

Strategies for Thai Culinary Tourism

Termsak Singsomboon¹

The upcoming integration with AEC (ASEAN Economic Community) in 2015 encourages Thailand to formulate tourism strategies for Thai culinary tourism in order to cope with changes and increased competition among ASEAN member countries. This study uses documentary research methodology and Grant's five-stage procedure for strategy formulation (Grant, 1991) as well as the Resource-Based View theory as a guideline to find appropriate strategies for Thai culinary tourism. It is recommended that Thailand should focus on providing varieties in Thai cooking curriculum and creating learning environment that enhances the Thai way of life as well as upgrading Thai cooking schools' quality to meet international standard and creating tourism alliance and community participation. According to the SWOT analysis, the weaknesses of Thai culinary tourism reflect that Thailand needs to develop its products, services, and supporting factors for Thai culinary tourism and stimulate complete tourism development by encouraging cooperation among local areas, provinces, provincial clusters, and the nation. Also, to promote Thai culinary tourism, Thailand needs to build up confidence among tourists and develop infrastructure and facilities to facilitate both the local and tourists. Finally, tourism database needs to be developed so that information can be retrieved to formulate policies and measures that support and promote the whole system of tourism industry.

Keywords: Thai culinary tourism, resource-based view theory, competitive advantages, Grant's five-stage

¹ Ph.D. student, school of tourism management, National Institute of Development Administration (NIDA)

Introduction

Since tourism industry is becoming more important, new tourist destinations and tourism related businesses have been developed to support the increasing number of tourists. The World Tourism Organization (UNWTO) has predicted that in the year 2020, the number of international tourists will approximately reach 1,600 million. East Asia and Pacific regions tend to become more popular as tourism destinations, with approximately 25% (about 400 millions) of tourists in the world tourism market (World Tourism Organization, 2012). As for Thailand, tourism is still the main source of income, generating hundred billions of baht annually and has a tendency to increase continuously. The statistics shows that in 2010 Thailand's tourism revenue reached 585,900 million baht, generated from 15.8 million incoming tourists (Ministry of Tourism and Sports, 2011). Thai Culinary Tourism is a kind of tourism in which tourists are interested. Thai food, especially one with mixed herbs, is a popular trend among tourists and this encourages more foreigners to visit Thailand to learn how to cook. Nonetheless, due to the change in tourist behavior, tourists tend to be more interested in niche tourism, for example, health tourism, adventure tourism, spiritual tourism, MICE and sport tourism. In addition, international tourism competition has a tendency to increase and there are also many crises and risks that might affect Thailand tourism in the future. Consequently, if Thai food is to be used to promote tourism through culinary tourism process, Thailand needs to formulate Thai culinary tourism strategies that comply with upcoming changes.

This article aims to explain how the Resource-Based View theory is used as a guideline to develop Thai culinary tourism strategies according to Grant's strategies development process (Grant, 1991) to formulate strategies that create tourism competitive advantages in Thailand through Thai culinary tourism.

Literature review

Resource-Based View (RBV) theory points out that organization should pay attention to their resources. In order to achieve competitive advantages, resources and capabilities must be considered. In other words, instead of considering capital and products as distinctive competency

factors, organizations should develop and make any plan based on their existing resources to respond to the change from the external environment (Wernerfelt, 1984). Organizations that hold the potential of competitive advantages must own resources that are valuable, rare, inimitable, and non-substitutable (Barney, 1991)

It can be concluded that RBV is a theory that focuses on the existing organization resources and capabilities and value them as the necessity to create competitive advantages. On the other hand, capabilities refer to an organization's capacity to deploy resources, usually in combination, using organizational processes, to affect a desire end (Amit & Schoemaker, 1993).

The concept of dynamic capability aims to explain the competitive advantages under an environment that changes rapidly. Dynamic capability as the consideration of antecedents and consequences (Zahra, Sapienza & Davidson, 2006). For successful strategic management, we have to consider what are the origins of the dynamism of these capabilities and what manager can do in practice if they want to develop them (Andreeva & Chaika, 2006). Also, there is a framework of the scenario process as a management tool for creating and sharing future-oriented tacit knowledge in knowledge networks and describes how dynamic capabilities can be developed in view of future scenarios (Bergman, Jantunen & Saksä, 2004).

