establishing long term sustainable tourism development.

The public at large, and the industry in particular, must be made aware of the need to conserve and manage the cultural and natural resources of Thailand. Failure to do so could result in socio-cultural breakdowns and environmental degradations. Responsibilities should be clearly recognized, accepted and implemented. Failure to do so could result in the successful initiatives adopted to date being dissipated through unplanned and unregulated over-development. Such an outcome could undermine the

success of the “Amazing Thailand” campaigns and prevent a more equitable distribution of the benefits of tourism, especially amongst the rural communities.

### **2.3 Tourist Categories**

In order to develop a strategic approach to Thailand’s tourism development for the next decade and beyond, Thailand’s international tourist arrivals can be divided into three broad groupings. The groupings, termed “core”, “special interest segments” and “combinations” are differentiated according to a number of attitudinal and behavioral characteristics.

- (1) Core: Those taking a single destination (city or resort) business or holiday trip i.e. to Bangkok or a beach resort represent the CORE group.
- (2) Special Interest Segments: A prevailing international discretionary, or holiday, market trend in for above-average growth is non-mainstream, or alternative, tourism.
- (3) Combinations: Those tourists taking a holiday comprising a city and/or resort stay “combined with” one or more components form the special interest segment category are referred to as “Combinations”.

### **2.4 Growth Scenarios**

The WTO forecasts for the East Asia and the Pacific region (revised in December 1999 to take account of the economic and financial crisis in the region) envisaged an average annual rate of growth in tourist arrivals between 1995 and 2000 of 2.7 percent, while for Thailand, the corresponding forecast growth rate over this period was 6.9 percent a year. This difference in anticipated growth rates for the full 5 year period reflected the greater degree to success of Thailand in coping with, and recovering from, the difficulties than achieved by other countries in the region.

For the first decade of the twenty first century, the WTO “Tourism 2020 vision” study’s projection for the East Asia and Pacific region and Thailand are for average annual growth rates of international tourist arrivals of 7.7 percent and 7.8 percent respectively. In other words, with the recovery from the mid 1997 to mid 1999 completed, the region (and Thailand within it) will lead the way in terms of the world’s international tourism expansion. Global tourist arrivals will increase at an average annual growth rate of 4.2 percent between 2000 and 2010.





Table 2.1. Adjusted "Tourism 2020 Vision".

Adjusted "Tourism 2020 Vision" Forecast of Tourism Arrivals In Thailand by Main Markets					
Origin Markets	Actual	Forecasts		Growth Rates (%)	
	2000	2010	2020	2000-2010	2010-2020
Malaysia	1,058	2,077	4,086	7.0	7.0
Japan	1,207	2,729	6,170	8.5	8.5
Taiwan (P.C)	712	866	1,282	4.0	4.0
Korea Rep.	448	1,001	2,162	8.4	8.0
Singapore	660	1,074	1,923	5.0	6.0
China	704	1,451	3,435	7.5	9.0
Germany	388	728	1,304	6.5	6.0
Hong Kong, China	495	1,284	2,526	10.0	7.0
United States	486	830	1,417	5.5	5.5
United Kingdom	480	782	1,274	5.0	5.0
Middle East	202	362	648	6.0	6.0
Others	2,739	5,447	10,740	7.1	7.0
<b>Total</b>	<b>9,579</b>	<b>18,631</b>	<b>36,967</b>	<b>6.9</b>	<b>7.1</b>

Source: World Tourism Organization (WTO)

The various adjustments made result in overall growth rates in international tourist arrivals in Thailand of 7 percent a year during the first two decades of the twenty first century. Slightly lower annual growth is forecast in the first half of the period (i.e.

6.9 percent in 2000-2010) than between 2010 and 2020 (i.e. 7.1 percent a year). The Asian markets are likely to exhibit the highest rate of growth, with long-haul source markets tending to rates of increase between 5 and 6.5 percent a year.

However, a number of constraints, as identified by TAT needs to be resolved if the forecasts of tourist arrivals are to be achieved. Marketing specialists' own observations confirm each of these problem area, to which can be added the intensification of destination competition. Even allowing for a stepping up of Government support for tourism, the WTO considers it an untenable proposition for Thailand to significantly out perform the East Asia and the Pacific region as a whole as would be required for a 9 percent average annual growth in arrivals to be attained. The consensus to WTO's Thai travel trade survey respondents is for 7 to 8 percent average annual growth in the short term, with rates edging somewhat lower in the mid to long term. Many operators expressed concern to the consultants that Thailand's tourism is growing too rapidly; in other word, infrastructure, facility and service quality is finding it difficult to keep pace with the growth of tourist arrivals.

Additional hotel rooms will be required to meet the WTO's anticipated 6.9 percent a year growth in international tourist arrivals in the period 2000-2010. In 2001, there will be a need for extra 11,422 rooms, a figure which rises to 20,373 rooms in 2010.

## 2.5 Tourism Performance

### 2.5.1 International visitor arrivals to Thailand 1990-2000

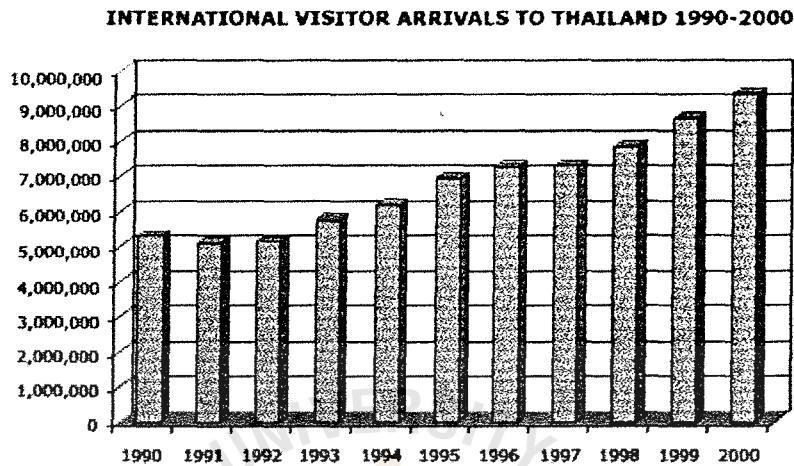


Figure 2.1. International Visitor Arrivals to Thailand 1990-2000.

Thailand set a record of visitor arrivals of 9.35 million in 2000, an above-average growth of 8.79% over arrivals of 8.58 million in 1999.

This growth is attributed to several factors, the primary being the slow but steady recovery of regional economies which has seen arrivals from countries such as Korea, Taiwan and Hong Kong return to growth. The Asia-Pacific countries generate about 65% of total visitors to Thailand and were badly affected by the economic crisis. The downturn in travel is now considered over.

Thailand's overall political and economic stability has heightened the confidence levels of visitor world wide, as well as the tour operators who sell Thailand. As a result, this has allowed international airlines to maintain adequate seat capacity to Bangkok.

Another major factor has been the excellent value for money with visitor being able to take advantage of some of the world's finest tourism products and services available at highly affordable prices.

As a result of the country's notable effort to revive the economy, the country registered a 17% growth in the number of business travelers and 21% growth in the number of delegates attending conventions/exhibitions. These trends are expected to continue into the future.

#### 2.5.2 Revenue from International Visitor in 1990-2000

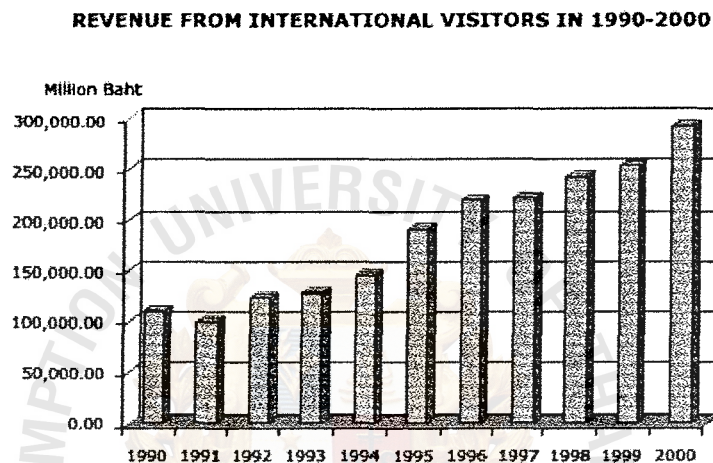


Figure 2.2. Revenue from International Visitors in 1990-2000.

The baht has fluctuated considerably against major international currencies over the last two years as Thailand sought to overcome its economic woes, but it has generally remained very favourable to visitors, at about 41-42 baht to the US dollar.

This has led to a significant increase in visitor expenditure in baht terms from 220.7 billion baht in 1997 to 253 billion baht in 1999 and a projected 291.8 billion in 2000, rising further to about 325 billion baht in 2001.

For thousands of Thai people, whose income is in baht, tourism has played a clear and undisputed role in generating income and maintaining jobs. The Thai tourism industry is working hard to maximize visitor spending, especially on handicrafts,

souvenirs and other locally-made items which benefit local artisans. This means that more of the income remains in Thailand.

A number of shopping festivals have been organized in co-operation with the Department of Export Promotion, the Bangkok city governorate and private sector department stores, shopping complexes and other retail outlets to further encourage visitors to purchase locally-made goods. The Revenue Department has helped by implementing a VAT-refund scheme for visitors.

While Thailand will remain a great value for money destination, the Tourism Authority of Thailand (TAT) is working hard to ensure that expenditure in foreign exchange returns to the same level as that before the economic crisis. Attracting more high-yield visitors, specifically for niche-market products, is a critical element of that strategy.





