

## DEVELOPING RIVER TOURISM ON THE UPPER MEKONG: CHALLENGES AND OPPORTUNITIES

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### ABSTRACT

**R**ivers are fascinating places which constitute a significant tourism resource of cultural heritage and natural environment. Surprisingly, there is little attention among policy-makers involved in the development of river tourism on the upper Mekong that has not been fully utilized for tourism purposes compared with its lower part. This paper highlights the Express Boat service between Jinghong, China, PRC and Chiang Sean, Thailand, and finds out both inhibiting and facilitating factors in promoting river tourism in this region. Security and low water level are major inhibiting factors while the growing demand on cross-border tourism is the facilitating force. Qualitative research approach was conducted in China and Thailand where major informants exist. The study reveals indifference toward river tourism by policy-makers in Thailand as underlying cause of stagnancy. Findings of the research illustrate the importance of alliances and collective destination marketing to bring the Express Boat service back on the right track.

**Keywords:** Upper Mekong, River tourism, Cross-border tourism, Jinghong and Chiang Sean, GMS, Express Boat Service

## 1. Introduction

The Mekong River has served as a symbolic bond of kinship and friendship for various ethnic and population groups living within the watershed over the span of time and geographical area (Sunchindah, 2005). Figure-1 shows where the 4,800-km-long river flows through Greater Mekong Sub-region (GMS) countries, namely the Yunnan Province of China, PRC (hereafter referred to China), Myanmar, Thailand, Lao PDR, Cambodia and Vietnam. The name of the Mekong River is a magnet itself to attract an influx of international visitors to this region (Semone, 2008).

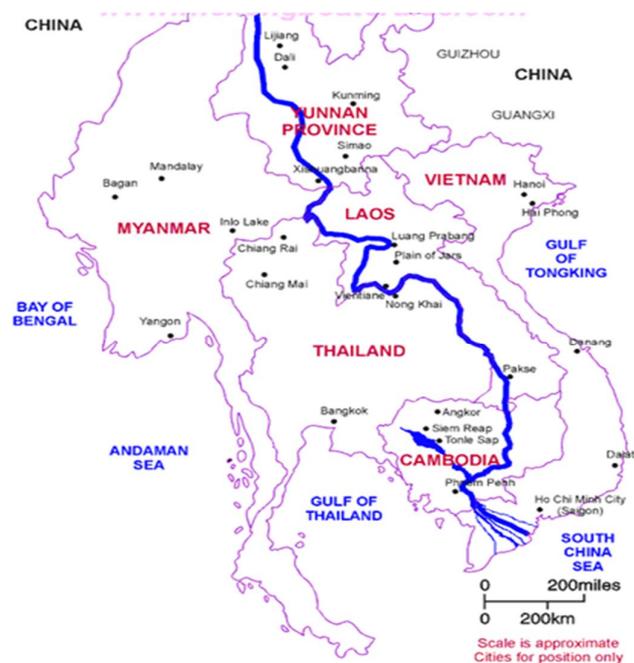


Figure-1 Map of the Mekong River

Source: Mekong Boat River Cruise, Vietnam

[http://mekongboat.com/mekong\\_map.htm](http://mekongboat.com/mekong_map.htm)

### 1.1 Rationale and Research Question

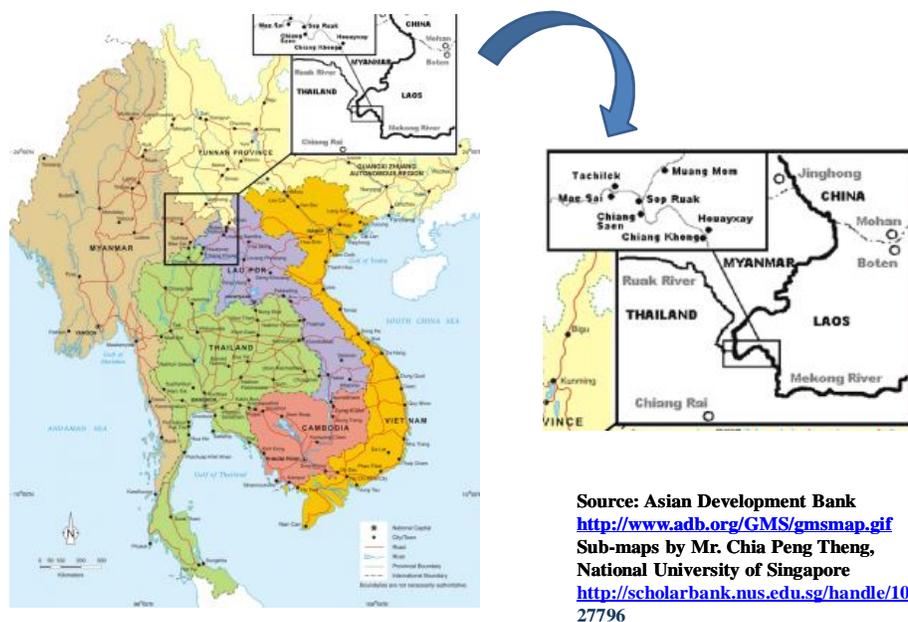
The upper Mekong is understood as geographical setting between the Golden Triangle in northern Thailand and headwaters in far north of China. While *on* the lower Mekong a wide variety of tourism products, from dinner cruises to deluxe cruises with cabin and deck, are ready to cater different needs of both domestic and international customers. However, there is no such specific product *on* the upper Mekong except those of about 1-hour boat trip at the Golden-triangle in Chiang Sean, Chiang Rai Province (Thailand) and lunch cruise and canoeing in Jinghong, Yunnan Province (China). The trial run of 10-hour Express Boat service, connecting Jinghong and Chiang Sean was launched in 2003 after the Agreement on Commercial Navigation on Lancang-Mekong River by China, Myanmar (Burma), Thailand and Lao PDR came into force in 2001, and with completion of the new port facility in Chiang Sean in October, 2003.