There are 3 essential ingredients of dynamic capability; capability possession (distinctive resources), capability deployment (resource allocation), and capability upgrading (dynamic learning). Each of these capabilities is a necessary condition for sustained success in today's world economy characterized by increasing technological advancement and business globalization (Luo, 2000)

The concept of dynamic capability was found in many scholars' studies. Petroni (1988), found that organizations with dynamic capabilities always develop new things. Marcus & Anderson (2006) found that while a general dynamic capability affects firms' competence in supply chain management (a business competency), it does not affect their competence in environmental management (a social competency). Cepeda & Vera (2007) found that the utilization of dynamic capabilities and useful knowledge were the key of operational capabilities. It can be concluded that resources are the source of capabilities and capabilities are the source of competitive advantages. Organization capabilities are the key of sustainable competitive

advantage (Grant, 1991). Grant's model clearly shows the connection between the resources, capabilities, and competitive advantages at the firm or business-unit level and could easily be adapted to family firms. If, for example, we believe that family member managers are a competitive advantage to family firms, then we must determine (a) what type of resource they are, (b) under what conditions they add value, (c) what capabilities the firm gains as a result of the resource, (d) what potential they hold for sustainable competitive advantage and return, (e) what strategies can be employed to exploit this human resource advantage, and (f) what objective measures must be established to assess the performance outcomes resulting from this resource. In this case, it could be classified as a rare and valuable human resource if that resource enables a firm to conceive of or implement strategies that improve its efficiency and effectiveness (Habbershon & Williams, 1999, p.128). Porter (1987) favored the concept of increasing competitive advantage by focusing on building up strength in microeconomic level, that is, business level. As for macroeconomic factors, e.g., economics, politics, and laws, they must be stable and appropriate for the operation in business sector.

Culinary tourism is the combination of the natural features, culture, services, facilities, access, hospitality and uniqueness of the area. Being able to sense and taste as well as to learn the process of cooking deepen tourism experience (Du Rand & Heath, 2006). Haukeland & Jacobson (2001) defined this form of tourism as a traveling that allows chances to experience the real identity of the place. Urry (2002) stated that niche trend on culinary tourism is the result of changing tourist behaviors, especially in the post modernism. This theory denoted that, in tourists' point of views, tourism is a mixture of different products not just only one and all lead to a new experience. Culinary tourism allows tourist to realize the importance of local culture and is one of the components of tourism marketing promotion and agricultural and local economic development (Hall & Sharples, 2003)

Research methodology

This study uses documentary research by revising 1) related theories comprising Resource-Based View theory, dynamic capability (Grant's model) and culinary tourism concepts 2) the 11th National Economic and Social Development Plan (A.D. 2012–2016) and Tourism

Development Plan (A.D. 2012-2016) and 3) documents, related research articles and data on strength, weakness, opportunity and threat factors of Thai culinary tourism from various academic journals, electronic media. These data were analyzed following Grant's strategy development model (Grant, 1991) which comprises 1) identifying and classifying the firm's tangible and intangible resources as well as appraising strengths and weaknesses relative to competitors, 2) identifying what can the firm do more effectively than its rival, 3) appraising the rent-generating potential of resources and capabilities in terms of competitive advantages and returns, 4) selecting a strategy which best exploits the firm's resources and capabilities relative to external opportunities and 5) identifying resource gaps which need to be filled and investing in replenishing, augmenting and upgrading the firm's resource base as shown in Figure 1.