### 2.5.3 Average length of stay of international visitor arrivals to Thailand in 1990-2000

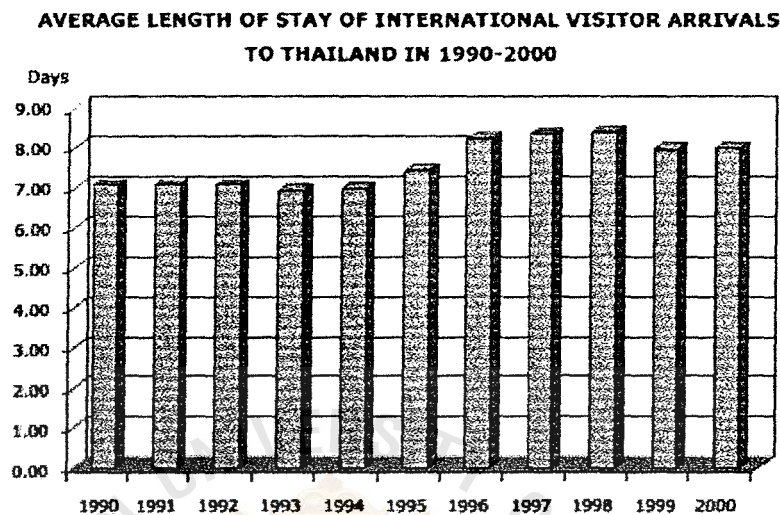


Figure 2.3. Average Length of Stay of International Visitors to Thailand in 1999-2000.

This is mainly due to a large increase in visitors from China and Northeast Asia who normally stay for short periods of four or five days before proceeding to another Asian country.

Two important strategies implemented by the Tourism Authority of Thailand are producing good results in maintaining the average length of stay.

- (1) One has been diversifying the range of tourism products to include niche-market like health, culinary tourism, shopping, adventure travel/ecotourism, golf and sports tourism.
- (2) The other is the emphasis on visiting Thailand plus neighbouring countries in the Greater Mekong Subregion (GMS), namely Cambodia, Laos, Myanmar, Vietnam and Yunnan Province of Southern China.

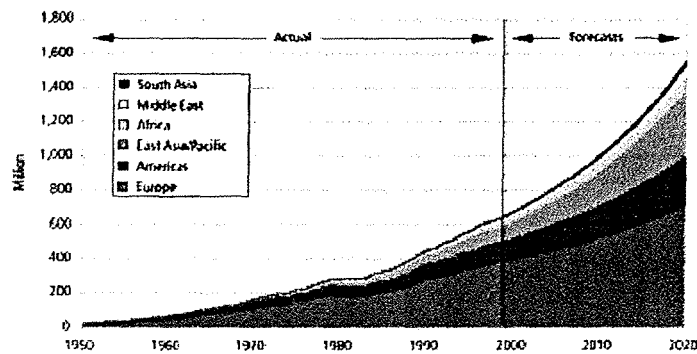
The GMS countries such as Cambodia, Laos and Vietnam are moving strongly to facilitate tourism access through visa liberalization and increased airline connections with Thailand. Visitors who may have seen Thailand before can come again and proceed to one or another of these fabulous new destinations, rich with culture, heritage and geographical diversity.

The average lengths of stay of other visitors have remained more or less unchanged: Europeans at about 13.30 days; visitors from the Americas at about 9.10 days; South Asians at 8.20 days; visitors from Oceania (Australia/New Zealand) at about 9.20 days and visitors from the Middle East at about 10.6 days.

## **2.6 A Huge Global Industry**

Hundreds of millions of people make billions of trips each year, making travel one of the world's largest industries. This industry encompasses a broad range of businesses such as airlines, hotels, cruise lines, rail lines, car rentals and also travel agencies, tour operators and other travel suppliers that are part of a chain supply of products and services.

According to the latest report from the World Tourism Organization, the Leisure Travel Industry “grew by an estimated 7.4 per cent in 2000, its highest growth rate in nearly a decade and almost double the increase of 1999.”



Source: World Tourism Organization (WTO)

Figure 2.4. International Tourist Arrivals, 1950-2020.

In 2000, the total number of international trips was 698 million-almost 50 million more than the previous year. The total number is expected to more than double, or reach 1.56 billion by 2020 (WTO 2020 Vision).

### III. SITUATION ANALYSIS

#### 3.1 SPELT Analysis

##### 3.1.1 Social Factors:

- (1) Population density has a less important influence on travel propensity than the distribution of population between urban and rural areas. Densely populated rural nations may have low travel propensities owing to the level of economic development and the simple fact that the population is mainly dependent upon subsistence agriculture and has neither the time nor the income to devote to tourism. In contrast, densely populated urban areas normally indicate a developed economy with consumer purchasing power, giving rise to high travel propensity and the urge to escape from the urban environment.
- (2) Social changes since the Second World War in the developed world have changed travel demand patterns. Most of these countries are experiencing a slowing of the birth rate, with some having projections of population decline. This, combined with extensions in life expectancy, has created an aging population.

##### 3.1.2 Political Factors:

- (1) The degree of government involvement in promoting and providing facilities for tourism depends upon the political complexion of the government. Governments that support the free market try to create an environment in which the tourism industries can flourish, rather than the administration being directly involved in tourism itself.

- (2) Governments in times of economic problems may control levels of propensity for travel overseas by limiting the amount of foreign currency that can be taken out of a country or demanding a monetary bond to be left in the country while the resident is overseas. Government restrictions on travel also include visa and passport controls as well as taxes on travel.

### 3.1.3 Economic factors:

A society's level of economic development is a major determinant of the magnitude of tourist demand because the economy influences so many critical, and interrelated, factors. The economic development of nations can be divided into a number of stages, as outlined below.

Table 3.1. Economic Development and Tourism.

Economic Stage	Some Characteristics	Examples
<b>Traditional society</b>  Long-established land-owning aristocracy, traditional customs, majority employed in agriculture.  Very low output per capital, impossible to improve without changing system.  Poor health levels, high poverty levels.	<b>The undeveloped world</b>  Economic and social conditions deny most forms of tourism except perhaps domestic visiting friends and relatives.	Parts of Africa, parts of southern Asia.



Table 3.1. Economic Development and Tourism (Continued).

Economic Stage	Some Characteristics	Examples
<p><b>Preconditions for take-off</b></p> <p>Innovation of ideas from outside the system. Leaders recognize the desirability of change.</p> <p><b>Take-off</b></p> <p>Leaders in favour of change gain power and alter production methods and economic structure. Manufacturing and services expand.</p>	<p><b>The developing world</b></p> <p>From the take-off stage, economic and social conditions all increasing amounts of domestic tourism. International tourism is also possible in the drive to maturity. Inbound tourism is often encouraged as a foreign exchange earner.</p>	<p>Parts of South and Central America; parts of the Middle East Asia and Africa.</p>
<p><b>Drive to maturity</b></p> <p>Industrialization continues in all economic sectors with a switch from heavy manufacturing to sophisticated and diversified products.</p>		<p>Mexico; parts of South America.</p>

Table 3.1. Economic Development and Tourism (Continued).

Economic Stage	Some Characteristics	Examples
<b>High mass consumption</b>  Economy now at full potential, producing large numbers of consumer goods and services.  New emphasis on satisfying cultural needs.	<b>The developed world</b>  Major generators of international and domestic tourism.	North America,  Western Europe,  Japan, Australia, New Zealand.

#### 3.1.4 Legal Factor:

We can base our online transaction on the foundation of laws in term of offer and acceptance. It has covered the standard basis by law and regulation controlling both domestic and international online business.

#### 3.1.5 Technological factors:

- (1) The case in terms of transport technology where the development of the jet engine in the late 1950s gave the aircraft both speed and range and stimulated the variety of tourism products available in the international market to meet pent-up demand for international travel.
- (2) The technology acts to increase access to tourism by lowering the cost or by making the product more accessible. Examples here include developments in “recreational technology” such as windsurfers, durable outdoor clothing, heli-skiing and heli-hiking and off-road recreational vehicles.

### 3.2 Competitive Analysis

Now there are so many online tourism businesses in the market place and we have to be concerned the main competitive as the follows:

#### 3.2.1 [www.sabuy.com](http://www.sabuy.com)

First operated as a portal web site for travel provided only information for tourists.

Now they provide more service and information for customers.

Strengths:

- (1) Brand acknowledgment: [sabuy.com](http://sabuy.com) now is a popular website for Thai people especially teenagers. Therefore, customers now know the website well.
- (2) Advertising: [sabuy.com](http://sabuy.com) is a site under contract of mweb company that uses many advertising programs, especially to promote the site and thus, can strengthen its positioning. Advertising campaign includes radio, billboard and print ad.
- (3) Features available online: currently, [sabuy.com](http://sabuy.com) has provides many features to support their customers including online quotation.

Weakness:

- (1) Not real-time reservation: It cannot confirm availability for customer's need online. Customer can only submit their request for information and wait for responding within the fixed date.

### **3.3 SWOT Analysis**

#### **3.3.1 Strengths:**

- (1) Accommodations: we provide low price accommodations, with good quality for customers such as guesthouse, bungalow etc. We are able to provide all information on accommodations that customers need to know.
- (2) Professional Tour agent: we are able to connect the tour agent to guide the customer for traveling in the tourist area.
- (3) Customer service: we provide 24 hours customer service in case customers face problems during their trip so that they can call our customer service immediately.

#### **3.3.2 Weaknesses:**

- (1) Newcomer to this business: because we are a newcomer into this business we have to spend more money to promote our website.
- (2) Few IT staff: There are few staff that know IT technology and that can be a problem in the future. However, the company must hire IT staff to run the operation.
- (3) Real-time reservation: It is difficult to provide real-time reservation now because the guesthouse and bungalow do not have a computer reservation system that can share data in real-time.