Most of the GMS strategic sub-regional tourism projects, which are initiated by Asian Development Bank (ADB) and implemented by National Tourism Organizations (NTO) in collaboration with MTCO, have been somewhat related to improvements on socio-economic disparity and on capacity-building but not directly related to tourism *on* the river. At this stage where connectivity among the GMS countries is attained by land-based Asian Highway (AH3) and the emergence of ASEAN Economic Community, it is worth recognizing the value of waterway connectivity, and utilizing the upper Mekong River as waterway tourism

corridor. The value of river tourism has been offered by the Express Boat service as regional authentic tourism product since waterborne trading is likely to shift, if not all, to the land-based transportation. The Asian Highway (AH3) is a strategic economic road since it takes only three hours between Mohan to Chiang Kong while it takes seven hours on waterway (Masviriyakul, 2004). River tourism on the upper Mekong may benefit all riparian countries in the lower Mekong as synergy effect or vice versa.

Although tourism has been complimented highly in Thailand as a key industry contributing to the national economy at 7.91%, equivalent to 715.98 billion Baht of a Gross Domestic Product (GDP) worth a total of 9.05 trillion Baht in 2009 (Fernquest, 2010), the Mekong River has been rarely discussed as an arena of tourism in Thailand. Meanwhile, among various modes of arrival transports for international visitors to Thailand, waterway transport on the Mekong River has received little attention since Thailand Travel Manuals (2012-2013) hardly referred to it (Tourism Authority of Thailand, n.a.).

### Greater Mekong Sub-region (GMS)



**Figure-2 The Greater Mekong Sub-region and focal point of the study.**

Currently the river tourism service is provided by the Chinese boat company, Xishuangbanna Golden Triangle Tour Shipping Co.LTD, in Jinghong with speed boats each accommodating up to 50 to 60 passengers. There is anecdotal evidence to suggest that the boat service is accepted well at the beginning but recently it seems on the wane or inactive in its operation. This study, therefore, highlights the development of river tourism over 340 km on the upper Mekong River connecting Jinghong and Chiang Sean as illustrated in Figure 2. The purpose of this study is to investigate the performance and current operation of the Express Boat service, to find out some discrepancy from the current market needs, and to further display recommendations to put it back on the right track. Two research questions were developed to guide this investigation:

- (1) What are the challenges for the development of river tourism on the upper Mekong River in a case study of the Express Boat Service running between Jinghong and Chiang Sean?
- (2) How do stakeholders, namely public and private sector involved in the Mekong river tourism development, collaborate to promote the Express Boat service as an authentic regional tourism product?

## 2. Literature Review

### 2.1 Affinitive relationship between river and tourism

Rivers are an important but surprisingly neglected aspect of the global tourism industry, and have apparently been of little interest to tourism scholars (Prideaux et al, 2009, p. 3). There is little attention among policy-makers in the GMS countries on the role of passenger transport (Mekong River Commission, 2003). It is noted that river tourism comprises of tourism *beside* the river and tourism *on* the river (Cooper & Prideaux, 2009, p. 258). Tourism *beside* the river represents hotel, casino and restaurant for instance, whereas tourism *on* the river represents cruise, waterway transportation and canoeing to mention but a few. This research emphasizes the importance of the latter since a huge potential is expected to promote high-yielding tourism by linking Jinghong and Chiang Sean with the Express Boat service. The term of “Yield” has both a narrow and wide definition. While the former refers to the sales revenue per visitor, the latter refers to much wider perspectives such as gross value added, employment generated and environmental and social value created other than economic value (Dwyer et al., 2006). Vacations are primarily motivated by *going away* from mundane circumstances, while nature-based tourism is motivated by *going towards* something such as the activity itself (Vespestad, 2010). The Express Boat service in an untamed and pristine environment en route might be the case since rivers exude beauty, serenity and adventure that draw visitor’s attention (Prideaux et al, 2009).

