

Challenges of Tourism Business in Dawei (2019-2022)

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Abstract

Dawei is the capital of Tanintharyi Region. It is situated in southeastern part of Myanmar. Dawei has natural values such as landscape, scenery, seascape and beaches and so on. This research paper focuses on the challenges of tourism business in Dawei area from the geographical point of view. The main aim is to give suggestions for tourism development in Dawei Area. The objectives of this paper are to assess the present situation of tourist industry in the study area, to examine the challenges of tourism related local business in Dawei, and to examine the basic requirements for tourism development. In order to achieve these objectives, both primary and secondary data were generated through qualitative and quantitative methods. Both quantitative and qualitative Data were collected from both primary and secondary sources through questionnaire, interviews, focus group interviews and document review. Data gathered through questionnaire were analyzed using descriptive statistics (frequency and percentage). The research reveals the basic requirements for tourism development and the challenges of tourism related local business in the study area. The decreased tourist arrival rate, local infrastructure problems, lack of job opportunities, lack of funds and lack of technology were identified as challenges of tourism related to local businesses in the study. The results can be applied for local and regional development by reducing the barriers of local people.

Keywords: challenges, tourism business, tourist arrival rate, basic requirement and tourism development

1. Introduction

The main economy of Dawei Area is agriculture and fishery. But after 2013, tourism boost economic growth, job opportunities for local people and develop the infrastructure of Dawei Area. Jobs created by tourism in the study area are significant. Tourism is one of the important factors for national economy. Dawei area has many tourist attractions such as natural beaches and famous historical pagodas (shin koe shin). This area has been restricted for tourism until early 2013. It is largely undeveloped and explored and as a result makes a very authentic and rewarding experience. However, according to Tanintharyi Hotels and Tourism Department, more than 330,000 visitors passed through the border in 2016. Dawei is poised to become the next magnet for foreign tourists in the country. Once the highway passing through Thailand's Htee Khee border crossing is completed, one can enjoy its beautiful beaches and islands, unspoiled mountain forests and other ecotourism sites (Myanmar Time, 2018). Before 2013, Dawei tourism industry was not popular because of political situation, difficult transportation and insufficient infrastructure. After 2013(between 2013 and 2019), tourism develop has developed in Dawei Area due to improvement in accessibility and security. Therefore, the tourist's arrival rate increased. Local business related to tourism also involved promoting and developing the study area such as accommodations, restaurants, tourist information center,

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souvenirs shops and tour agencies including car rentals, cruises, ships, water activities, interpretation, and so on. According to TALC (Tourism Area Life Cycle) model, Dawei has been recognized as an initial development stage. Because of Covid 19 and political situation, tourism industry breaks down in Dawei Area from 2020 to 2022.

Study Area

The capital of Tanintharyi Region is Dawei, previously known as Tavoy, about 614.3 km south of Yangon on the north bank of the Dawei River. There are four townships in Dawei District such as Dawei, Loung lone, Thayetchaung and Yebyu townships (see figure 1). These four townships are able to support tourism development. Location is natural factor important in the development of tourism. Many tourist attraction sites are situated in Dawei Area, but Dawei's tourism became popular after 2013 because of transportation and other infrastructures.