#### **3.3.3 Opportunities:**

- (1) Operational activities: This can create a positive impression and increase the number of repeat visitors who in turn will generate “referrals” recommending our website to their friends and relatives by word of mouth.
- (2) Cost effective: We need to control the cost to meet customer’s satisfaction so that they can obtain a convenient way to find their travel place.

- (3) Internet world: Many businesses are using Internet both for searching information and also for expanding their transactions. Therefore, e-tourism has a great opportunity in this market.
- (4) Web programming: We set up the web program to be suitable for each function that will provide an easy way for customers to find our information and services.
- (5) Security control: We also provide security, certification and non-repudiation for our services. Customers can be ensured about our payment security control because we have many alternative payment systems.

#### 3.3.4 Threats:

- (1) Security: We do not have a strong security technology to ensure 100% security.
- (2) Competition: There are a few competitors in this market, so we cannot obtain the benefit of being a monopoly.



## **IV. MARKETING OVERVIEW**

### **4.1 The Dynamics of Tourism Market**

The dynamic nature of the tourism market is also shown by changes in customer behavior following the transition of information. Consumers are more knowledgeable, more informed, more confident, and they expect higher involvement in their travel decision making. They are open to innovation and expect to find the best deal in their selection. With a tremendous amount of information available, they also expect market transparency. More than ever, consumers now expect high performance from the tourism industry.

Travel and tourism consumers on the web expect to be serviced individually and therefore expect a high degree of customized products. The individualized products match the criteria of the emerging one-to-one economic system. Instead of trying to sell products to as many people as possible, the new game will be to satisfy each individual customer's needs.

### **4.2 Target Market**

Target customers are Thais and foreign backpackers with medium incomes and are willing to stay at low price accommodations such as guesthouse or bungalow more than luxury style. They are also interested in culture and nature, and are active players interested in sports such as camping, biking, diving and trekking. The proposed market segment targeting comprise:

- (1) The focus of the country's marketing effort should remain to be the prime, high yield Asian, European and North American markets, which hold the strongest growth prospects for Thailand

- (2) Care should be exercised in marketing to the Chinese market with highly selective, targeted activities on those urban areas with good access for travel to Thailand

Table 4.1. Average Length of Stay of International Tourists in April, 2001-2002.

Country of Nationality	2002	2001
East Asia	5.41	5.52
Europe	13.75	13.16
The Americas	9.83	9.20
South Asia	6.98	8.46
Oceania	9.88	9.21
Middle East	9.39	9.17
Africa	9.74	9.33
<b>Grand Total</b>	<b>7.89</b>	<b>8.07</b>

Source of Data: Immigration Bureau, Police Department

Table 4.2. Tourism Profile 2002.

	Number	$\Delta$ (%)	% Share
<b>Sex</b>			
Male	2,253,167	+ 7.44	60.15
Female	1,492,516	+ 6.23	39.85
<b>Frequency of Visit</b>			
First visit	1,937,028	+ 20.18	51.71
Revisit	1,808,655	- 4.32	48.29
<b>Travel Arrangement</b>			
Group Tour	1,729,972	+ 23.39	46.19
Non Group Tour	2,015,711	- 4.02	53.81
<b>Purpose of Visit</b>			
Holiday	3,347,720	+ 7.70	89.38
Business	290,065	- 1.08	7.74
Convention	38,049	+ 30.17	1.02
Official	13,643	- 10.28	0.36
Others	56,206	- 0.02	1.50
<b>Age</b>			
Under 15	160,027	+ 14.69	4.27
15 - 24	336,026	+ 5.15	8.97
25 - 34	952,496	+ 3.49	25.43
35 - 44	897,913	+ 7.34	23.97
45 - 54	733,095	+ 7.75	19.57

Table 4.2. Tourism Profile 2002 (Continued).

	Number	$\Delta$ (%)	% Share
55 - 64	467,835	+ 11.63	12.49
65 and Over	198,291	+ 6.21	5.29
<b>Occupation</b>			
Professionals	557,187	+ 9.10	14.88
Admin. & Managerial	411,149	+ 5.59	10.98
Commercial Personnel	604,391	+ 0.48	16.14
Labourers/Production	589,995	- 27.52	15.75
Agricultural Workers	9,816	- 5.86	0.26
Government Official	28,849	+ 1.66	0.77
Housewife/Unpaid Workers	220,106	- 0.05	5.88
Students & Children	375,557	+ 0.73	10.03
Retired & Unemployed	79,348	+ 10.43	2.12
Other	79,721	+ 22.85	2.13
Not Stated	789,564	+ 88.92	21.08

Source of Data: Immigration Bureau, Police Department

### 4.3 Tourism Demand

The economic approach introduces the idea of elasticity, which describes the relationship between demand and price, or other variables. The geographer's definition implies a wide range of influences, in addition to price, as determinants of demand and includes not only those who actually participate in tourism, but also those who wish to, but for some reason do not. Tourism demand depends on the following:

- (1) Access to reliable and accurate information and ability to make reservations in a fraction of time
- (2) Access to transparent and ease in comparing information on destinations, travel, accommodations reservation and leisure service.
- (3) Access to product at reasonable price

#### 4.3.1 Suppressed Demand for tourism

- (1) Travel is expensive and demands a certain threshold of income before people can enter the market. It competes with other products for available funds.
- (2) Lack of time is a problem for some individuals who cannot allocate sufficient blocks of time to stay away from home. This may be for business or family reasons.
- (3) Physical limitations (such as ill health) are a significant reason for many people not travelling. In particular, heart disease and mental/physical handicap act as a major constraint on travel.
- (4) Family circumstances such as being single parents or having to care for elderly relatives may prevent traveling.
- (5) Government restrictions such as currency and visa controls may act as a real barrier to travel (both inbound and outbound) for some countries.
- (6) Lack of interest/fear is a real barrier for some individuals.



#### 4.4 Customer's Value

Leisure travel is not an impulse buy, and consumers often take a month or longer conducting research before deciding upon a major travel purchase, such as hotel and vacation packages. The total customer's value is as follow:

##### 4.4.1 Product Value

- (1) Customers derived the product value mainly from what they bought from Thaibackpack.com
- (2) Consistent product quality from Thaibackpack.com is offered to our customers. And customers are interested in the product when they see the picture from the website.
- (3) Customers can find easy information for travel that covers all the information that is of major concern.
- (4) Customers are able to control their budget and prepare well for the trip.

##### 4.4.2 Service Value

- (1) Customers can connect to our staff 24 hours in any case of problem that occurs during their trip.
- (2) Accommodation reservation will be replied within 24 hours after receiving their data requirement.
- (3) Customers can do shopping 24 hours a day, 7 days a week.
- (4) Product information is always up-to-date for customers to search and compare.

##### 4.4.3 Image Value

- (1) Provide convenience and effectiveness for Thais and Foreign tourist backpackers.
- (2) Provide low price accommodations for tourist's benefit.

#### 4.4.4 Personnel Value

- (1) Our operational staffs are well trained and service-minded. They are willing to serve our customers. They can handle and customers' complaints or promptly give recommendation to customers.
- (2) Our staff will acquire new travel information to update their knowledge to provide for customers.

#### 4.5 Positioning

The Thaibackpack product has a distinguishing feature that has thrust it into the forefront of the electronic commerce revolution: at-the-point-of-sale tourism is a little more than information product. Until the product is actually consumed, the consumer must be confident that the actual experience will materialize and satisfy expectations. We may therefore consider Thaibackpack as a "confidence good". While price and customer services during the booking procedure are important competitive factors, we are increasingly competing on the confidence inspired in the customer directly through the quality of the information provided. We aim to position ourselves to improve relative position in the international market, and to approach our customers and build confidence.

Positioning statement: *"Thaibackpack.com, we can offer the best price for all backpackers."*

#### 4.6 Competitive Advantages

- (1) We establish on-line booking as a normal operation, the challenge facing the travel industry in bringing on-line the "travel consultant" to ensure that message and content of our site is appropriate to our target audience.

- (2) Ensure our content is current and accurate and that third-party information published on our site maintains a similarly high standard. Do not publish information we cannot update.
- (3) Test the site thoroughly before launching it.
- (4) The system producing the necessary consumer profiling and, most importantly, the relationship and confidence between consumer and the on-line automated virtual travel consultant must be superior in efficiency.
- (5) Database-filtering tools are used to ensure that proactive mail shots have a personal feel. Feedback forms, and newsletter can encourage customers to tell more about themselves.
- (6) One-to-one relationship with customers through e-mail wherever possible is advantageous, as it is personal and immediate, but less intrusive than the telephone.
- (7) We provide comprehensive information to consumer, bringing together as many components as possible that make up a holiday with special interests, culture and recreation.

#### **4.7 Customer Relationship Management Tools**

Our products and services build strong relationship with our customers. We use CRM tools to facilitate customer communication and interaction. Our booking engine is pivotal in enabling customers to build their itineraries according to their specifications. The superior service delivered in meeting customers' travel needs through the web site is a compelling reason for them to revisit the web site again and again. Customer loyalty is strengthened through such features as the ability to design a trip, save it and retrieve it several days later to modify or finalize it. Features that

accommodate personalizing can be added to the site. For example, next time someone returns to our web site, they could be greeted by their name.

We should capture e-mail addresses from web site visitors to maintain a mailing list server that is available for sending personalized e-mail to customers and specific customer subsets. For example, we may want to reach people that are interested in a specific type of trip. Then e-mailing is a fast, efficient and low-cost method of sending announcements, special promotional notices, newsletters and other messages to recipients that have visited our web site.



