THE POWER OF 10

ASEAN Tourism in 2013

A discussion paper from:

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NOTES

This paper is intended as a discussion piece for use by travel and tourism professionals at the ASEAN Tourism Forum (ATF), being held in Kuching, Malaysia from 16-23 January 2014.

All the data used herein are preliminary and will change as final counts are received and published, so the observations and comments made here are to be considered within the context of possible future changes in the data.

That not withstanding, some of the early indicators of growth (or contraction) may be useful as resource allocation decisions are made and possible policy adjustments debated. It is in such a spirit of metrics-driven discussion that this paper was written and is now made available.

Disclaimer:

Any views or opinions presented in this discussion paper are solely those of the author and do not necessarily represent those of Thammasat University or the College of Innovation.

It has been prepared for discussion from the best available data at the time of preparation and in the full knowledge that some of these data series may change as preliminary counts become final. As such, this paper is intended to serve only as a general resource, not as a form or recommendation.

INTRODUCTION

The bloc of economies that collectively form the ASEAN community are likely to see their aggregate international inbound arrivals reach an historic peak of around 100 million in 2013 reaching a new record for foreign inbound arrivals and quite possibly passing that level for the first time ever.

This suggests growth of between 10%-11% over 2012 and would add more than nine million additional arrivals to the collective inbound count from 2012.

Preliminary CY2013 data from the Ministry of Hotels and Tourism suggest that Myanmar will dominate the region's annual percentage gain in foreign inbound arrivals with an increase of almost 52%, in arrivals by air, year-on-year. In addition, land border crossings look to have increased by a factor of almost 1.5 times that of 2012 to reach 1.144 million arrivals[1].

Thailand[2] ended the year with a gain of close to 20%, and is likely to be followed by Cambodia and Lao PDR with gains of 17% and 13% respectively. Preliminary full year data from Vietnam also suggest a double-digit increase of close to 11%.

Table 1: Estimates of foreign arrivals into ASEAN destinations, 2013
(Ranked by % growth 2013e/2012)

Destination	% Gain	Volume Gain ('000)
Myanmar*	51.7	306.780
Thailand*	19.6	4,381.680
Cambodia	17.0	610.776
Lao PDR	13.0	433.718
Vietnam*	10.4	669.585
Philippines	9.9	423.066
Brunei	8.1	16.851
Indonesia	7.2	575.514
Singapore	6.9	994.272
Malaysia	2.9	714.456
ASEAN	**10.3**	**9,126.699**

Note: Destinations marked * have submitted preliminary 2013 full year arrivals data.
Data for Myanmar is for air arrivals only. Other estimates produced by author based on arrivals to date.
A high degree of uncertainly exists with the Philippines estimate due to the impacts of super typhoon Yolanda. All data are subject to revision.

No destinations within the ASEAN bloc showed contraction through 2013.

The volume increase is likely to be over nine million additional foreign arrivals, at least on the metrics as presented here, with Thailand accounting for just under half of those additional visits (48%). Singapore stands to gain close to a million additional foreign arrivals followed by Cambodia, Indonesia, Malaysia and Vietnam, each of whom are likely to see their respective inbound counts increase by a half-million or more.

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[1] Preliminary data 2013, includes day-trippers
[2] Preliminary data for CY 2013
[3] Preliminary data for CY 2013 Data for Indonesia not yet available for 2013; as at January 14, 2014; some variation between aggregate

SOURCE MARKETS[3]

While a full listing of origin markets is not yet available, a comparative analysis of available data for the same periods of 2012 and 2013, year to date (for those destinations that have released such data) shows some interesting movements.

Asia

At the aggregate level for example, it appears that Asia not only dominates the volume of foreign arrivals into Southeast Asia with a year-to-date increase of around 14%, but is also supplying the lion's share of those arrivals – well over 54 million so far this year, an annual increase thus far of more than 6.7 million.

Table 2: Foreign arrivals into ASEAN, year to date 2013, by origin regions

			Change YTD	
Origin Region	**2012**	**2013**	**%**	**Volume**
Asia	47,670,849	54,395,954	14.1	6,725,105
Europe	9,246,090	10,202,944	10.3	956,854
Americas	3,096,567	3,252,455	5.0	155,888
Pacific	2,682,264	2,775,974	3.5	93,710
Africa	262,672	279,261	6.3	16,589
Other	840,840	822,336	-2.2	-18,504
Total	**63,799,282**	**71,728,924**	**12.4**	**7,929,642**

As a source region, Asia is well ahead of Europe, however the latter has still added close on a million additional foreign arrivals to this cluster of destinations so far this year and in terms of generating visitor arrivals, is still well ahead of the other origin regions.

Within the Asia origin cluster, it is perhaps no surprise to see that Northeast and Southeast Asia supply the bulk of arrivals to the ASEAN bloc, generating over 50 million arrivals between them and being responsible for almost 97% of the additional arrivals from Asia into Southeast Asia for the period under review. Between them these two origin sub-regions also supplied 82% of the additional arrivals from all sources.

Table 3: Foreign arrivals from Asia sub-regions into ASEAN year to date 2013

			Change YTD	
Origin Sub-region	**2012**	**2013**	**%**	**Volume**
Northeast Asia	16,054,503	20,280,865	26.3	4,226,362
Southeast Asia	27,786,570	30,074,444	8.2	2,287,874
Other Asia	82,451	204,842	148.4	122,391
South Asia	2,866,528	2,929,148	2.2	62,620
West Asia	878,680	903,902	2.9	25,222
Central	2,117	2,753	30.0	636
Total Origin Asia	**47,670,849**	**54,395,954**	**14.1**	**6,725,105**

[3] Origin data for Indonesia is not yet available for 2013; as at January 14, 2014; some variation between aggregate counts and arrivals by origin may (and do) occur.

Northeast Asia has been the star supplier of arrivals so far however, with an increase of over 26% year-to-date, while Southeast Asia, slipped to around eight percent - still a strong performance but at less than a third of the growth shown by Northeast Asia.

At the single origin level, 12 source markets have generated in excess of 100,000 additional arrivals so far this year; China leads the way with an increase of more than 3.2 million to create a year to date numeric base now coming very close to that of Singapore.