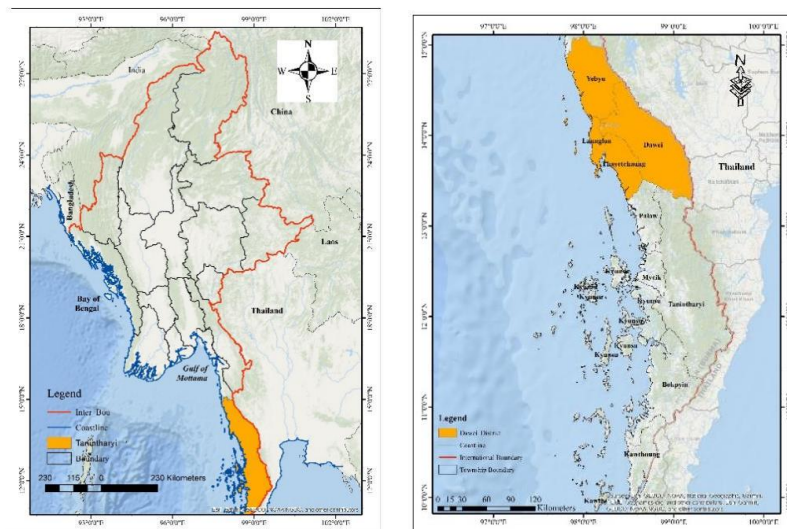


Figure 1. Location of Dawei Area

2. Research Methodology

For data collection, study approach was a random sample of 300 tourists, including foreign and domestic tourists, who visited Dawei during March and April 2019. Another 300 questionnaire was delivered to local businesses, authorities and investigated tourists in March 2022 and December 2022. The research uses both quantitative and qualitative methods: field observation, secondary data analysis, mapping and unstructured interviews. Primary data obtained from interviews and discussions with tourists, visitors, local people, hotel owners, tour agency, souvenirs shop, authority and responsible persons of departments concerned. Primary data were mainly applied in this research. The data that collected through both quantitative and qualitative approaches enabled the researcher to triangulate different views from varied sources. Concerning data analysis, data from completed questionnaire were organized, coded, entered and analyzed using Microsoft Excel. The data were statistically, analysed for frequencies, percentages and averages. Finally, the results were displayed in graphical forms and pictures, tables and a simple bar and pie charts wherever necessary.

Aim and objectives

The main aim of this research paper is to give suggestions for tourism development in Dawei Area. To achieve this aim, the objectives are set as:

- to assess in the present situation of the tourist industry in Dawei Area,
- to examine the challenges of tourism related local businesses in Dawei, and
- to examine the basic requirements for tourism development

3. Results and Findings

Before 2013, tourism development was limited in study area. Tourism services such as tour agencies, tour guides, vehicle rental, restaurants and souvenir shops were not well developed. Tourist facilities (banks, sports and transport facilities), marketing promotion (advertising) and tourism support systems remain rather limited.

Assessment in the Present Situation of Tourism Industry in Dawei Area

Dawei's tourism was closed due to the COVID-19 pandemic. Tourism is one of the sectors most affected by the Covid-19 pandemic, impacting economies, livelihoods, public services and opportunities on all continents. In the meanwhile, government policy needs to address a proper solution in preventing the spreading of COVID-19 and elevating the status of economy activity in tourism industry. According to table 1, before 2014, the number of tourists that arrived in Dawei area was usually low but tourist arrival was highest in 2017 and 2018 with 107,197 and 946,23 people respectively. Tourist arrival has decreased since 2020 because of COVID 19 and political situation. Thus, tourism industry is directly related with political stability. Table 1 shows that the arrival of international tourist from 2014 to 2019 had increased. This may be accounted for by the development of the project of the Dawei Deep Sea Port and Dawei Special Economic Zone. International tourists' arrival to Dawei especially after draw planning Dawei Deep Sea Port and Industrial Estates continued to be popular. According to questionnaire, the majority of international tourists were business travelers and account for 73 percent of total. Domestic tourists had increased between 2014 and 2019. They have two purposes, namely, pilgrimage (shin koe shin) and recreation at Maungmagan. Dawei's tourism industry is still in development stage according to Butlar model (TALC) (see figure 2). Before 2013, Dawei's tourism was defined as exploration stage because the numbers of visitors attracted by its natural beauty spots were very low. In involvement stage, visitors came from nearby towns and only local accommodation existed. Between 2013 and 2019, local residents recognized tourist seasons and market areas. The number of tourists increased and external organization started. At the development stage, visitors come from another region travelled to Dawei. Unfortunately, Dawei tourism industry was affected after 2020, at the development stages.