A number of cities are built *beside* rivers where urban-river activities and lifestyles of local residents living next to the waterway are most interest to visitors. In the countryside, rivers appeal to people because they retain much of their natural beauty and offer an opportunity for fishing, boating and other forms of recreation (Prideaux et al, 2009). This also applies to the Mekong River. Chiang Sean, once served as the capital of the Lanna Thai Kingdom until 1262, is located *beside* the upper Mekong, and Luang Prabang, once the capital of Kingdom of Laos, also stands where tributary meets at the Mekong. Phnom Penh, the capital of Cambodia and Vientiane, the capital of Lao PDR are also located by the Mekong. Ho Chi Minh City, once the capital in South Vietnam and even now the largest city in Vietnam, also spreads over the Mekong delta. People are likely to gather by the river.

Several direct relationships between tourism and rivers have been identified. First, rivers provide a wealth of attractions and aesthetic appeal for tourists and a unique venue in which tourism takes place. The second relationship is rivers as transportation corridors. Navigable rivers are a valuable asset to any regions or countries for the transportation of raw materials and manufactured products. Rivers are taking an additional element of commerce and trade, that of transporting tourists on sightseeing cruises. In rural and less-developed regions, rivers have retained their natural characteristics, creating interest in rivers as eco-tourism and nature-based resources (Prideaux et al, 2009). Similarly on the Mekong River, waterborne transport has been important for the local communities for centuries and recently for international visitors travelling along with the Mekong River. However, current river tourism is only salient on the lower Mekong is against what empirical literature describes. It is a neglect of basic functions of rivers if a concept of passenger transportation falls out of perspective over the upper Mekong River.

### 2.2 Navigability and security on the Upper Mekong

Navigation work on the river gained legal status in 2000 with an Agreement on Commercial Navigation on Lancang-Mekong River signed by China, Burma, Thailand and Lao PDR. The Agreement set out plan to improve the navigability of a stretch of river from Simao in southern China to Luang Prabang in northern Laos (Hirsch & Jensen, 2006). So far 23 rapids, reefs and other obstacles were removed from the river bed to make year round navigation of the upper Mekong possible by vessels up to 150 Dead Weight Tons (DWT) as far as Chiang Sean (Osborne, 2007). Type of vessel used by the Express Boat operator is much

smaller than those of the cargo ships both in size and in DWT. Therefore, there is no navigational problem unless an excessive drought occurs. Operation by the current size of smaller boats without any further river clearance works is prerequisite to sustainable tourism in this region.

It is noted that tourism is particularly sensitive to political frontiers and their associated formalities and problems (Tucker & Sundberg, 1989). Boundaries form real and perceived barriers to international travel owing to specific functions and method of demarcation (Timothy, 2001, p. 11). Real barriers either hinder tourist flows physically or through strict border-related policies, make travel difficult or virtually impossible. Perceived barriers create conditions wherein border crossing is challenging and therefore undesirable. People generally are concerned for safety while travelling abroad, and if their safety is in question, they will be reluctant to make a trip, or they will choose an alternative, safer destination (Timothy, 2001, p. 19). An incident involving the Mekong pirate occurred on October 05, 2011 having claimed 13 lives of Chinese crews on cargo boats. It was the first serious case ever occurred on the upper Mekong. Nevertheless economic forces pull towards population centres, whereas in the theory of tourism the opposite is true – a tendency towards the periphery, away from the familiar scene towards distant places (Christaller, 1963). Furthermore the influence of distance shows that the greater the perceived cultural similarities of a destination, the more likely people are to visit (Vespestad, 2010, p. 40). The Thais have historic ties with Banna (Xishuangbanna) and Thai culture is an offspring of the Dai (Xishuangbanna Dai) culture of the region (Yang & Wall, 2008, p. 169).

### *2.3 Cross-border alliance with overarching brand*

One of the difficulties in partnership is to find an overarching brand which penetrates the regions. This partnership is crucial enough to attract the market and can be agreed upon among stakeholders (Hankinson, 2009). Proximity to the Mekong shared in common by both Yunnan and Chiang Rai is an example of overarching brand in itself. It is noted that more focused destination brands such as cities, are more likely to be successful in comparison to more broadly based brands such as regions (Hankinson, 2009). Martinez (1994) classified four types of cross-border interaction in 1994: Alienation, coexistence, interdependence and integration. Timothy (2001) combined these with cooperation and collaboration to form a five-part model of levels of cross-border partnership in tourism.