## **V. MARKETING PLAN**

Marketing strategy, or mix, should be viewed as a package of offerings designed to attract and serve the customer or visitor. Marketing strategy includes 4Ps as follows.

### **5.1 Product**

We provide low price accommodation reservation for our customers as our major product. With today's highly competitive marketplace, we must quickly adapt and find new ways to grow our business. We must be able to respond quickly to the increasing demands from our customers, which translate into the need to offer real-time availability, even though it is not yet accomplished now but will be for reservation referred to the outstanding customer service. As such, at the time of purchase/booking, the product can be seen as nothing more than a bundle of information. Therefore, we also provide information on price, quantity (number of beds and seats), quality of hotel, and supplements. This information needs to be communicated to the customer, hence the importance of the information transmission mechanism of [www.Thaibackpack.com](http://www.Thaibackpack.com).

For our minor product, we provide a market place for low price accommodation owners who are willing to be our sponsors and also advertise their product at our site.

### **5.2 Price**

Price is one of the most important and visible elements of the marketing mix. In general, tourism is both price and income elastic. Thus, raising price depresses consumer demand while lowering prices normally increases it. Similarly, when it drops, tourism as a luxury good may be one of the first discretionary expenditures to be cut. People tend to plan holidays against a fixed budget which may involve careful saving through the year. Before making a final decision they often closely compare brochure prices and make a choice which seems to offer best value against other



options. We will be able to take advantage of last minute bargain low price accommodations. We pay should attention to pricing strategies which may encourage off season and non-peak period sales, and longer stays (combination of room, meals, and facilities).

#### 5.2.1 Cost Benefit analysis

The cost of the whole system includes manpower cost, hardware cost, software cost, implementation cost and maintenance cost.

Table 5.1. Cost of Manpower of the Thaibackpack.com in Baht.

Description	Quantity	Annual Cost	Total
Web Master	1	144,000	144,000
Web Developer	2	108,000	216,000
Information Provider	2	96,000	192,000
Total	5	348,000	552,000

- (1) Hardware Requirement: We use only one computer as both web server and client. The table below shows all the list of hardware used to create the prototype of “Thaibackpack.com”
- (2) Software Requirement: Software section is very important to create a website. The major software is web server that helps personal computer to perform web server, so we can use only one computer to work as both web server and client. The table below is the list of software for creating the website.

Table 5.2. Cost of Hardware and Software of the Computerized System in Baht.

Hardware/Software	Quantity	Price/Unit	Total
Web Server including Windows NT Server	1	270,000	270,000
PC Workstation including Windows NT Workstation	2	35,000	70,000
Laser Printer	1	13,000	13,000
Modem 56 Kbps	1	2,500	2,500
UPS	1	15,000	15,000
MS SQL Server 7.0 with 5 Client Access Licenses	1	260,000	260,000
The Web Application system for Online business	1	150,000	150,000
Total			781,500

### 5.2.2 Source of Income

Income will be generated from the products customers purchase from the site. We expect 20 groups of customers per month and expect 10% from the guesthouse or bungalow that we have contacted. We think it is a possible figure. By this expectation we will have ROI within 2 years as the figure shown below:

$$\begin{aligned}
 \text{Total Investment} &= \text{Cost of Manpower} + \text{Cost of Hardware and software} \\
 &= 552,000 + 781,500
 \end{aligned}$$

$$= 1,333,500$$

To achieve the expected Return on Investment within 2 years or 24 months so we need to generate income of approximately 55,562.50 baht per month (1,333,500/24). Since we expect 30 groups of customers per month and 10% from guesthouse or bungalow and each group spends 3,000.- baht, we will generate 90,000 baht. From the projected figure, it is a possible figure.

The reasons are that we have a wide variety of styles for customers to choose with a different price range. Also customers need to purchase the products and we want to create long term relationship with them. So every time they want to travel at low price, they have to use our service.

### **5.3 Place**

We create electronic storefront and let customers access our site and directly use our service available on the web. Our thaibackpack.com will be a one-stop shopping where customers can find travel information and book for low priced accommodation by just visiting our site. They can just enter into the site and select the action that want.

The place strategy also offers the following:

- (1) Providing direction and maps
- (2) Providing estimates of travel time and distances from different market areas
- (3) Recommending direct and scenic travel routes
- (4) Identifying attraction and support facilities along different travel routes
- (5) Information potential customers of alternative travel methods to the area such as bus or railroads.

#### 5.4 Promotion

Promotion strategies are very important to create awareness to [www.Thaibackpack.com](http://www.Thaibackpack.com). For the starting period, we have paid for advertising on some popular travel websites such as [www.tat.or.th](http://www.tat.or.th), [www.sabuy.com](http://www.sabuy.com), [www.tourthai.com](http://www.tourthai.com) and [www.trekkingthai.com](http://www.trekkingthai.com) which are the most popular attracting more visitors everyday.

Travel webboard such as “Blue Planet” of [www.pantip.com](http://www.pantip.com) is the important one to promote our website. Many people use this Webboard to find travel information.



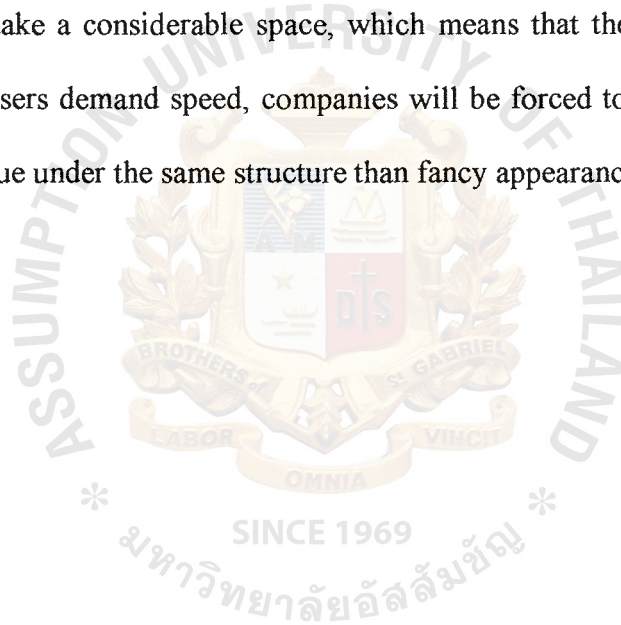
## **VI. WEB DEVELOPMENT AND DESIGN**

### **6.1 Web Concept**

From the design perspective, an effectiveness of a web site could be measured from its speed, ease of use, interactivity, visual presentation, and accessibility.

#### **6.1.1 Speed**

Speed is considered as the single most important usability consideration in web design. Putting priority on looks comes from the old-fashioned print and display advertising method, which uses high-impact graphics with a high degree of color. These graphics take a considerable space, which means that they take a long time to download. As users demand speed, companies will be forced to designing pages with more content value under the same structure than fancy appearance.





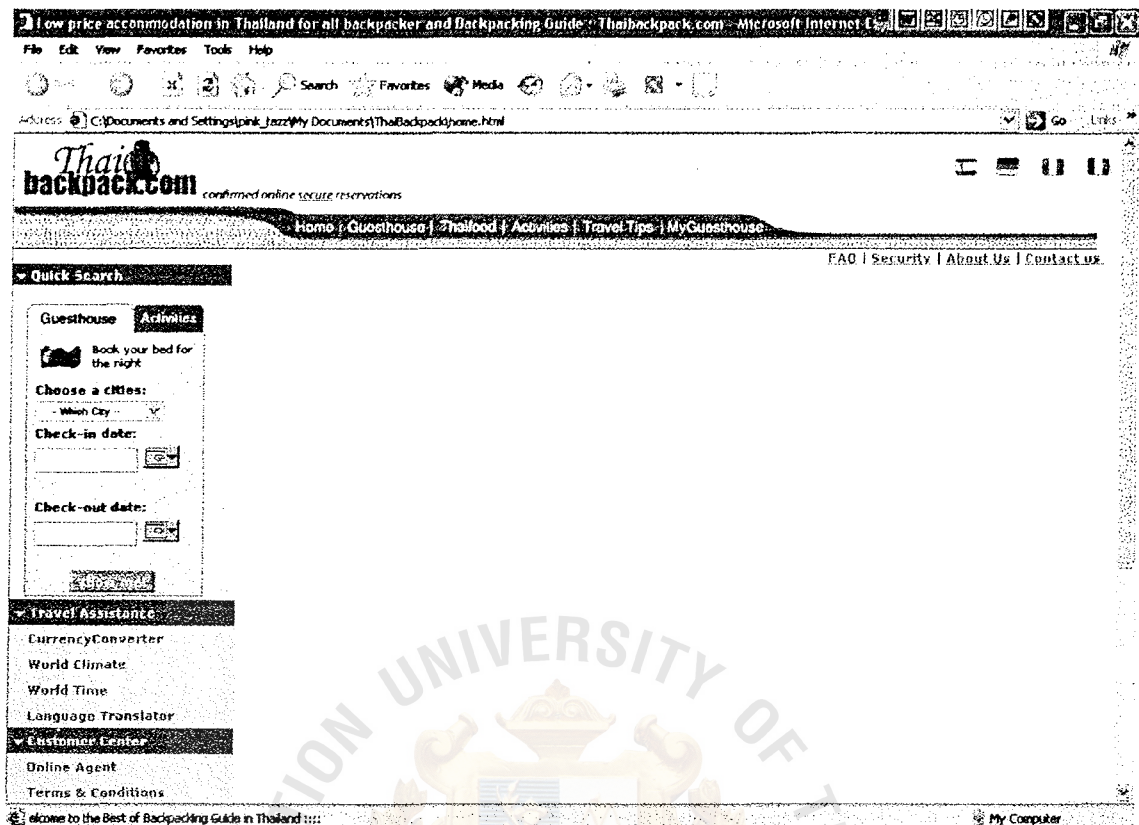


Figure 6.1. Design for Content Value.