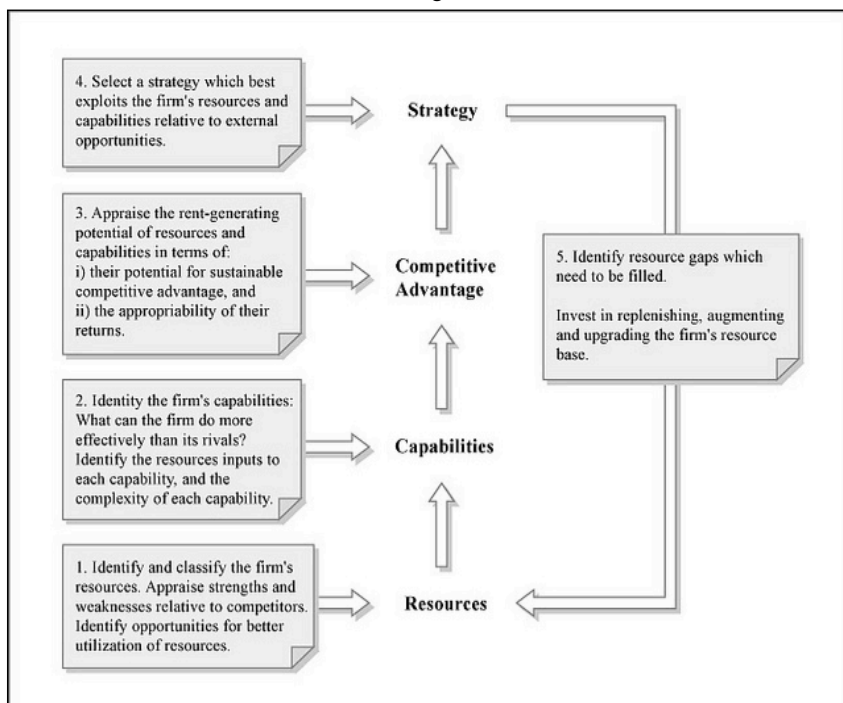


Figure 1 Grant's strategy development model

Findings

The SWOT analysis of Thai culinary tourism is conducted, analyzed and culinary tourism strategies are then developed according to Grant's strategy development model (Grant, 1991) as follows;

1. Both strengths and weaknesses are found in Thailand's resource bases. Resource bases, which are strengths that help create competitive advantages in Thai culinary tourism, can be divided into 2 categories, 1) tangible and 2) intangible resources. Tangible resources comprise (1) diversity in Thai culinary tourism goods and services, (2) being well equipped with basic infrastructure and tourism facilities, for example, accommodation, restaurants, transportation, utility system and disease control system and (3) being geographically suitable for tourism development since Thailand is the center of South East Asia region and is the gate to Greater Mekong Subregion; Myanmar, the People's Republic of China, Lao People's Democratic Republic, Cambodia, and Vietnam and. Intangible resources comprise (1) the government's concern on tourism industry as tourism has been on the national agenda and tourism and creative economy in tourism have been included in the 11th National Economic and Social Development Plan (A.D. 2012-2016), (2) unique culture, Thai hospitality and the brand of Thailand and (3) Thai food trend among foreigners.

Base resources that are regarded as weaknesses and cause Thailand to lose its competitive advantage can also be categorized as 1) tangible and 2) intangible resources. Tangible resources comprise (1) the broad tourism strategies of Thailand and the lack of specific strategies for Thai culinary tourism, (2) the weakness of government's tourism management, the lack of unity and the fact that government regulations cannot keep up with the development in the private sector as well as the a lack of participation from people, private sector, and local administration, (3) problems on logistic, transportation network and transportation network and transportation links between major and minor tourist towns, (4) the location of Thai cooking schools are only clustered in important tourist areas, (5) the lack of cooperation, network or association among Thai culinary tourism entrepreneurs and (6) the lack of Thai culinary tourism database. Intangible resources comprise (1) negative image regarding security, tourist scams and rip-offs and (2) the lack of qualified human resource in tourism.

2. What Thailand can do more effectively than its rival in terms of culinary tourism are 1) price competency, the cost in Thailand is relatively low as compared to the quality of goods and services, 2) Thailand has more marketing experience as compared to other developing countries and has won many international rewards in terms of being a good travel destination and the good hotel service and (3) Thai hospitality, kindness and friendliness are recognized by tourists.

3. World Economic Forum analyzed Thailand tourism potential and found that Thailand was in a better ranking despite having to face with many risks and crises. In 2007, Thailand was ranked 43rd in the world ranking and moved up to 42nd in 2008 and 39th in 2009 respectively. Thailand is renowned for human resource, nature, and culture tourism as well as worthiness and attractiveness (World Economic Forum, 2009)

4. Based on the analysis of strengths and weaknesses of base resources relative to Thai culinary tourism, competitive advantages in Thai culinary tourism and the analysis of Thailand tourism potential as mentioned earlier in 1, 2 and 3 together with these 3 hypotheses; 1) tourists' behavior and needs constantly change, 2) international tourism competition tends to increase, and 3) many crises and risks might affect Thai culinary tourism in the future, the following strategies are formed;

1) There should be more varieties in products and they should cater to tourists' needs. This can be accomplished by developing curriculums with more varieties that comply with the needs of particular groups of learners, for example, providing courses on healthy Thai food or food for seniors and children, allowing learners to choose what they want to learn (such as Tom Yum Kung, Pad Thai, Pad See Ew, Kang Kiew Wan, Kang Massaman, Panang Nua, Pad Kaprao, Som Tum, and Yum Pla Dook Fu), and adding more cooking contents that will benefit the learners (for example, selecting, storing, cleaning, and preparing ingredients).