Alienation exists when little communication and no partnership exist between neighbours. Co-existence involves minimal levels of partnership. Mutual toleration exists but nations do not interact harmoniously. Cooperative networks are characterized by initial efforts between adjacent administrations to solve mutual problems. Collaboration occurs in regions where relations are stable and joint efforts are well established. In these types of borderlands, partners work together on development issues and share some degree of equity in their relationship. Integrated borderlands are those that exist with very few hindrances, and both sides are functionally coalesced. Although cooperation and collaboration in tourism are clearly important, not all outcomes are necessarily positive (Timothy, 2001, p. 154).

The upper Mekong region has just reached to the third category of ‘cooperation’ in terms of waterway transport corridor with following reasons: (1) In the upper Mekong, the formal agreement always comes first, but there is no active partnership among private sectors between China and Thailand; (2) While China has been always active on waterway transport on the upper Mekong, Thailand has been passive for long; (3) Tourism has been always overshadowed by trading, and therefore tourism partnership has not been on the mainstream on the upper Mekong for long; (4) Official meetings such as Tourism Working Group (TWG) have failed to focus on product development *on* the river overarching the GMS countries.

At Tourism Working Group (TWG) meeting held in Jinghong, China on November 2010, some representatives clearly mentioned that there is a need for the development of river tourism product and refinement of their services before marketing, and not the other way round. It implies not only the fact that the product development in some countries is still at the initial stage, but also there is a lack of collaborative project overarching all the GMS countries - only common tourism resource shared by all GMS countries. Enhancing rather than abusing rivers is important and will become an increasingly important issue in the future as demand for this finite resource rises with growing world population (Cooper & Prideaux, 2009). This holds true in the development of river tourism on the upper Mekong.

### **3. Research Methodology**

This research study is primarily a descriptive and qualitative research approach. Multiple qualitative research methods were used including focus-group meeting, observation, interviews and informal discussion as well as review and analysis of secondary data. Under such circumstances where the service has been unilaterally provided, field work and interviews were conducted not only in Chiang Saen, Chiang Rai, and Bangkok but also in Kunming and Jinghong. Field works were conducted in July and November in 2011 and February and June in 2012, and interviews were completed in June 2012. To make a comparison of the development of river tourism between the lower and the upper Mekong, constructive ideas from some cruise companies in Cambodia, Lao PDR and Vietnam also contribute to this research project.

Mekong Tourism Coordinating Office (MTCO) has arranged focus-group meeting in December 2011. Eleven participants included a past-university lecturer, tourism practitioners, hoteliers, former PATA staff, and Executive Director of MTCO. Surprisingly enough, there were only a few knowing of, but virtually none having experienced the Express Boat service. This attributed the fact that the service has been provided by Chinese company unilaterally without Thai public and private sectors involved. Recommendation from focus-group meeting was made to visit hill tribe villages en route such as village in Myanmar downstream and the one in Lao upstream since cultural diversity was one of the highlights of the upper Mekong River.

Nineteen tourism experts from both public and private sector were selected for interview. Most of those working in National Tourism Organization of Thailand were reluctant, and preferred informal style meeting, or simply rejected. A list of open-ended questions was originally prepared in English and subsequently translated into Chinese or into Thai so as to help informants understand the research objectives and questions. Interviews and discussions were conducted in English except data collection in China where Japanese-speaking or English-speaking interpreters were hired. Curriculum vitae were also translated in Chinese, and sent to respective organizations beforehand.

In China, the intermediaries recommended that tape recording during interviews was not a good idea because interviewees might experience an uneasiness and it might be impolite to do so in China. Therefore, record by hand-writing through Chinese interpreter's assistance was only available.

### **4. Findings**

Findings for the first research question on challenges for river tourism development on the upper Mekong River comprise of (1) observation and secondary data analysis, and (2) content analysis based upon interviews and informal discussions conducted - major emphasis on security, low water level and indifference among policy-makers toward river tourism. Findings for the second question on collaboration on destination marketing are based upon market data analysis both in Chiang Rai and Yunnan, and interviews with stakeholders. Raising awareness among public and private sectors on river tourism development as well as proactive initiative toward peace and security on the upper Mekong is underlying basis for sound development of river tourism.

#### 4.1 Performance of the Express Boat and comparison with the lower Mekong

Chiang Sean acts as waterway gateway for China, while Chiang Khong (just across from Houei Sai, Lao PDR) acts as gateway for the lower Mekong waterway transport. This is because of the fact that there are still a number of rock obstacles in-between Chiang Sean and Chiang Khong. Table-1 shows immigration report at Chiang Sean Port up to October 2011.