Table 4: Top Asian source markets into ASEAN, year to date 2013 (Ranked by annual volume increase)

	ASEAN	Change YTD	
Origin	2013 (mns)	%	Volume (mns)
China	10.343	45.4	3.230
Malaysia	4.237	14.1	0.523
Indonesia	4.075	11.6	0.424
Vietnam	2.601	18.7	0.409
Korea (ROK)	3.895	11.1	0.390
Singapore	10.828	3.3	0.347
Japan	3.532	10.7	0.342
Lao PDR	1.633	18.3	0.252
Hong Kong SAR	0.960	18.5	0.150
Thailand	3.275	4.1	0.129
Chinese Taipei	1.532	8.2	0.117
Philippines	1.324	9.2	0.112

ASEAN

Within the context of Asian source markets, the ASEAN-to-ASEAN flows are significant, with markets originating within Southeast Asia having generated more than 30 million intra-ASEAN arrivals during this 2013 year to date period.

Table 5: ASEAN source markets into ASEAN, year to date 2013

			Change YTD	
Origin	2012	2013	%	Volume
Malaysia	3,713,986	4,236,726	14.1	522,740
Indonesia	3,650,325	4,074,544	11.6	424,219
Vietnam	2,191,882	2,601,252	18.7	409,370
Singapore	10,481,339	10,828,048	3.3	346,709
Lao PDR	1,381,109	1,633,248	18.3	252,139
Thailand	3,145,760	3,275,219	4.1	129,459
Philippines	1,211,580	1,323,607	9.2	112,027
Myanmar	249,979	299,465	19.8	49,486
Cambodia	806,182	843,645	4.6	37,463
Brunei	933,064	933,456	0.0	392
Other Southeast Asia	21,364	25,234	18.1	3,870
Total Origin ASEAN	**27,786,570**	**30,074,444**	**8.2**	**2,287,874**

Furthermore, seven of the ten ASEAN origin markets have generated in excess of 100,000 additional arrivals into ASEAN destinations during the period under review, led by Malaysia, Indonesia, Vietnam and Singapore amongst others.

A number of ASEAN origin-destination pairs have seen gains in excess of 100,000 additional arrivals in the year to date period, particularly the flows between Malaysia and Thailand, but also from Indonesia, which has shown significant increases into each of Malaysia, Thailand and Singapore.

Table 6: Main origin-destination pairs across ASEAN, year to date 2013
(Ranked by volume gain >100,000 ytd)

		2013 YTD	Change YTD	
Origin	**Destination**	**IVAs (mns)**	**%**	**Volume**
Malaysia	Thailand	2.996	17.3	441,674
Singapore	Malaysia	9.474	2.3	216,494
Vietnam	Thailand	0.787	27.3	168,631
Lao PDR	Cambodia	0.376	67.2	151,209
Indonesia	Malaysia	1.862	8.8	150,805
Vietnam	Lao PDR	0.652	27.7	141,423
Indonesia	Thailand	0.589	31.5	141,259
Lao PDR	Thailand	1.106	13.3	130,081
Thailand	Lao PDR	1.531	8.0	113,752
Indonesia	Singapore	1.475	8.0	109,263
Singapore	Thailand	0.936	12.7	105,262

Interestingly, while travel between Malaysia and Thailand has been on the increase, the reverse is not the case; arrivals from Thailand to Malaysia have in fact decreased by almost 12% during the January to September period, creating a shortfall of more than 112,000 visits.

ASEAN by Destination

Brunei Darussalam

Data for Brunei Darussalam are supplied by the Ministry of Industry and Primary Resources and cover foreign arrivals by air at Brunei International Airport (BWN), for the period January to September 2012 & 2013. Data are reported by nationality.

Table 7: Foreign arrivals into Brunei Darussalam by air & origin sub-region (Jan-Sep 2012 & 2013)

Origin		Jan-Sept		YTD Change	
Region	**Sub-region**	**2012**	**2013**	**%**	**Volume**
Americas	North	4,631	5,671	22.5	1,040
	Sub-total	4,631	5,671	22.5	1,040
Asia	Northeast	30,042	32,406	7.9	2,364
	South	5,872	7,375	25.6	1,503
	Southeast	88,204	93,665	6.2	5,461
	West	722	542	-24.9	-180
	Sub-total	124,840	133,988	7.3	9,148
Europe	Eastern	648	969	49.5	321
	Northern	9,462	11,010	16.4	1,548
	Southern	827	834	0.8	7
	Western	4,223	4,715	11.7	492
	Sub-total	15,160	17,528	15.6	2,368
Pacific	Oceania	10,284	12,394	20.5	2,110
	Sub-total	10,284	12,394	20.5	2,110
Others	Others	3,004	2,903	-3.4	-101
	Sub-total	3,004	2,903	-3.4	-101
Total	**Total**	**157,919**	**172,484**	**9.2**	**14,565**

Overall, Brunei has seen a solid increase in foreign arrivals by air with a year-to-date increase of 14,565 visits during the first nine months of 2013, relative to the same period last year. The bulk of this increase has come from Asia (63%), specifically from Southeast Asia source markets (38%), but with additional support from Europe (16%) and the Pacific (15%) and to a lesser degree the Americas (7%).

The top ten source markets for Brunei YTD are as shown below; collectively they delivered more than 83% of Brunei's foreign inbound mix (by air) in the nine months to September 2013.

Table 8: Top ten foreign source markets into Brunei Darussalam by air (Jan-Sep 2012 & 2013, ranked by volume)

Nationality	IVAs Jan-Sep 2013	Relative share (%) Origin	Cumulative
Malaysia	42,989	24.9	24.9
China	23,851	13.8	38.8
Indonesia	14,803	8.6	47.3
Philippines	13,998	8.1	55.4
Singapore	13,529	7.8	63.3
Australia	11,125	6.4	69.7
UK	9,518	5.5	75.3
Thailand	4,933	2.9	78.1
India	4,664	2.7	80.8
Japan	4,235	2.5	83.3
Sub-total	143,645	83.3	
Total	**172,484**		

During the first nine months of 2013, Malaysia remains the single most important source market for Brunei and accounted for almost one-quarter of all foreign arrivals by air. Collectively, the top ten origin markets accounted for over 80% of all foreign air arrivals, while five ASEAN source markets appeared in this rankings table with a combined share of more than 50% of the total foreign inbound count.