### 6.1.2 Ease of Use

Ease of use is one of the keys to a successful web site. One way to provide ease of use is to provide easy navigation within a web site. A navigational tool has to have a consistent look, be in the same spot on every page, and get the visitors to the information in as few clicks as possible.

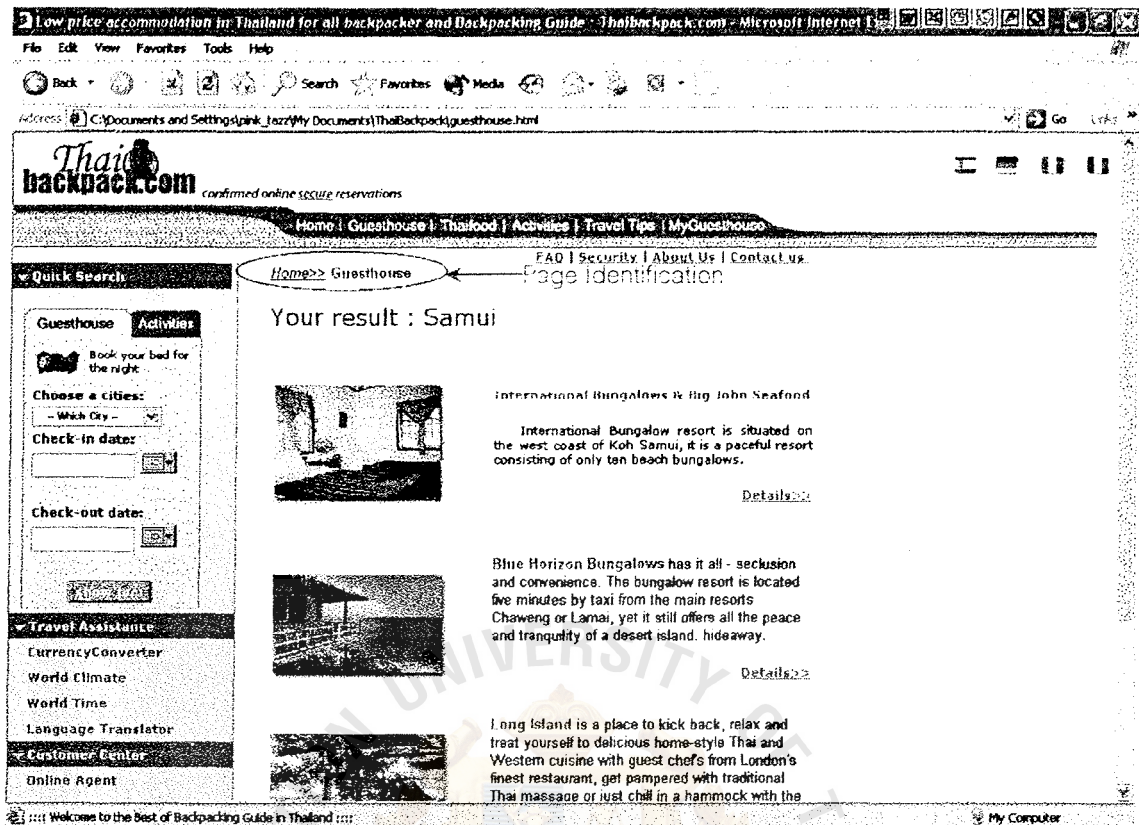


Figure 6.2. Page Identification.

Thaibackpack.com is design tips include; identification of the site on every page, allowing users to travel back up the hierarchy to any level without having to hit all the intermediate points, avoiding orphaned pages, and considering cross-architecture views for other navigation way.

### 6.1.3 Interactivity

The web is the most conversational mass medium ever developed. The majority of sites can speak more than one language, some at least 4 languages to support the foreign travelers. The key to on-line success requires information that travelers will get from the site so that and they can react to the information that they see.

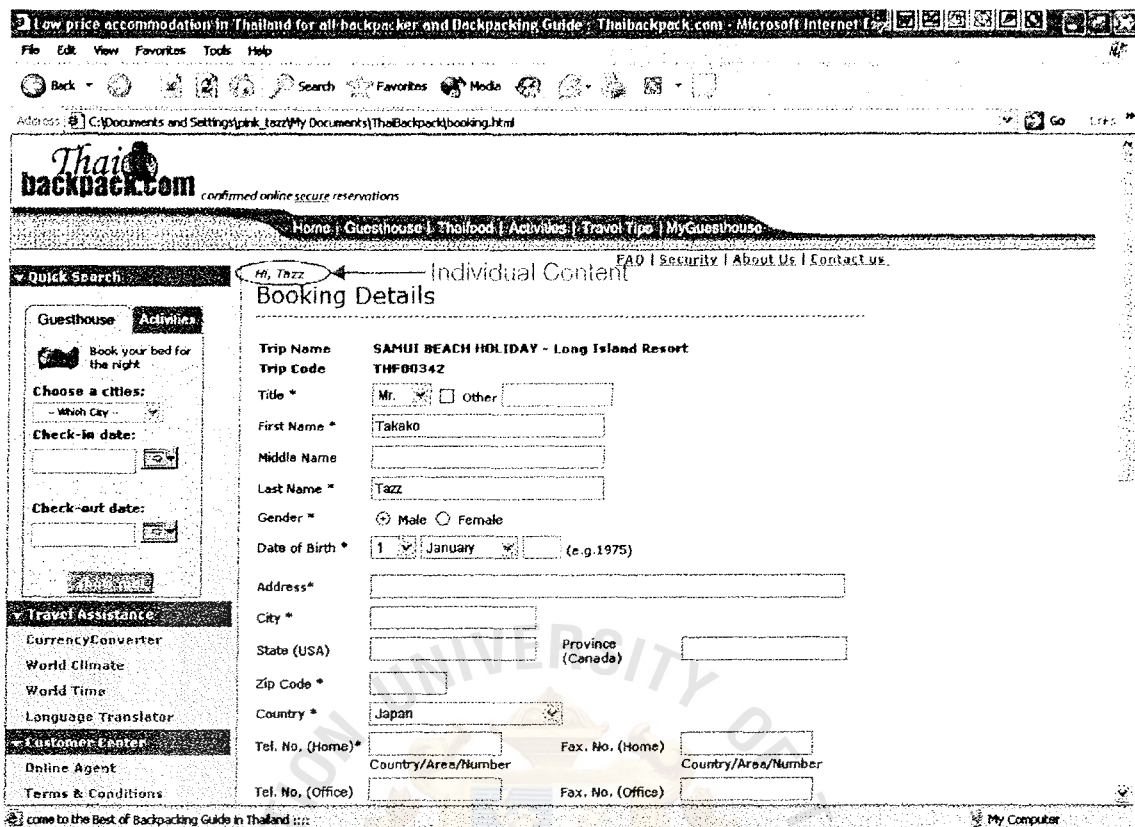


Figure 6.3. Individual Content.

This ability to individual customer message is at the heart of the exciting potential of this interactive medium. Linking powerful database to search content is one way to offer this interactive for example, a user may searcher for a guesthouse or other type of accommodation by just the amenities they are interested in. If they only want to see guesthouse in Koh Samui that have access facilities, a kitchen, laundry and a swimming pool for the kids.

#### 6.1.4 Presentation

Although speed is more important, visual appearance is also significant. The first couple of pages are designed with special care, because the first impression counts. The design will grab people's attention, and quality content will make them frequent visitors who find the important information they need to make their stay enjoyable and the site

profitable. People are likely to become repeat visitors if a web site is designed professionally and artistically.

#### 6.1.5 Accessibility

Accessibility here means two things: the visibility of sites to the audience and accessibility by people with a disability. Making a web site highly visible can be done in many ways: placing an advertisement in popular sites relevant to our business. Guidelines for good practice of giving accessibility on style sheets; images and image maps, applets and scripts, text, symbols, punctuation, phrases and paragraphs, lists and outlining, tables, links, frames, and user-input forms are available.

#### 6.2 Creating Scenarios to Support for Reservation

Thaibackpack proposes to create easy to use reservation, date-entry layout style and format that can be implemented on Thaibackpack.com.

6.2.1 We use a way so that the audience must consider the dates for reservation (e.g. August 15<sup>th</sup> to 18<sup>th</sup>). The number of nights should automatically be calculated from the Check-In and Check-Out dates by the following logic:

- (1) If the user changes the Check-In date, the Check-Out date changes
- (2) If the user changes the Check-Out date, the number of nights changes

Check-in date: (DD/MM/YY)    Check-out date: (DD/MM/YY)

<input type="text"/>	<input type="button" value="▼"/>	<input type="text"/>	<input type="button" value="▼"/>
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Figure 6.4. Date Format Displayed.



### 6.2.2 Date entry forms:

- (1) Use straight date entry of day, month and year. This reduces the number of items the user has to change when entering date
- (2) A default date will not overwrite a date that a user has entered previously in that session. Example, if the user has searched for 15<sup>th</sup> of August and then returns to the search page, set 15<sup>th</sup> of August as the default, not 'today' or another default. This can be achieved using JavaScript and cookies.
- (3) Date entry form will be displayed including the popup calendar as a reminder.

6.2.3 Calendar popup: A calendar popup is a new browser window that presents audience with a full calendar view of one or maybe several months. The audience browses the calendar by moving forwards or backwards a month at a time. When they see a date they wish to select, they click on it. The calendar popup then closes, and the date is entered into the main webpage.