**Table –1 Immigration Report at Chiang Sean Port**

Unit:No. of Person

Year	Disembarkation at Chiang Sean						Embarkation from Chiang Sean					
	Thailand	Lao PDR	Myanmar	China	Others	Total	Thailand	Lao PDR	Myanmar	China	Others	Total
2005	85,881	24,149	1,154	3,792	1,496	116,472	103,294	22,990	1,162	1,338	1,271	130,055
	(1,661)					(6,248)	(885)					(5,506)
2006	86,246	29,592	0	4,724	1,019	121,581	101,063	12,578	0	1,943	585	116,169
	(1,105)					(6,243)	(889)					(3,125)
2007	79,902	27,259	0	2,424	738	110,323	84,938	15,247	0	784	428	101,397
	(2,299)					(5,428)	(1,048)					(2,126)
2008	61,676	30,470	0	3,054	635	95,835	63,879	22,196	0	1,165	425	87,665
	(3,802)					(6,765)	(666)					Unknown
2009	40,424	34,049	0	1,005	1,107	76,585	45,433	28,687	0	446	723	75,289
	(1,804)					(3,927)	(326)					(1,590)
2010	17,688	31,787	0	2,457		51,932	24,216	30,051	0	1,155		55,422
	(1,400)			(2,457)		(3,857)	(166)			(1,155)		(1,321)
2011	19,983	25,099	0	1,734		46,816	21,780	24,501	0	551		46,832
	(331)			(1,734)		(2,065)	(87)			(551)		(638)

Source: For 2005-2007 adopted from 'A study on Border Economy in the Mekong Basin' edited by Mr.M Ishida

For 2008-2011 data obtained from Chiang Rai Immigration Bureau on November, 2011

\*For 2010-2011 data for 'Chinese and others' are combined together and no breakdown is available.

\*Figure shows the total number of persons either holding border pass or passport. Figure in ( ) indicates the number of those holding passport within the total figure.

\*For 2011 data shows Jan.-Oct., 10 months only.

Passengers on the Express Boat are required to carry passport and therefore the figure in parenthesis in Table-1 may be much closer to the actual headcounts of Express Boat passengers. One of the Yunnan's News Networks mentioned that the number of Express Boat passenger is approximately 10,000 per year, round-trip (Southcn.com , 2011). Figures from Immigration Bureau were also crosschecked with the boat operator in Jinghong during the interview, who roughly nodded the data if not 100% correct.

Table-2 displays an approximate scale of waterway tourism between Houei Sai and Luang Prabang. Statistics is derived from the immigration data at Chiang Khong Port up to middle of 2008. However, passengers disembarking at Houei Sai do not necessarily cross the Mekong River to Thailand, and some land-based tourists in Lao PDR may inbound to Thailand via Chiang Khong check-point or vice versa. Yet one of the boat operators in Luang Prabang reaffirmed the number of waterway passengers at Houei Sai (or Chiang Khong) is larger than that of Chiang Sean – showing the gap of scale in river tourism between two international sectors, representing the upper and the lower on the Mekong.

**Table-2 Immigration Report at Chiang Khong Port**

Unit.No. of Person

	Disembarkation				Embarkation			
	Lao	Thai	Others	Total	Lao	Thai	Others	Total
2005	27,126	22,708	17,879	67,713	25,632	26,621	45,552	97,805
		(11,996)		(29,875)		(14,290)		(59,842)
2006	23,830	29,780	20,401	74,011	23,346	32,230	54,296	109,872
		(16,272)		(36,673)		(18,324)		(72,620)
2007	29,366	42,295	29,020	100,681	27,644	46,772	71,431	145,847
		(20,647)		(49,667)		(24,573)		(96,004)
2008	20,631	43,354	28,159	92,144	18,187	47,237	52,584	118,008
		(22,342)		(50,501)		(24,781)		(77,365)

Source: "A study on Border Economy in the Mekong Basin" p299 edited by Mr.M Ishida

\*Original data obtained from Chiang Khong immigration office and compiled by Mr. T. Tsuneishi.

\*Figure shows the total number of persons both holding border pass and passport. Figure in ( ) indicates those holding passport within the total figure. Breakdown of passport holder other than Thailand is unknown.

\*Figure in Lao is all border pass holder and those by passport is included in others.

\*2008 only covers Jan.- August. 8 months only.

#### 4.2 Schedule, tariff, and booking system

Schedule once made public was three times round-trip services a week. Schedule has changed to twice-monthly services as of February, 2012. However, the current operation does not follow this revised schedule, and it is only operated on the charter basis. Individual booking is accepted on seat availability basis only when the group booking is previously made. Price has lost meaning too since the published tariff only applies to group passengers. Unlike the boat operators in the lower Mekong, the Express Boat service has no on-line booking system. Booking and inquiry are usually via agents either by phone or E-mail, and are subject to final confirmation by the Express Boat company in Jinghong. Those behaviors and practices combined to detach the boat operator from the growing high-yielding free individual traveler (FIT) market. It does not match with current market needs where interactive communication and quick response has been norms. One interviewee evaluates current river tourism on the upper Mekong like this (interview 1):