Cambodia

These data have been supplied by the Cambodian Ministry of Tourism, and cover arrivals by all modes of transport during the period January to November 2013. Data are reported by country of residence.

Table 9: Foreign arrivals into Cambodia by origin sub-region (Jan-Nov 2012 & 2013)

Origin		Jan-Nov		YTD Change	
Region	**Sub-region**	**2012**	**2013**	**%**	**Volume**
Africa	East	295	311	5.4	16
	Middle	269	181	-32.7	-88
	North	236	357	51.3	121
	South	2,862	3,307	15.5	445
	West	759	746	-1.7	-13
	Other	551	400	-27.4	-151
	Sub-total	4,972	5,302	6.6	330
Americas	Central	3,895	4,612	18.4	717
	North	199,230	213,798	7.3	14,568
	South	11,173	14,321	28.2	3,148
	Other	3,007	1,945	-35.3	-1,062
	Sub-total	217,305	234,676	8.0	17,371
Asia	Central	2,117	2,753	30.0	636
	Northeast	916,299	1,079,909	17.9	163,610
	South	22,233	27,101	21.9	4,868
	Southeast	1,365,643	1,665,291	21.9	299,648
	West	11,837	13,218	11.7	1,381
	Sub-total	2,318,129	2,788,272	20.3	470,143
Europe	Eastern	106,582	140,271	31.6	33,689
	Northern	144,753	162,104	12.0	17,351
	Southern	48,848	53,637	9.8	4,789
	Western	229,248	254,302	10.9	25,054
	Other	5,827	2,895	-50.3	-2,932
	Sub-total	535,258	613,209	14.6	77,951
Other	Other APac	6,962	3,406	-51.1	-3,556
	Sub-total	6,962	3,406	-51.1	-3,556
Pacific	Oceania	119,355	133,493	11.8	14,138
	Sub-total	119,355	133,493	11.8	14,138
Total	**Total**	**3,201,981**	**3,778,358**	**18.0**	**576,377**

Asia is the principal supplier of foreign arrivals for Cambodia, generating almost 74% of the total foreign inbound total in the eleven months to November 2013 and growing at a very strong 20% year to date.

In reality however, it is the Southeast and Northeast Asia origin markets that dominate both the inbound flows from Asia and in total, holding as they do, a collective share of 73% of the total inbound volume year to date.

At the individual source market level, Vietnam is the dominant source of inbound movements holding a one-fifth share of total foreign inbound volume in the first eleven months of 2013.

Table 10: Top ten foreign source markets into Cambodia (Jan-Nov 2012 & 2013, ranked by volume)

Residence	IVAs Jan-Nov 2013	Relative share (%) Origin	Cumulative
Vietnam	781,849	20.7	20.7
China	417,261	11.0	31.7
Korea (ROK)	382,436	10.1	41.9
Lao PDR	376,226	10.0	51.8
Thailand	201,383	5.3	57.1
Japan	184,833	4.9	62.0
USA	164,582	4.4	66.4
France	116,902	3.1	69.5
Malaysia	116,287	3.1	72.6
Australia	115,866	3.1	75.6
Sub-total	2,857,625	75.6	
Total	**3,778,358**		

Seven of the top ten source markets (by volume, ytd), are Asian although the USA, France and Australia also make appearances in the top ten listing. Collectively, these top ten source markets accounted for three-quarters of all foreign inbound volume over the January to November 2013 period.

Indonesia

Data are supplied by Statistics Indonesia and cover the period January to November 2013. Disaggregated data have not been published as yet, so the following information relates to aggregate foreign arrivals through all entry points.

Table 11: Foreign arrivals into Indonesia by entry point (Jan-Nov 2012 & 2013)

INDONESIA	Jan-Nov		YTD Change		Relative share (%)
Entry point	2012	2013	%	Volume	2013 YTD
Ngurah Rai	2,637,759	2,948,928	11.8	311,169	35.3
Soekarno-Hatta	1,876,515	2,051,497	9.3	174,982	24.5
Batam	1,082,240	1,182,633	9.3	100,393	14.1
Tanjung Uban	305,523	286,225	-6.3	-19,298	3.4
Juanda	180,821	203,994	12.8	23,173	2.4
Polonia	184,146	197,602	7.3	13,456	2.4
Husein Sastranegara	128,591	152,113	18.3	23,522	1.8
Tanjung Balai Karimun	96,394	94,196	-2.3	-2,198	1.1
Tanjung Pinang	93,013	89,265	-4.0	-3,748	1.1
Adi Sucipto	51,988	75,165	44.6	23,177	0.9
Tanjung Priok	59,758	60,114	0.6	356	0.7
Minangkabau	28,605	38,589	34.9	9,984	0.5
Bandara	14,505	32,697	125.4	18,192	0.4
All other entry points	537,638	528,456	-1.7	-9,182	6.3
Total all entry points	**7,277,496**	**7,941,474**	**9.1**	**663,978**	**100.0**

Note: While the 'All other entry points' aggregate is substantial, either none of these entry points have received more than 30,000 arrivals in the January to November 2013 period, or they were not individually identified.

Clearly, the airports of Ngurah Rai (DPS - Denpasar International Airport), and Soekarno-Hatta (Jakarta – CGK), dominate the gateways into Indonesia, capturing close to 60% of all foreign inbound traffic in the first eleven months of 2013.

Some of the smaller gateways are showing significant percentage increases however, albeit off a very much smaller numeric base, and could be worth tracking over the next few years. Minangkabau (Sumatra – PDG), Adi Sucipto (Yogyakarta, Java - JOG) and Bandara international airports (Lombok - LOP) for example are showing year to date growth rates of 35%, 45% and 125% respectively and could produce significant arrival numbers in the future, if those levels of annual increase remain for the next few years at least.