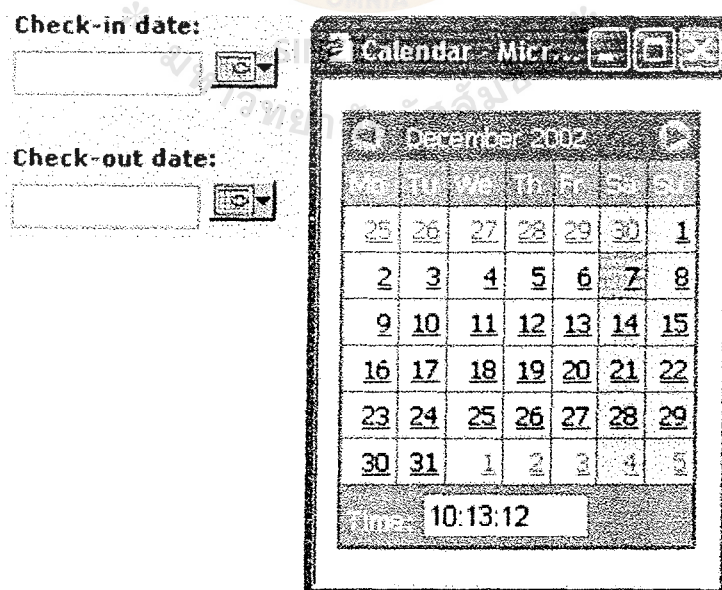


Figure 6.5. Calendar Popup.



6.2.4 Reducing user error: Errors can be checked for at three stages as follows:

- (1) Error checks on entry of date: Means to automatically show error message when the user enters the date on the form will be incorporated to check whether the date entered exists or not (i.e. 31/2/2002).
- (2) Error checks on submission of form: check-in date should be before check-out date, while check-in date must be after today, and check-out is not beyond maximum future date booking capability of our system (not more than 12 months).
- (3) Error checks on next page: checking on the next page needs to repeat the previous date checks. This is because JavaScript may not pick up all errors on all occasions on all browser combinations.

### 6.3 Site Contents

We have decided to include the content on the site based on our objectives and scope of the site as stated in the introductory part. This can be categorized into the following menu:

6.3.1 Home Page: As the audience enter into the home page, they will immediately know where is online reservation click and can find the information with just one click. The following contents will be provided as assistance.

- (1) Main menu will be at the main bar of the page for the audience to navigate the site more easily. The audience can move the mouse over each menu and view its related sub menu for more information.
- (2) Logo of [www.Thaibackpack.com](http://www.Thaibackpack.com) will be placed at the left top part of the page to draw the audience's attention and increase the audience's exposure to the logo which can increase the customers' awareness towards the site so as to achieve our objective.

- (3) Quick Search: This function is provided for customers who would like to make fast reservation by choosing a city that they would like to go, set check-in date and check-out date and click to show that customer's requirement. They can just choose in the text box and click at show me button.
- (4) Welcome page will be in the home page to welcome audience who are first comers and revisitors.
- (5) Hi-Light information that provides new update information for easy for eyes catching and clicking to find that information.
- (6) Provide the map that contains the six main areas of Thailand i.e. northern, north eastern, central, western, eastern and southern.
- (7) Top ten destinations that are easy and quick for customers to search.
- (8) Footer will consist of the copyright statement, contact address of the company and webmaster's contact e-mail.

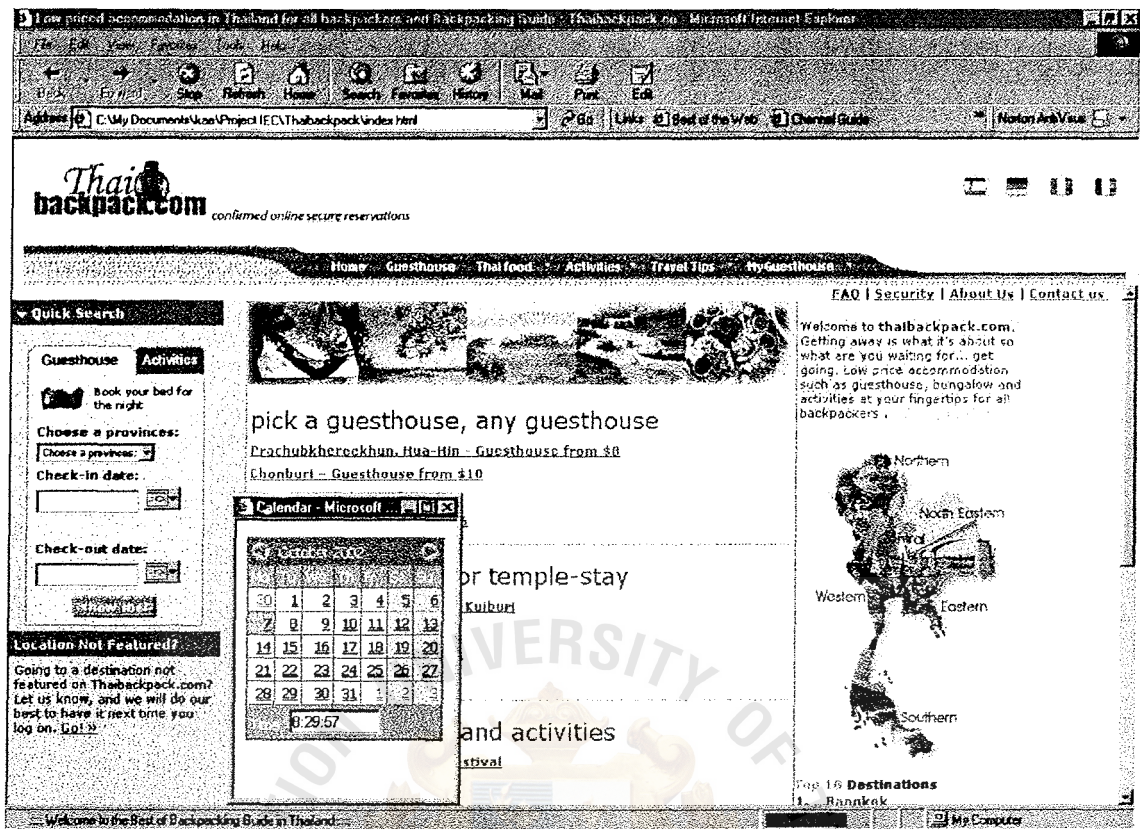


Figure 6.6. Sample of Home Page of www.thaibackpack.com.

In every page, there will be a logo, main menu at the top of the page and footer at the end of each page. For each main menu, there will be a sub-menu provided once the mouse has been moved over it. We also include top button, next and previous buttons for the page which has a long content to assist users in visiting our site.

6.3.2 Guesthouse: As mentioned before, our target group consists of the Thais and foreign backpackers who are willing to stay at guesthouses at suitable prices. The website has to give information on the accommodation and price to them.

- (1) Name and address: The audience will be able to know the name and address of guesthouse available including the price per night.

- (2) Picture: This page is also includes the picture of the guesthouse. The audience can click at the most favourite guesthouse to get more information and to reserve.
- (3) Price: The reservation prices are shown is Thai baht and audience can convert to another currency. Prices stated are per person, per night and payment is made on arrival at the guesthouse. To place a booking online, a 10% deposit is required for each room/night. This deposit will be deducted from the full room rate upon payment at the guesthouse.
- (4) Currency exchange rate: When viewing room prices, the audience can choose to see the room rates in their chosen currency. These exchange rates are updated daily.

6.3.3 Confirmed booking: The confirmation number provided for each booking will guarantee the audience. This confirmation number will appear immediately on audience confirmation page and will also be e-mailed to if the audience provides an e-mail address. The audience can print out the confirmation page and bring it with them to the guesthouse for a speedy check-in. If they do not have access to a printer, they can make a note of their confirmation number.



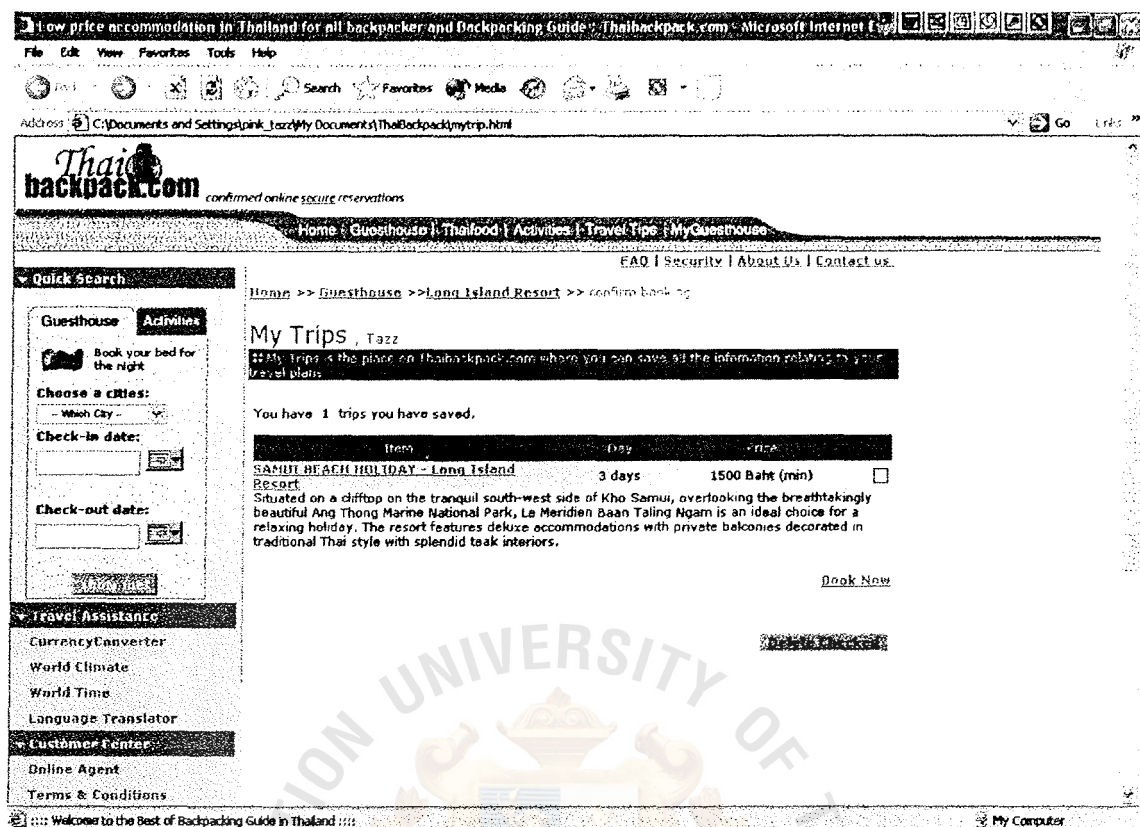


Figure 6.7. Confirm Booking.