*'It is very slow now. It was due to the incident [Mekong pirate] involving Chinese crew last October, and we were forced to suspend the service by authorities. Under such situation we have no choice but to run the service on charter basis. Yet, Australian group of 14 has cruised down to Chiang Sean in January. We hope the situation will pick up soon'.*

Another informant states his concern on river tourism (interview 2):

*'Stagnant! Safety is jeopardized by the incident [Mekong pirate] on October, 2011. It may take some but not too long to recover'.*

One informant (interview 1) also claims on-line booking system:

*'Have web-site with information of services...It is not an interactive system nor acting as a booking system. We are familiar with group handling and booking is through agents'.*

### 4.3 Market segment

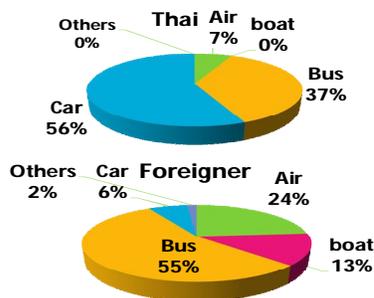
The Express Boat operator confirmed that they have targeted only group passengers. However, visitors travelling both Yunnan and northern Thailand have been with more individuals than groups. Figure-3 shows attributes of visitors in Chiang Rai in 2009, of which 97.2% of Thai and 91.7% of international visitors are free individual traveller (FIT), and Yunnan's corresponding figure was 70.86% in international visitors though it was a data in 2004 (Xueqin et al, n.a.). Shutting the door to FIT is totally contrary to the current market trend and future prospect. As one source states it (interview 1):

*'Our target has been group and not FIT. Our major customers are from Australia, U.S.A., and Japan. After the incident occurred near Chiang Sean on October 05, 2011 involving Chinese crew of 13, all agents became reluctant and have their back turned to Lancang/upper Mekong area. Currently have some friendly agents in Australia. We are familiar with group handling but not FIT with too many particulars'.*

#### 1. Domestic/International

Thai	85.1% (1,430,375)
Foreigner	14.9% (249,873)

#### 2. Mode of Transport



#### 3. Travel Arrangement

	Thai	Foreigner
Non Group Tour	97.2%	91.7%
Group Tour	2.8%	8.3%

#### 4. Region of Residence

Thai	
Bangkok	16.8%
Northern Region	60.4%
Central Region	4.1%
N. E Region	4.5%
South	10.6%
Others	3.6%
Foreigners	
Europeans	46.3%
Asia	23.0%
American	17.5%
Others	13.2%

Source: The Ministry of Tourism and Sport  
 资料来源: 泰国旅游部 2009

Figure-3

Attributes of visitors in Chiang Rai in 2009

### 4.4 Safety and security and low water level

Safety and security issue is detected as one of their major concerns among interviewees. Incident occurred on October 05, 2011 was the first serious case ever occurred on the upper Mekong. It certainly deteriorated the image of Chiang Sean and the upper Mekong River, and has given a negative impression for travel along the upper Mekong River. The intangibles such as crime, safety, security, crowdedness, friendliness, and cleanliness are element of destination attributes (Reid & Bojanic, 2009, p. 598). Joint patrol among four riparian countries (China, Myanmar, Lao PDR and Thailand) has already started with headquarters at Guan Lei, Xishuangbanna to secure the safe navigation on the river. Police boats were found on patrol on the Mekong near Chiang Sean both November 2011 and June 2012.

Low water level is another major concern among stakeholders other than security issue. The water level on the Mekong has attracted global attention along with water resource management such as dam issue in Yunnan Province. However, it is not only an issue peculiar to the upper Mekong but also an issue applicable throughout the Mekong basin and other major rivers in Southeast Asia. When the author participated in

seminar on river cruise tourism on March 27, 2012, boat operators both on the River Kwai, Thailand and on Ayeyarwaddy River, Myanmar, admitted sharing the same problem. Even under the current water level on the upper Mekong, operator of the Express Boat Service has confirmed with the author concerning the navigability of their fleets throughout the year unless excessive drought occurs. Safety and low water level appear as a threat to promoting the Express Boat service (interview 1):

*'Major obstacles are water level and safety. Our floating types of fleets have no problem in navigation year round but an excessive drought might hinder operation. Security is all the more important for passenger service. Wish detail of the incident was clarified soon. For the time being joint patrol may help ease our anxiety.'*

One informant (interview 2) also claims security is part of his concern:

*'It is security over navigation. Without safety no tourism will flourish. We expect joint patrol on the upper Mekong to continue for a while.'*

Another source says (interview 3):

*'I think the water level issue, drug issue, frontier confusion and safety issue may be inhibiting factor. Especially incident on October 2011 horrified cruise operators, agents and travellers on the Mekong. No boat operator is unlikely to exploit and operate the boat if situation remains the same.'*

One informant states his concern on low water level (interview 4):

*'It is a serious issue for any boat operator but water level is not limited to the Mekong. The same problem occurs in Ayeyarwaddy River where water height at some point changes 14-meter at maximum.'*

Another interviewee says (interview 5).