Lao PDR

Data are supplied by the Tourism Development Department, Ministry of Information, Culture and Tourism, for the period January to September 2013. Data are reported by nationality.

Table 12: Foreign arrivals into Lao PDR by origin sub-region (Jan-Sep 2012 & 2013)

Origin		Jan-Sep		YTD Change	
Region	**Sub-region**	**2012**	**2013**	**%**	**Volume**
Americas	North	49,011	55,573	13.4	6,562
	Other	3,731	5,642	51.2	1,911
	Sub-total	52,742	61,215	16.1	8,473
Asia	Northeast	221,355	275,791	24.6	54,436
	South	2,412	16,365	578.5	13,953
	Southeast	1,973,806	2,237,766	13.4	263,960
	West	2,442	2,575	5.4	133
	Sub-total	2,200,015	2,532,497	15.1	332,482
Europe	Eastern	5,354	8,223	53.6	2,869
	Northern	39,172	38,881	-0.7	-291
	Southern	7,299	10,733	47.0	3,434
	Western	67,545	80,437	19.1	12,892
	Other	9,755	11,879	21.8	2,124
	Sub-total	129,125	150,153	16.3	21,028
Other	Other APac	4,711	4,765	1.1	54
	Other MEA	2,687	3,537	31.6	850
	Sub-total	7,398	8,302	12.2	904
Pacific	Oceania	28,239	29,945	6.0	1,706
	Sub-total	28,239	29,945	6.0	1,706
Total	**Total**	**2,417,519**	**2,782,112**	**15.1**	**364,593**

With an additional 365,000 foreign arrivals during the first nine months of 2013 (over Jan-Sep 2012), the People's Democratic Republic of Lao is beginning to seriously flex its muscles as a significant tourism player within the ASEAN bloc and will host more then four million foreign visitors within the next 12-18 months.

Currently the foreign inbound make-up is very strongly driven by ASEAN arrivals, with around 80% of the current inbound volume coming from those markets alone. Europe and the Americas however are showing significant percentage growth, off a very much smaller numeric base to be sure, but strong gains never the less.

Eastern Europe in particular – as represented here by Russia - has shown growth in excess of 50% in the first nine months of 2013 alone, and the dramatic increase in Russian visitors into parts of Asia has shown itself to be robust to say the least. Perhaps Lao PDR is a 'new' destination discovery for travellers from this source market?

Similarly for travellers from South Asia (in this case India), with numbers from that source market jumping more than six-fold in just twelve months. It will certainly be interesting to see how the inbound mix develops over the next few years.

For the moment however, the ASEAN neighbours of Thailand and Vietnam generate the bulk of foreign visitors into Lao PDR. Between them they currently hold a better than 78% share of all foreign inbound traffic into Lao PDR, for the period January to September 2013 at least.

Table 13: Top ten foreign source markets into Lao PDR (Jan-Sep 2012 & 2013, ranked by volume)

Residence	IVAs Jan-Sep 2013	Relative share (%) Origin	Cumulative
Thailand	1,531,343	55.0	55.0
Vietnam	652,193	23.4	78.5
China	171,581	6.2	84.7
Korea (ROK)	62,510	2.2	86.9
USA	43,211	1.6	88.5
Japan	38,039	1.4	89.8
France	37,596	1.4	91.2
UK	26,573	1.0	92.1
Australia	25,837	0.9	93.1
Germany	20,229	0.7	93.8
Sub-total	2,609,112	93.8	
Total	**2,782,112**		

Currently, over 90% of all foreign inbound arrivals are accounted for by just ten source markets with an interesting mix of origins that include not only Asia but also the USA, France & the UK and from the Pacific, Australia.

Malaysia

Data are supplied by Tourism Malaysia and cover the period January to September 2013. Data are reported by nationality.

Table 14: Foreign arrivals into Malaysia by origin sub-region (Jan-Sep 2012 & 2013)

Origin		Jan-Sep		YTD Change	
Region	**Sub-region**	**2012**	**2013**	**%**	**Volume**
Africa	North	12,237	14,041	14.7	1,804
	South	16,849	15,282	-9.3	-1,567
	West	14,671	14,039	-4.3	-632
	Sub-total	43,757	43,362	-0.9	-395
Americas	North	243,221	246,952	1.5	3,731
	Sub-total	243,221	246,952	1.5	3,731
Asia	Northeast	1,935,564	2,251,847	16.3	316,283
	South	881,589	828,354	-6.0	-53,235
	Southeast	13,463,773	13,778,197	2.3	314,424
	West	159,182	152,164	-4.4	-7,018
	Sub-total	16,440,108	17,010,562	3.5	570,454
Europe	Eastern	32,475	37,672	16.0	5,197
	Northern	375,945	389,181	3.5	13,236
	Southern	52,635	52,626	0.0	-9
	Western	308,738	308,610	0.0	-128
	Sub-total	769,793	788,089	2.4	18,296
Pacific	Oceania	421,303	418,511	-0.7	-2,792
	Sub-total	421,303	418,511	-0.7	-2,792
Other	Other	235,461	249,000	5.7	13,539
	Sub-total	**235,461**	**249,000**	**5.7**	**13,539**
Total	**Total**	**18,153,643**	**18,756,476**	**3.3**	**602,833**

With such a large numeric base of to begin with, what appears to be a rather sluggish growth rate over the nine months to September 2013 actually converts to an additional 600,000 additional foreign arrivals over the period.

Once again the bulk of those additional visitors stems from the origin markets of Northeast and Southeast Asia, which collectively have added sufficient additional arrivals to offset the smaller losses from other source areas.

Europe has added a significant number of additional visitors as well, particularly from Northern and Eastern Europe – the latter again equating to Russian travellers while the former includes a spread of markets from Denmark, Norway, Ireland and the UK to name just a few.