6.3.4 Thai Food: Information will be provided about Thai food and popular domestic restaurants.

- (1) Thai food: We will introduce Thai food to backpackers to know what is so special about Thai food, its flavour and ingredients.
- (2) Domestic restaurants: We recommend popular restaurants at each province in Thailand by including the addresses and telephone numbers for customer to take advantage of the information.

6.3.5 Activities: We recommend great ways to keep an eye on what is happening in the places the customers are visiting. For each trip marked in their itinerary, they can view the "things to do" link. This links to activities in that province.





Figure 6.8. Sample of Activities Page of www.thaibackpack.com.

6.3.6 Travel tips: To provide knowledge to the audience, we will guide them about important information requirement for traveling in each province.

- (1) Tips: A collection of tips for backpackers will be offered when visiting each province in Thailand such as suitable clothing when visiting the beach, and important information about Thailand that foreigners have to know.
- (2) Destination Guide: When the audience comes to Thailand, they can take advantage of a range of different backpacker transport options. Thaibackpack has a list of transport information for them.
- (3) Map guide: we offer the map of Thailand for travelers so that they can choose the destination.

(4) Transport guide: we offer the list of transport options such as bus, car rental, trains, and boats.

(5) Share experience: Discussion boards are also provided on the web for the people who have more tips and would like to share their experience with other people.

6.3.7 MyGuesthouse: The audience can view an itinerary of past and present trips, plot their trips, review their bookings, check what's on where they are going and get more information about their destination and low price accommodation.

(1) Sign up: For new members first they have to sign up to view the information, but for old members, they can login and enter their password to find the information.

The screenshot shows a web browser window displaying the Thai Backpacker website. The browser's address bar shows the URL: C:\Documents and Settings\pink\_tazz\My Documents\ThaiBackpack\MyGuest.html. The website's header includes the logo 'Thai backpack.com' and navigation links: Home, Guesthouse, Thailand, Facilities, Travel Tips, MyGuesthouse, and links for FAQ, Security, About Us, and Contact us. A left sidebar lists various options and services: New Users, Customer Support, Deals, Return to previous, Guest House, Maps, Cancellations, Security & Privacy, E-mail, Currency Converter, World Climate, World Time, Language Translator, Royal Forest Department, Electricity Generating, State Railway, Tourist Police, Train Time Table, Helpful Numbers, and Helpful Numbers. The main content area is titled 'MyGuesthouse' and features a sign-up form. The form includes a heading 'Join Thaibackpack.com's Personal Travel Service -- it's free!' and a sub-heading 'Start enjoying the same great deals, personal service, and secure purchases that millions of other savvy travellers have discovered. Learn more about Thaibackpack.com.' Below this, there is a section for 'Create an account' with fields for 'Member ID: (4-30 characters)', 'Password: (6-30 characters)', and 'Type password again:'. A checkbox option is provided: 'Save this password on my computer for automatic sign in. Note: Recommended for use on private machines only.' At the bottom of the form, there is a section for 'Supply email address' with a note: 'We'll use this address to confirm your travel purchases or notify you of a reservation change. You may change this email address at any time.' and a field for 'Current email address:'. The browser's status bar at the bottom indicates 'My Computer'.

Figure 6.9. Sample of MyGuesthouse Page of www.thaibackpack.com.

6.3.8 FAQ: Frequently asked questions section can provide on-line assistance 24 hours a day, 7 days a week in case customers have any problem concerning traveling or our product facilities. Customers can get the information they want without waiting for the response from us. This function aims to reduce their physic cost in doing the transaction online.

6.3.9 Security: We offer complete management control through username and password login. All information transmitted over the internet is protected by SSL software and encryption technology.

6.3.10 About us: All the company profile will be enclosed here to make the audience know more about us.

6.3.11 Contact us: When the audience navigates our site, they may want to communicate with us or contact us for further information. They can do so by filling in the form provided in this section, or sending an e-mail or making a direct call.

#### **6.4 Content Identification and Functional Requirement**

We show here only the requirement of the main menus since most of the content in each menu will use a similar format and it can be used as our summary for our content structure.

Table 6.1. Details of Functions in the Site.

Menu Name	Description	Type	Format
Home	To provide welcome notes to all audience and show menu bar and quick search.	<ul style="list-style-type: none"> <li>• Text</li> <li>• Image</li> <li>• Hyperlink</li> </ul>	<ul style="list-style-type: none"> <li>• PhotoShop</li> <li>• Html</li> <li>• JavaScript</li> <li>• CGI</li> </ul>
Guesthouse	To give information on low price accommodation including picture, price, detail.	<ul style="list-style-type: none"> <li>• Text</li> <li>• Image</li> <li>• Hyperlink</li> </ul>	<ul style="list-style-type: none"> <li>• PhotoShop</li> <li>• Html</li> <li>• JavaScript</li> <li>• ASP</li> </ul>
Confirmation	To give confirmed booking page which includes details.	<ul style="list-style-type: none"> <li>• Text</li> <li>• Image</li> <li>• Hyperlink</li> </ul>	<ul style="list-style-type: none"> <li>• PhotoShop</li> <li>• Html</li> <li>• JavaScript</li> <li>• ASP</li> </ul>
Travel tips	Offer knowledge to audience, guiding them about the tourist area.	<ul style="list-style-type: none"> <li>• Text</li> <li>• Image</li> <li>• Hyperlink</li> </ul>	<ul style="list-style-type: none"> <li>• PhotoShop</li> <li>• Html</li> </ul>
Thai Food	Provide information about Thai food and popular domestic restaurants.	<ul style="list-style-type: none"> <li>• Text</li> <li>• Image</li> <li>• Hyperlink</li> </ul>	<ul style="list-style-type: none"> <li>• PhotoShop</li> <li>• Html</li> </ul>

Table 6.1. Details of Functions in the Site (Continued).

Menu Name	Description	Type	Format
MyGuesthouse	Provide company information, regulation and member sign up.	<ul style="list-style-type: none"> <li>• Text</li> <li>• Image</li> <li>• Hyperlink</li> </ul>	<ul style="list-style-type: none"> <li>• PhotoShop</li> <li>• Html</li> <li>• Access</li> <li>• VBScript</li> </ul>
Destination Guide	Provide map of Thailand for guiding the audience including the ways to go.	<ul style="list-style-type: none"> <li>• Text</li> <li>• Image</li> <li>• Hyperlink</li> </ul>	<ul style="list-style-type: none"> <li>• PhotoShop</li> <li>• Html</li> <li>• JavaScript</li> </ul>
FAQ	Provide basic advice for customers.	<ul style="list-style-type: none"> <li>• Text</li> <li>• Image</li> <li>• Hyperlink</li> </ul>	<ul style="list-style-type: none"> <li>• PhotoShop</li> <li>• Html</li> </ul>