*'We operate boats on the River Kwai, Thailand. Water level issue is in common with most rivers in Southeast Asia including the River Kwai. Need to address the issue in global context.'*

#### *4.5 Indifference toward river tourism*

Another important factor is indifference or apathy toward river tourism by tourism policy-makers. Informants in Chiang Rai made comments by saying that the number of passengers on board the Express Boat is negligible and better not to touch on it especially under aftermath of the tragedy occurred on October, 2011. Another informant in Yunnan said Thailand has paid much attention to the south. Lack of interest and passive attitude towards river tourism over the upper Mekong seemed much noticeable among policy-makers in Thailand than those in Yunnan. As one source states it (interview 5):

*'The number of passengers on board the Express Boat has been negligible and better not to touch on it especially under aftermath of the tragedy occurred on October, 2011.'*

Another informant says (interview 2):

*'Chiang Rai is somewhat overshadowed by Chiang Mai. River tourism on the upper Mekong is something unique to Chiang Rai but no positive attitude so far shown by the local authorities'.*

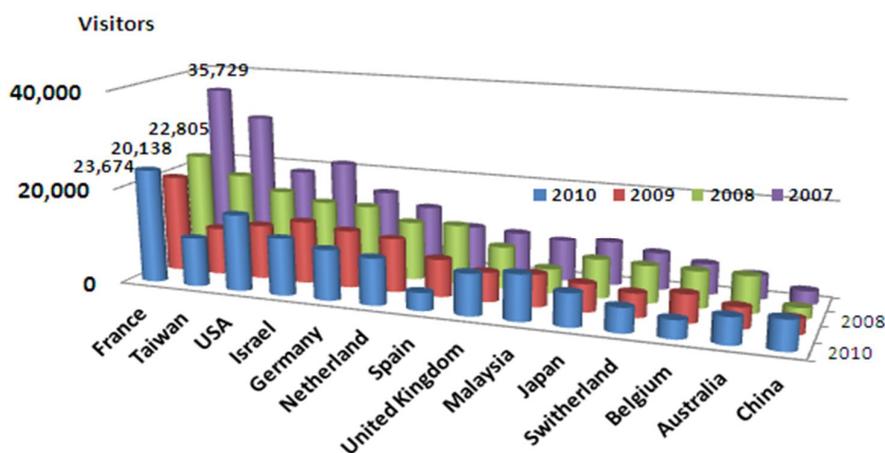
#### 4.6 Need for alliance

Through interviews and informal discussions, it seems that all interviewees have recognized the importance of alliance for destination marketing, but they are all uncertain of how they can form it and what type of alliance may suit best the situation. No matter how many resolutions were made in the official meetings, it does not make any sense if diffusion of information is limited, outcome is not shared widely, and no matter how good policy is implemented without involving key players in tourism that is the private sector. As evidence of this, the Express Boat operator in Jinghong, Xishuangbanna is unaware of the name of MTCO and Tourism Working Group (TWG), and what they are for. Following this section, there is immediate justification for developing alliance and partnership strategies on river tourism.

(1) The Express Boat operator recognizes the importance of their service connecting southern China and Thailand in terms of river tourism, and has willingness and enthusiasm for continuing the service though they do not expect any return from it yet. They lack marketing knowledge to identify lucrative markets. As one source states it (interview 1):

*'We are the sole provider of Express Boat service. We lost huge amount of money since inauguration of the service but we wish we could continue the service until the situation will change for the better. We don't know who and which organization represents to coordinate river transportation in GMS'.*

(2) Yunnan Province has successfully attracted French and German tourists which are coincidentally the same as in Chiang Rai as illustrated in Figure-4. Furthermore, proximity to the Mekong is the major reason for their destination choice (Citrinot, 2011).



**Figure-4 Top 14 Foreign Arrivals in Chiang Rai (2007-2010)**

Source: Guest Arrival at Accommodation Establishments in Chiang Rai,

Ministry of Tourism and Sports, Thailand.

Should there be a cease of the Express Boat service, it may prevent not only natural flow of tourism but also inducement of nature-oriented high-yielding tourism on the upper Mekong. Yunnan and Chiang Rai have common international markets. They also share common geographical settings of being along with the upper Mekong. 'By the Mekong' or 'by the Lancang/Mekong' act as overarching brand

which make both regions easier to collaborate together both in destination marketing and in tourism product development.