Table 15: Top ten foreign source markets into Malaysia (Jan-Sep 2012 & 2013, ranked by volume)

Residence	IVAs Jan-Sep 2013	Relative share (%) Origin	Cumulative
Singapore	9,474,081	50.5	50.5
Indonesia	1,861,891	9.9	60.4
China	1,449,477	7.7	68.2
Brunei	876,028	4.7	72.8
Thailand	847,167	4.5	77.4
India	482,134	2.6	79.9
Philippines	403,728	2.2	82.1
Australia	373,523	2.0	84.1
Japan	371,009	2.0	86.0
UK	305,144	1.6	87.7
Sub-total	16,444,182	87.7	
Total	**18,756,476**		

Eight of the top ten origin markets (by volume) over this period, originate in Asia, however Australia and the UK are individually large enough to rank in the top ten listing and together they account for well over 650,000 arrivals.

Myanmar

Data are supplied by the Myanmar Ministry of Hotels & Tourism and cover the period January to December 2013. The data used here refer to arrivals through the Yangon entry points (air/land/sea), and the Mandalay & Bagan International Airports. Data are reported by nationality.

Table 16: Foreign arrivals into the Union of Myanmar by origin sub-region (Jan-Dec 2012 & 2013)

Origin		January to December		YTD Change	
Region	**Sub-region**	**2012**	**2013**	**%**	**Volume**
Africa	Other	1,598	2,688	68.2	1,090
	Sub-total	1,598	2,688	68.2	1,090
Americas	North	44,074	62,628	42.1	18,554
	Other	3,535	4,625	30.8	1,090
	Sub-total	47,609	67,253	41.3	19,644
Asia	Northeast	180,186	252,818	40.3	72,632
	South	18,605	23,023	23.7	4,418
	Southeast	151,137	218,668	44.7	67,531
	West	3,747	3,396	-9.4	-351
	Other	30,476	135,890	345.9	105,414
	Sub-total	384,151	633,795	65.0	249,644
Europe	Eastern	9,077	10,183	12.2	1,106
	Northern	24,296	33,203	36.7	8,907
	Southern	17,518	17,316	-1.2	-202
	Western	88,482	107,644	21.7	19,162
	Sub-total	139,373	168,346	20.8	28,973
Pacific	Oceania	20,603	28,036	36.1	7,433
	Sub-total	20,603	28,036	36.1	7,433
Other	Other	47	43	-8.5	-4
	Sub-total	47	43	-8.5	-4
Total	**Total**	**593,381**	**900,161**	**51.7**	**306,780**

Foreign arrivals into Myanmar continue to grow at an astounding rate. Calendar year 2013 saw an increase of close to 52% in arrivals through the major air gateways as well as by land & sea through Yangon, while overland border crossings (which include day trippers) grew by almost 146%. These latter movements more than doubled at the Eastern region, which saw a doubling of inbound movements from 230,298 in 2012 to almost 753,000 in 2013.

Disaggregated data - by nationality – are currently only available for foreign arrivals through the Yangon entry points (air/land/sea), and the Mandalay & Bagan International Airports (as above) but clearly show the strength of growth in demand.

Asia dominates the source markets, accounting for more than two-thirds of the arrivals through these gateways in 2013. At the moment it appears as if the Asia source markets are dominated by Northeast and Southeast Asia, however the enormous four-fold increase in those classified as ‘Other Asia’ may change those profiles once their specific origins are known.

There are a few areas of contraction however these are minimal and the majority of gains are I the strong double-digit range.

Table 17: Top ten foreign source markets into Myanmar (Jan-Dec 2012 & 2013, ranked by volume)

Nationality	IVAs Jan-Dec 2013	Relative share (%) Origin	Cumulative
Thailand	139,770	15.5	15.5
China	90,550	10.1	25.6
Japan	68,761	7.6	33.2
Korea (ROK)	54,934	6.1	39.3
USA	53,653	6.0	45.3
Malaysia	39,758	4.4	49.7
Singapore	39,140	4.3	54.1
France	35,462	3.9	58.0
UK	33,203	3.7	61.7
Chinese Taipei	30,699	3.4	65.1
Sub-total	585,930	65.1	
Total	**900,161**		

There is a relatively wide range of source markets with the top ten by volume accounting for less than two-thirds of the inbound volume through the gateways as previously specified. Neighbouring Thailand is easily the most dominant single source market and holds better than a 15% share of foreign arrivals in this group.

Philippines

Data for the Philippines are supplied by the Department of Tourism and cover the period January to September 2013. Data are reported by country of residence.

Table 18: Foreign arrivals into the Philippines by origin sub-region (Jan-Sep 2012 & 2013)

Origin		Jan-Sep		YTD Change	
Region	**Sub-region**	**2012**	**2013**	**%**	**Volume**
Africa	North	1,236	1,312	6.1	76
	South	2,572	2,832	10.1	260
	West	773	846	9.4	73
	Sub-total	4,581	4,990	8.9	409
Americas	Central	1,327	1,985	49.6	658
	North	572,870	588,786	2.8	15,916
	South	3,673	4,448	21.1	775
	Sub-total	577,870	595,219	3.0	17,349
Asia	Northeast	1,528,441	1,778,269	16.3	249,828
	South	47,492	51,059	7.5	3,567
	Southeast	269,981	309,652	14.7	39,671
	West	48,147	59,111	22.8	10,964
	Sub-total	1,894,061	2,198,091	16.1	304,030
Europe	Eastern	24,748	30,912	24.9	6,164
	Northern	128,876	138,405	7.4	9,529
	Southern	32,550	31,405	-3.5	-1,145
	Western	122,935	131,317	6.8	8,382
	Sub-total	309,109	332,039	7.4	22,930
Pacific	Melanesia	3,344	3,751	12.2	407
	Micronesia	32,450	31,007	-4.4	-1,443
	Oceania	141,763	158,946	12.1	17,183
	Sub-total	177,557	193,704	9.1	16,147
Other	Other	27,746	30,944	11.5	3,198
	Sub-total	27,746	30,944	11.5	3,198
Total	**Total**	**2,990,924**	**3,354,987**	**12.2**	**364,063**

Foreign arrivals growth into the Philippines was strong through the first nine months of 2013 however the impact of super typhoon Yolanda (Haiyan) is likely to have a dampening effect on that for a few months at least. Hopefully, that will last only a short time and travel demand for the Philippines will rebound back to the double-digit levels seen during the first three-quarters of 2013.