## 6.5 Site Structure

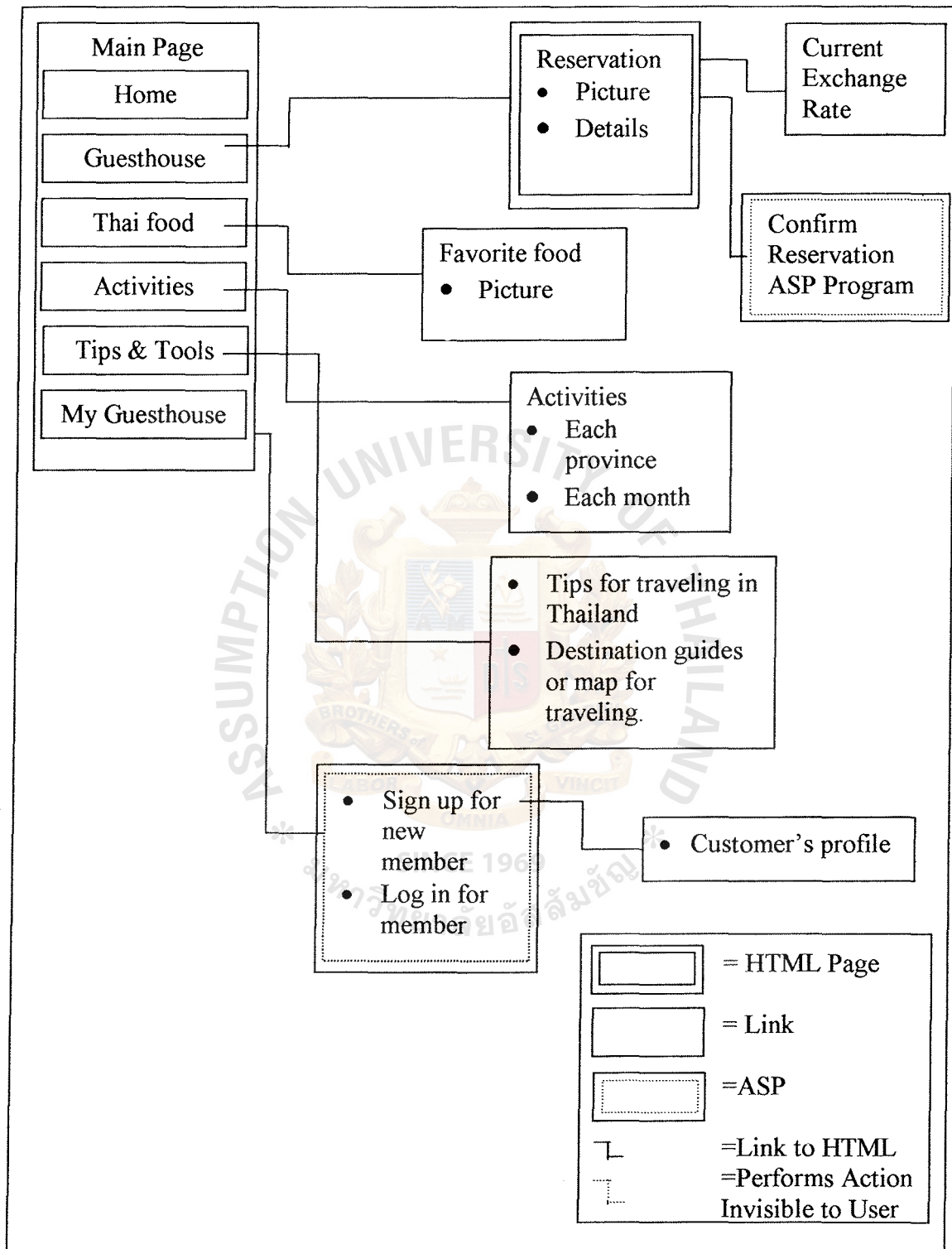


Figure 6.10. Site Structure.

## 6.6 Group and Label Content

Only the grouping of introductory page and home page of the site will be shown since the rest have a similar format. The home page and majority of the pages will be divided into groups as follows:

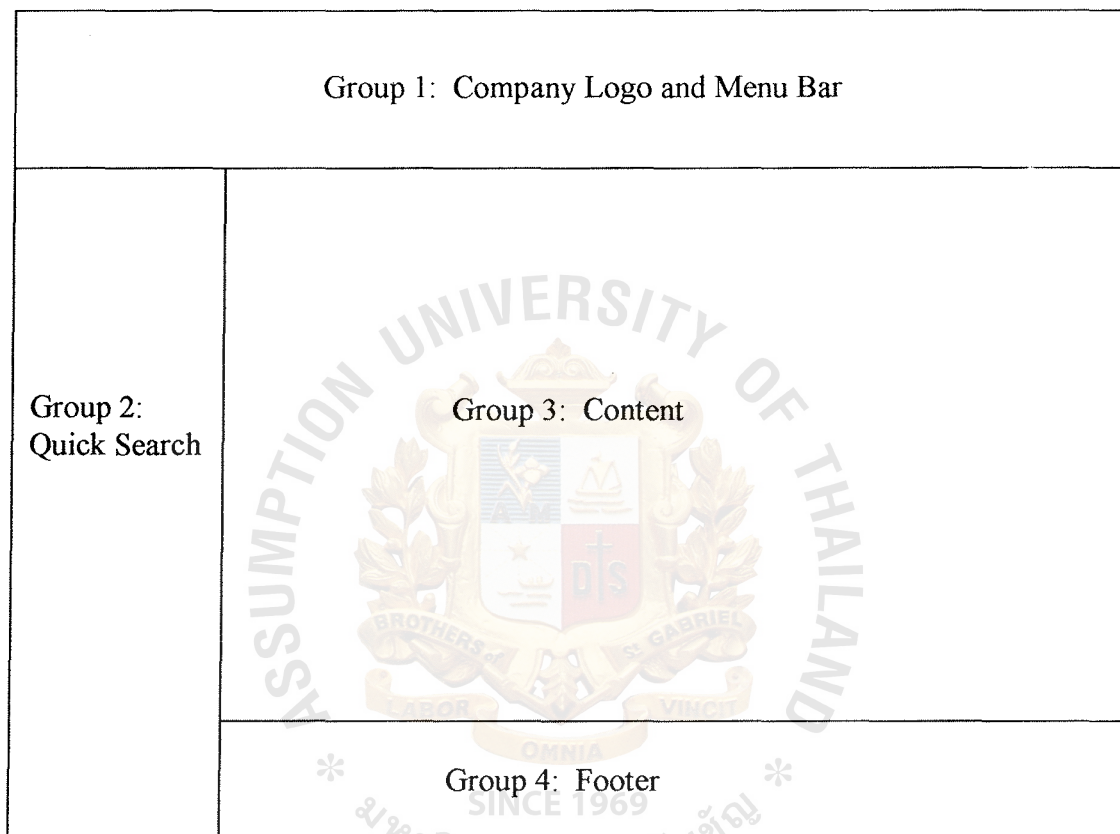


Figure 6.11. Group of the Web Site.

## 6.7 Use of Visual Metaphor

Some visual metaphors will be used to make the site look more attractive. Only relevant ones will be used so that the customers can easily understand the meaning of each metaphor. However, visual metaphors will not be used to represent every menu because some characters might represent better than the picture and some visual metaphors can destroy the site image. To create a professional feeling visual metaphors will be used only when necessary for quick search. The following are the visual metaphors used in the site.





• Guesthouse	
• Activities	
• Thai Food	
• Map	

Figure 6.12. Sample of Visual Metaphors.

## 6.8 Properties

The properties used in the sites are mainly used to increase the readability of the site. In doing so, a natural style is used to attract audience attention. The same properties will be used throughout the site to increase consistency of the web. The properties included in the site include the following elements:

- (1) Logo: Logo of [www.Thaibackpack.com](http://www.Thaibackpack.com) is as follows:



Figure 6.13. Picture of Logo.

- (2) Background: A white background for eye catching purpose and for matching with all the pictures that are provided.
- (3) Font Color: Three main colors for font: Black is in contrast to the white background making the site readable by the audience, brown is for the font of logo and main item and dark blue is for sub-menu.
- (4) Font Type: Verdana, Arial, Sans-serif, and Time New Roman font types which are common and compatible with any computer platform and they are also not difficult to read.
- (5) Contact Information: The audience can find the contact information at the bottom of every page.
- (6) Hyperlink Color: Standard link color will be used so that it will not confuse the audience because most of the audience has already perceived that hyperlink should be with the following color.

Unvisited Link : Blue  
Visited Link : Orange  
Active Link : Peach





## **VII. CONCLUSIONS AND RECOMMENDATIONS**

### **7.1 Conclusions**

The website [www.thaibackpack.com](http://www.thaibackpack.com) can be established to enhance customer values and reduce customer's cost in several ways. It aims to encourage Thai and international tourists to travel in Thailand.

Many functions including Sign up, Log in account, Calendar popup, and Reservation are created to facilitate the customers. Additional services have been added to the site as well. Some functions like MyGuesthouse where customer can save all information relating to their travel plans. Concerning the interactive, spaceless and timeless will also be implemented.

Regarding the prototype of the web site, user friendliness is considered to be a major concern since customers are mainly backpackers who need convenience and effectiveness. The web site will be updated frequently to keep information current. Many measurements will be used to check if the objectives are achieved. Problem definition and solution will be defined if objectives are not met.

In conclusion, the report tries to emphasize on the ways to make people aware of the web site and on the ways to make income.

### **7.2 Recommendations**

Our business will change the benefit of the staff and the customers in the following ways:

#### **7.2.1 Boost Sales**

User selected travel arrangements, paid for by credit card, without talking to an agent was once only a distant possibility. But now online booking is rapidly becoming the preferred practice. Visitors to the web site should have immediate and easy access to

a full array of travel products and services. Thaibackpack.com's flexible, scalable products can be integrated into the existing web site to streamline the buying process. Customers will appreciate the convenience, and they will be more satisfied which translates to new revenue streams and greater future growth for us.

#### 7.2.2 Reduce the Costs

By automating different customer servicing processes, we will be able to handle the same amount of transactions, or more, at a much lower cost. Moreover we will also gain significant control over our margins and pricing strategy. The cost of advertising special and current offerings will be cut dramatically by using new CRM tools.

#### 7.2.3 Increase Productivity and Profitability

Closing sales and servicing customers will be dramatically easier with the web site. Gone will be the days of merely booking requests. Instead of requests we should receive completed reservations. The intricate task of looking up information to be sure that we are in compliance is eliminated in most cases. Clerical errors through human handling will disappear, and time spent on frivolous inquiries can be recovered and applied to more productive purposes.

#### 7.2.4 Improve Customer Satisfaction and Build Repeat Business

Our site will be available 24/7, providing visitors with all the information and capability they need to complete their travel arrangements and make their payments. The instantaneous response to our prospective and existing customers adds convenience. All of the choices that are available are immediately apparent to our customer, which promotes selling. Moreover our web site should recognize our visitors on an individualized basis, allowing us to establish a true one-on-one relationship with them that encourages them to return as often as they have travel needs.

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