(3) The boat company needs to set up alliance with tour operators who act both as a wholesaler of the package tour featuring their boat service and as information disseminator in overseas. The company revealed during interview that they have mainly targeted Australian, American and Japanese group markets but they are unlikely to have enough number of contacts except a few in Australia. Role of tour operator and the one of local land operators need clearly be distinguished.

With the opening of 2<sup>nd</sup> Chiang Sean Port, Chiang Sean sub-district Municipality Mayor, Chayagrit Nissaisook, said on February 2012 that the town will weave its tourism future around the river and on the rivers such as attractions, duty free goods, and cruises after taking over the management of Chiang Sean Port from the Port Authority of Thailand, which allows the city to promote river tourism self-actively (Thai ASEAN News Network, 2012). He further mentioned that the plan can transform Chiang Sean into a fascinating destination in its own right taking advantage of the river by improving river cruises to Luang Prabang in Lao PDR and Xishuangbanna (Ngamsangchaikit, 2012). Interviewees in Yunnan Prefecture were hardly aware of this remark but they all welcomed his remark since some informants in China said that Thailand has so far paid more attention to the south than its north. One informant expresses his concern (interview 2):

*'We have worked through TWG [Tourism Working Group] basically on Government-to-Government basis. If collaboration on region- to-region basis works better, we may consider it seriously. Yunnan may also consider setting up relations with Chiang Mai since it is the second largest city in Thailand and good inbound market for Yunnan'.*

## **Conclusion and Recommendation**

The study reveals that safety and security issue is the first concern among stakeholders, and low water level is the second. Joint patrol has started already with headquarters at Guan Lei, Xishuangbanna, and riparian countries are working together for securing peace and security over navigation on the upper Mekong. Three boats were observed on patrol as a team on the Mekong near Chiang Sean on June 2012. Cooperation among the upper Mekong riparian countries needs to continue for further safety assurance. Low water level is a serious issue for all Mekong basin inhabitants to live in peace. It has become a common issue over rivers in Southeast Asia. Currently there is no serious navigation problem for the Express Boat operator unless an excessive drought occurs. As one informant concerns on potential of river tourism on the upper Mekong (interview 7):

*'There is huge potential in river tourism on the upper Mekong. It is not a central government but a people of Chiang Rai to decide what type of river tourism they think best to fit the current needs of tourists'.*

He assumedly implied the importance of what we call participatory planning by reaffirming that top-down decision by central government will not work well if residents, local businesses, and other stakeholders are not permitted to participate in tourism planning and development (Bramwell & Sharman, 1999).

The sub-regional seminar on “River Cruise Tourism for Cambodia, Lao PDR, Myanmar and Vietnam (CLMV)” sponsored by both ASEAN-JAPAN Centre and Tourism Authority of Thailand (TAT) was held in Bangkok on March 27, 2012 (Apimonton, 2012). Although there were no representatives from China, policy-maker of each four country made clear their river tourism policy, and relevant tourism products have been presented. However, no concrete policy was made clear by TAT though the Governor reiterated in his opening address the importance of collaboration between Government and non-government sectors in promoting river tourism on the Mekong. On the other hand, China issued a message and reiterated the importance of the Mekong River and reaffirmed its proactive participation in GMS including water transportation on the Lancang-Mekong River (Ministry of Foreign Affairs of the People’s Republic of China, 2011).

Current marketing by the boat operator in Jinghong seems to be ‘myopia’ (Levitt, 1960) rather than being market-oriented, and their prices are rigid without elasticity and plasticity. General Manager of the boat company revealed the break-even point of the current boat operation during the interview. Resuming schedule-based operation with one-line booking system and flexible seasonal pricing system are top of the things to do for establishing credibility in the market. Setting up partnership with tour operators is a prerequisite for successful operation but it is better start working with local land operators since they, if not all, act as liaison offices for major tour operators in overseas. Understanding these marketing channels peculiar to tourism is important.

As illustrated in Figure-3, about 13 percent of international visitors at Chiang Rai arrived by boat in 2009, whereas policy-makers in Thailand pay little attention to it. The borderland periphery is just what modern tourism is looking for. This creates a unique opportunity for the marginal zones to catch up at least partly with the heartlands (Bachvarov, 1979). Both Asian Highway (AH3) and ASEAN Economic Community will bring about a situation where all GMS countries equally have opportunities to benefit more from tourism. The time has come for policy-makers and other stakeholders, especially those in Thailand, to look at the upper Mekong River as authentic tourism corridor. Connectivity on the Mekong, from the upper to the lower, is not only enticing high-yielding waterway tourism between China and Thailand but also attracting tourists around the world to the GMS countries as a common Mekong brand destination. Common visa applicable to any entry to the GMS country surely helps boost tourism in the region but it may take long for reaching consensus. Little time is left for stakeholders, especially those in Thailand, for designing road map toward river tourism on the upper Mekong.

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