Asia is the dominant supplier of arrivals, particularly out of Northeast Asia, which in the period considered generated 81% of arrivals from Asia into the Philippines and more than half (53%) of total foreign inbound traffic.

Table 19: Top ten foreign source markets into the Philippines (Jan-Sep 2012 & 2013, ranked by volume)

Nationality	IVAs Jan-Sep 2013	Relative share (%) Origin	Cumulative
Korea (ROK)	908,881	27.1	27.1
USA	497,748	14.8	41.9
Japan	329,008	9.8	51.7
China	327,054	9.7	61.5
Australia	148,218	4.4	65.9
Singapore	127,971	3.8	69.7
Chinese Taipei	111,059	3.3	73.0
Hong Kong SAR	96,444	2.9	75.9
Canada	91,038	2.7	78.6
UK	87,238	2.6	81.2
Sub-total	**2,724,659**	**81.2**	
Total	**3,354,987**	**100.0**	

While travel demand from the Northeast Asia source market cluster is dominant, at the individual source market level other suppliers also become more significant. In the top ten (by volume) rankings for example, the USA, Australia, Canada and the UK all make an appearance and during the first nine months of 2013 generated a collective volume in excess of 800,000 arrivals to the Philippines.

Singapore

Data are supplied by the Singapore Tourism Board and cover the period January to June 2013. Data are reported by country of residence.

It should be noted that Singapore is currently migrating to a new system for tracking visitor arrival statistics and some delays in delivering disaggregated data are being experienced during this period.

Additionally, it should be noted that these data refer to all foreign visitors who clear CIQ regardless of their length of stay, however they specifically exclude:

- Malaysian citizens arriving by land;
- Returning Singapore citizens resident abroad;
- Non-resident air/sea crew (except for sea crew flying in to join a ship); and
- Air transit and transfer passengers.

Table 20: Foreign arrivals into Singapore by origin sub-region (Jan-Jun 2012 & 2013)

	Origin	Jan-Jun		YTD Change	
Region	**Sub-region**	**2012**	**2013**	**%**	**Volume**
Africa	East	4,798	3,751	-21.8	-1,047
	North	1,775	1,836	3.4	61
	Other	9,520	9,671	1.6	151
	South	16,209	15,415	-4.9	-794
	Sub-total	32,302	30,673	-5.0	-1,629
Americas	North	287,532	303,535	5.6	16,003
	Other	24,835	30,091	21.2	5,256
	Sub-total	312,367	333,626	6.8	21,259
Asia	Northeast	1,921,766	2,296,652	19.5	374,886
	South	601,464	629,409	4.6	27,945
	Southeast	2,829,075	2,977,668	5.3	148,593
	West	67,044	73,549	9.7	6,505
	Sub-total	5,419,349	5,977,278	10.3	557,929
Europe	Eastern	83,539	94,526	13.2	10,987
	Northern	320,828	321,533	0.2	705
	Southern	48,627	47,814	-1.7	-813
	Western	317,702	316,103	-0.5	-1,599
	Sub-total	770,696	779,976	1.2	9,280
Pacific	Oceania	534,631	601,166	12.4	66,535
	Other	7,025	7,463	6.2	438
	Sub-total	541,656	608,629	12.4	66,973
Other	Other	5,962	1,296	-78.3	-4,666
	Sub-total	5,962	1,296	-78.3	-4,666
Total	**Total**	**7,082,332**	**7,731,478**	**9.2**	**649,146**

Singapore looks to be experiencing another strong foreign inbound year, with an increase of better than nine percent during the first half of 2013. Asian source markets have generated over 77% of these inbound flows to date, with Southeast Asia the single most dominant source cluster (39% share of total foreign inbound).

Northeast Asia is becoming even more significant however, having generated an increase of close to 20% during the first half of 2013 and producing close to 375,000 additional arrivals year on year. The relative share out of Northeast Asia has consequently jumped from 27% in 1H12 to 30% in 1H13.

All other source markets have generated less than one million arrivals during the first half of 2013.

The importance of Indonesia and China can be seen clearly in the following table – together these two source markets have generated more than one-third of the foreign inbound volume into Singapore during the first half of 2013.

Table 21: Top ten foreign source markets into Singapore (Jan-Jun 2012 & 2013, ranked by volume)

Residence	IVAs Jan-Jun 2013	Relative share (%) Origin	Relative share (%) Cumulative
Indonesia	1,475,354	19.1	19.1
China	1,240,645	16.0	35.1
Malaysia	601,912	7.8	42.9
Australia	546,561	7.1	50.0
India	499,064	6.5	56.4
Japan	385,146	5.0	61.4
Philippines	358,055	4.6	66.1
Hong Kong SAR	256,107	3.3	69.4
USA	254,907	3.3	72.7
Thailand	246,291	3.2	75.8
Sub-total	5,864,042	75.8	
Total	**7,731,478**	**100.0**	

In total, the top ten source markets accounted for three-quarters of the foreign inbound traffic into Singapore during the first half of 2013.

Thailand

Data are supplied by the Bureau of Immigration and the Royal Thai Police Department and cover calendar years 2013 and 2012. Data are reported by nationality.

Table 22: Foreign arrivals into the Kingdom of Thailand by origin sub-region (Jan-Dec 2012 & 2013)

	Origin	Jan-Dec		YTD Change	
Region	**Sub-region**	**2012**	**2013**	**%**	**Volume**
Africa	North	19,918	28,088	41.0	8,170
	South	76,326	74,356	-2.6	-1,970
	Other	79,218	89,802	13.4	10,584
	Sub-total	175,462	192,246	9.6	16,784
Americas	North	987,992	1,056,432	6.9	68,440
	South	48,240	57,929	20.1	9,689
	Other	47,201	56,281	19.2	9,080
	Sub-total	1,083,433	1,170,642	8.0	87,209
Asia	Northeast	6,192,086	8,625,380	39.3	2,433,294
	South	1,286,861	1,346,462	4.6	59,601
	Southeast	6,281,153	7,396,297	17.8	1,115,144
	West	585,559	599,347	2.4	13,788
	Other East	51,975	68,952	32.7	16,977
	Sub-total	14,397,634	18,036,438	25.3	3,638,804
Europe	Eastern	1,597,540	2,083,236	30.4	485,696
	Northern	1,769,253	1,762,636	-0.4	-6,617
	Southern	313,844	329,540	5.0	15,696
	Western	1,847,357	1,980,991	7.2	133,634
	Other	122,625	151,100	23.2	28,475
	Sub-total	5,650,619	6,307,503	11.6	656,884
Pacific	Oceania	1,044,112	1,025,598	-1.8	-18,514
	Other	2,643	3,156	19.4	513
	Sub-total	1,046,755	1,028,754	-1.7	-18,001
Total	**Total**	**22,353,903**	**26,735,583**	**19.6**	**4,381,680**