2) Learning environments should be adjusted based on foreign tourists' interest, focusing on the Thai-way-of-life learning environment. Good examples are A Lot of Thai and Thai Kitchen Cookery Center culinary schools. They use Thai culture and Thai way of life as their selling points. Tourists will be taken to shop for cooking ingredients at the local market and cook afterwards.

3) There should be development on the quality and standard of Thai culinary tourism by improving the quality and standard of

Thai culinary schools so that they are widely accepted inside and outside the country.

4) There should be tourism alliance that connects Thai culinary tourism with other related businesses, such as, cooperating with travel agencies to have Thai cooking class included in the package.

5) Attempts should be made to stimulate local community participation, for instance, taking tourists to the local market in order to delegate revenues from culinary schools to communities. This will enhance community participation in tourism since tourists will have a chance to interact with merchants in local markets and be welcomed and impressed by Thai hospitality and smiles.

5. Thailand needs to improve these tourism resources for Thai culinary tourism; (1) the government's system and structure to manage Thai culinary tourism, (2) building up confidence regarding image and security, (3) tourism human resource and (4) Thai culinary tourism database.

Conclusions and recommendations

Whether or not Thailand gains competitive advantages, resources and capabilities must be considered. In other words, instead of considering capital and products as distinctive competency factors, Thailand should develop and make any plan based on the existing resources to respond to the change from the external environment. Resources that will enable Thailand to gain competitive advantages in Thai culinary tourism must be valuable, rare, inimitable and non-substitutable. Strategies to create competitive advantages for Thai culinary tourism are 1) having various curriculum that cater to tourists' need, 2) improving learning environment according to tourists' interest by focusing on the Thai way-of-life learning environment, 3) improving quality and standard of Thai culinary tourism by developing Thai cooking schools' teaching techniques that meet international standard, 4) creating tourism alliance that connects Thai culinary tourism with other tourism related businesses and 5) creating community participation.

Nonetheless, the government and affiliated organizations should be aware of the following weaknesses in Thai culinary tourism; (1) the broad tourism strategies of Thailand and the lack of specific strategies for Thai culinary tourism, (2) weakness of the government's tourism management, the lack of unity and the fact that government regulations cannot keep up with the development in the private sector as well as the a

lack of participation from people, private sector, and local administration, (3) problems on logistic, transportation network and transportation links between major and minor tourist towns, (4) the negative image on security and tourist scams and rip-offs, (5) the location of Thai cooking schools which are only located in important tourist areas, (6) the lack of cooperation, network or association among Thai culinary tourism entrepreneurs and (7) the lack of Thai culinary tourism database.

Accordingly, the following recommendations have been made:

1) There should be a strategic plan for Thai culinary tourism so that affiliated organizations can use these strategies to push Thai culinary tourism.

2) There should be cooperation among local areas, provinces, provincial clusters, and the nation. Scope of work should be clearly provided and tourism development should comply with the areas to stimulate complete tourism development.

3) There should be development on products, services, and supporting factors for Thai culinary tourism, focusing on developing creative economy, activities, innovations, and value added tourism, tourist security and protection, and enforcing and developing the potentials of human resources in tourism to create competitive advantages.

4) Attempts should be made to build up confidence and promote Thai culinary tourism by focusing on publicizing tourism images, creating good environment, and developing supporting system for tourism marketing so that tourists recognize and get good images of the country. Confidence should be created among foreign tourists and awareness should be created to increase value for tourism products. Proactive marketing should be used to help win the bidding. Exhibitions should be arranged to publicize tourist attractions in Thailand with the aim to increase the number of tourists traveling to Thailand and their spending. A trend for domestic tourism should be created, focusing on qualitative, environmental friendly and sustainable tourism.

5) There should be development on infrastructure and facilities, focusing on developing and improving logistic systems and tourism facilities. Besides, there should be a network of transportation routes and a system that links domestic routes with those of neighboring countries to prepare the country for both domestic and foreign tourists as well as to facilitate them.

6) Thai culinary tourism database should be developed. Thailand has no record in the database to identify the type of tourism tourists came for in each year. Information on Thai culinary tourism, for example, has not been recorded in any database and there is no tourism statistics regarding the number of culinary schools/hotels that offer cooking classes, the number of tourists and revenue generated from those who took cooking classes per year, and the number of schools/hotels that have registered with the Ministry of Tourism and Sports or other related organizations. Consequently, it is essential to develop tourism database systems so that information can be retrieved to formulate policies and measures that support and promote the whole system of tourism industry.

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