Note: In this table, Egypt is included in Africa

Thailand continued its solid growth of recent years into 2013, posting an amazing 20% increase year on year and welcoming more than 26.7 million foreign arrivals, an increase of more than 4.38 million additional arrivals over the previous year (which in itself was a record year).

Despite some minor contractions, Thailand still receives in excess of one million arrivals annually from the major source regions, with Asia and Europe dominating the mix. The former (Asia) generated three-quarters of the total foreign inbound volume in 2013, while the latter (Europe) produced close on one-quarter of all foreign arrivals.

Southeast Asia is a significant contributor to Thailand's foreign inbound count in its own right and the ASEAN-to-Thailand flows in 2013 were close to 7.4 million.

Northeast Asia however, with an increase of better than 1.9 million additional arrivals from China alone (year on year) has moved ahead of Southeast Asia during the last twelve months and is now the single largest suppler of foreign arrivals at the sub-regional level.

Similarly in Europe where the Eastern markets have now (collectively) moved ahead of both the West and the North to become the largest supplier out of Europe generally.

At the individual source market level, Thailand now receives in excess of one million arrivals annually from seven distinct markets with several others coming tantalisingly close to that milestone.

Table 23: Top ten foreign source markets into Thailand (Jan-Dec 2012 & 2013, ranked by volume)

	IVAs	Relative share (%)	
Nationality	Jan-Dec 2013	Origin	Cumulative
China	4,705,173	17.6	17.6
Malaysia	2,996,071	11.2	28.8
Russia	1,736,990	6.5	35.3
Japan	1,537,979	5.8	41.1
Korea (ROK)	1,297,200	4.9	45.9
Lao PDR	1,106,080	4.1	50.0
India	1,049,856	3.9	54.0
Singapore	936,477	3.5	57.5
Australia	907,868	3.4	60.9
UK	906,312	3.4	64.3
Sub-total	17,180,006	64.3	
Total	**26,735,583**	**100.0**	

Vietnam

Data are supplied by Vietnam's General Statistics Office and the VNAT and cover calendar years 2013 and 2012. Data are reported by nationality.

Table 24: Foreign arrivals into Vietnam by origin sub-region (Jan-Dec 2012 & 2013)

	Origin	Jan-Dec		YTD Change	
Region	**Sub-region**	**2012**	**2013**	**%**	**Volume**
Americas	North	557,389	537,201	-3.6	-20,188
	Sub-total	557,389	537,201	-3.6	-20,188
Asia	Northeast	3,128,764	3,687,793	17.9	559,029
	Southeast	1,363,798	1,397,240	2.5	33,442
	Sub-total	4,492,562	5,085,033	13.2	592,471
Europe	Eastern	174,287	298,126	71.1	123,839
	Northern	270,183	275,789	2.1	5,606
	Southern	62,642	65,326	4.3	2,684
	Western	419,845	406,860	-3.1	-12,985
	Sub-total	926,957	1,046,101	12.9	119,144
Pacific	Oceania	316,465	322,465	1.9	6,000
	Sub-total	316,465	322,465	1.9	6,000
Other	Other	554,307	526,485	-5.0	-27,822
	Sub-total	554,307	526,485	-5.0	-27,822
Total	**Total**	**6,847,680**	**7,517,285**	**9.8**	**669,605**

Note: there is a slight divergence between the published total and the disaggregated totals at this time.

Vietnam has seen a dramatic increase in its foreign inbound count trebling the volume of arrivals within the last decade alone. Calendar year 2013 was another record year driven by substantial gains in arrivals from Northeast Asia and to a lesser extent Eastern Europe. Northeast Asia contributed just under half (49%) of all foreign arrivals during 2013, driven primarily by China, Korea (ROK) and Japan which, as can be seen in the following table, collectively generated 44% of foreign inbound traffic into Vietnam during the year.

Table 25: Top ten foreign source markets into Vietnam (Jan-Dec 2012 & 2013, ranked by volume)

	IVAs Jan-Dec	Relative share (%)	
Nationality	**2013**	**Origin**	**Cumulative**
China	1,917,794	25.5	25.5
Korea (ROK)	748,727	10.0	35.5
Japan	613,050	8.2	43.6
USA	432,228	5.7	49.4
Chinese Taipei	398,990	5.3	54.7
Malaysia	339,510	4.5	59.2
Cambodia	315,289	4.2	63.4
Russia	298,126	4.0	67.4
Australia	291,508	3.9	71.2
Thailand	268,968	3.6	74.8
Sub-total	5,624,190	74.8	
Total	**7,517,285**	**100.0**	

EUROPE

Europe remains an important source region for the ASEAN bloc generating well over ten million arrivals year to date, however most of that growth is coming from Eastern Europe which is growing at almost 33% over the period of this report.

In fact while this origin sub-region lags behind Western and Northern Europe in its generation of arrival numbers, the growth of almost 33% in 2013 to date, has narrowed the difference in volume from one million in 2012 (Eastern Europe as against Northern Europe) to well under half a million in just one year.

Table 26: Foreign arrivals from European sub-regions into ASEAN, year to date 2013

			Change YTD	
Origin Sub-region	**2012**	**2013**	**%**	**Volume**
Eastern Europe	2,034,250	2,704,118	32.9	669,868
Western Europe	3,406,075	3,590,979	5.4	184,904
Northern Europe	3,082,768	3,132,742	1.6	49,974
Southern Europe	584,790	609,231	4.2	24,441
Other Europe	138,207	165,874	20.0	27,667
Total Origin Europe	**9,246,090**	**10,202,944**	**10.3**	**956,854**

Another year with growth similar to that seen in 2013 (to date) would see the volume of arrivals from Eastern Europe surpass those from Northern Europe and begin to rival those from Western Europe.

Significantly, Russia is the driving origin market behind the Eastern European growth momentum and so far, has generated more than 88% of the additional volume increase from Eastern Europe and close to 62% of all volume growth from Europe generally.

Table 27: Foreign arrivals from major European markets into ASEAN, year to date 2013 (Ranked by volume increase ytd)

	ASEAN	Change YTD	
Origin	**2013 (mns)**	**%**	**Volume**
Russia	2.265	35.3	591,089
UK	1.900	4.8	87,074
Germany	1.240	5.9	69,587
France	1.232	4.8	56,318
Switzerland	0.346	5.1	16,929

AMERICAS

The Americas is the third largest supplier of foreign arrivals to ASEAN (by volume), and year to date these markets collectively, have generated in excess of three million arrivals to the destinations of Southeast Asia.

Table 28: Foreign arrivals from the Americas sub-region into ASEAN year to date 2013

			Change YTD	
Origin Sub-region	**2012**	**2013**	**%**	**Volume**
North America	2,945,950	3,070,576	4.2	124,626
South America	63,086	76,698	21.6	13,612
Central America	5,222	6,597	26.3	1,375
Other America	82,309	98,584	19.8	16,275
Total Origin Americas	**3,096,567**	**3,252,455**	**5.0**	**155,888**

North America is the dominant source sub-region and year to date holds a dominant 94% share of the Americas-to-ASEAN flows, with the USA dominating that sub-group.

Other source markets within the Americas generate very small volumes into ASEAN at the moment, however if the growth rates of recent years continue into the future it will only be a matter of five years or so before they command greater attention.

This will be hastened of course by greater air connectivity between Asia and Latin America.

Table 29: Foreign arrivals from major Americas markets into ASEAN, year to date 2013

	ASEAN	Change YTD	
Origin	**2013 (mns)**	**%**	**Volume**
USA	2.459	4.6	107,992
Canada	0.608	2.6	15,663
Brazil	0.045	22.3	8,170
Argentina	0.028	20.3	4,650
Mexico	0.006	26.4	1,320

AFRICA

Arrival volumes from Africa to ASEAN are currently very small with a strong dominance by South Africa (essentially the Republic of South Africa as opposed to Southern Africa). Unfortunately 2013 saw a slight reduction from that source market into the collective of Southeast Asia destinations.

Table 30: Foreign arrivals from Africa into ASEAN, year to date 2013

			Change YTD	
Origin Sub-region	**2012**	**2013**	**%**	**Volume**
East	5,093	4,062	-20.2	-1,031
Middle	269	181	-32.7	-88
North	35,402	45,634	28.9	10,232
South	114,818	111,192	-3.2	-3,626
West	16,203	15,631	-3.5	-572
Other	90,887	102,561	12.8	11,674
Total origin Africa	**262,672**	**279,261**	**6.3**	**16,589**

Most ASEAN destinations have very small counts from Africa, which is also why the 'Other Africa' grouping is larger than some of the identified origin markets from this continent. In addition, a number of destinations group Egypt under Middle East as opposed to Africa or North Africa; in this paper, Egypt has been moved to Africa.

Table 31: Foreign arrivals from major Americas markets into ASEAN, year to date 2013

	ASEAN	Change YTD	
Origin	**2013**	**%**	**Volume**
Egypt	45,578	28.9	10,220
Kenya	250	12.6	28
Sudan	56	27.3	12
Congo	52	-11.9	-7
Ghana	128	-7.9	-11
Uganda	61	-16.4	-12
Liberia	44	-51.1	-46
Cameroon	129	-38.6	-81
Nigeria	15,459	-3.2	-515
Mauritius	3,751	-21.8	-1,047
South Africa	111,192	-3.2	-3,626
Other Africa	102,561	12.8	11,674

If the 'Other Africa' into ASEAN destinations continues to grow at rates above ten percent, it will soon become important for those destinations to begin assigning country tags to these arrivals and begin tracking their outbound travel development fore effectively.

Conclusion & Endnotes

The ASEAN bloc of 10 economies is poised to set a new record for international inbound arrivals and ahead of the move into the ASEAN Economic Community (AEC), will most certainly be hosting (collectively) more than 100 million foreign arrivals annually – black swans not withstanding.

This obviously begs the question about management of those flows so that degradation of the environmental, social and economic fabric of the ASEAN society and its myriad of cultures and communities is effectively managed to the benefit of not only the travellers to this part of the world but also to those of us who live here.

It also warrants some thought about the varying rates of inbound growth and the need to move away from a mindset of constantly growing at a rate better than those of perceived competitors, towards one of growth that is realistic, serviceable and sustainable for each destination at each of the national and sub-national levels.

These questions and others will be raised and highlighted in future papers of this type when the College of Innovation's Service Innovation and Development Unit introduces concepts relating to dispersion, measurement, satisfaction, systems thinking, responsible development and other metrics and mechanisms that need to be considered in evaluating the success or otherwise of the travel & tourism system.

About the Service Innovation and Development Unit

This is a new functional unit recently formed within Thammasat University's College of Innovation and within the Service Innovation Program. As such it is mandated with – as the name implies – analysing, understanding and educating the services sector across Thailand and the ASEAN community about better service delivery.

The travel & tourism sector is one key area of focus, given its importance to areas that include job creation, business & investment opportunities, community integrity, cultural continuation and a host of other factors that make ASEAN such a diverse tourism delivery system.

Note also the use of the term 'system'. This becomes significant as we expand our understanding of the upstream and downstream impacts of travel – both international and domestic – on properties, locations, regions, destinations and economic blocs. This is what we are about and why we are different.

We are still in a state of development but expect to be fully functional within the next few months. In the meantime, if anyone would like to know more about the unit, and the work we do, please contact:

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