The foremost economy of business in Dawei is agriculture and fishery activities. Before 2013, 55 percent of total business population is engaged in agricultural activity and it was the largest portion, 23 percent in fishery activity, 8 percent in trading business, 2 percent in tourism industry and the remaining 12 percent in other business (construction, manufacturing, mining

and so on) (see table 2). Business people from this area are engaged in tourism industry because the road transportation was developed after 2013. After that, 47 percent of total business was engaged in tourism industry (engaged from agriculture activity with 30%, fishing activity with 8%, trading business with 3% and other business) such as hotel, car rental, restaurants, souvenir shops, tour guides and tour agency with 6%. COVID-19 and political situation deeply impacted on tourism industry. Therefore, 32 % of tourism business changed to other business such as agriculture activity (18%), fishery (10%), trade (2%), others (2%) and only 15 % left in tourism industry.

Table 1. Tourist Arrival in Dawei Area

Sr No.	Year	International	Domestic	Total
1	1995	143	2655	2798
2	2000	362	5507	5869
3	2001	310	7755	8065
4	2013	7116	871	7987
5	2014	15824	3105	18929
6	2015	29004	7341	36345
7	2016	60426	15799	76225
8	2017	88164	19033	107197
9	2018	79608	15015	94623
10	2019	69493	15162	84655
11	2020	41456	5348	46804
12	2021	27889	1277	29166

Source : Ministry of Hotels and Tourism (2021)

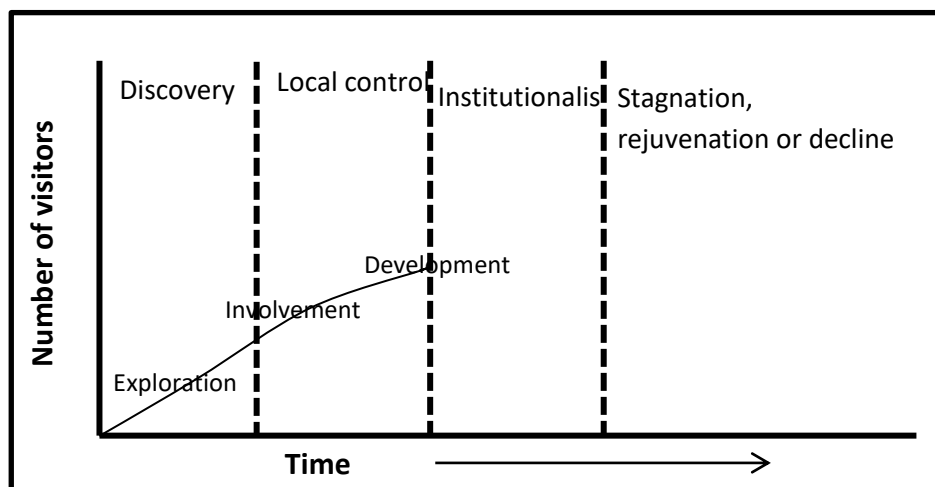


Figure 2. A model of Tourism Area Life Cycle of Dawei (TALC)

The percentage of employment in the rural area was higher than that of the urban area because people between 18 – 25 years of age worked in tourism industry and they could support

money to their family. In 2022, 55 percent of working population migrated to Thailand, due to covid- 19 and political situation and 45 percent shift from tourism industry to other work.

Table 2. Distribution of types of business in Dawei

Sr.	Type of Business	Before 2013	2019	2022
1.	Agricultural activities	55	25	43
2.	Fishery activities	23	15	25
3.	Trading business	8	5	7
4.	Tourism industry	2	47	15
5.	Others	12	8	10

Source: Field survey in March 2019 and 2022

Challenges of Tourism Business in Dawei

According to interviews with hotel owners, stakeholders, business persons and authorized persons from MoHT, there was variety of challenges in tourism business. The main challenges were (1) rate of tourist arrival, (2) infrastructure, (3) job opportunities and (4) technology and funds (see table 3).

(1) Rate of tourist arrival in 2022

In 2022, the main challenge is decreased tourist arrival rate (85%) in study area due to covid 19 and political situation. According to UNWTO 2019, there were more than 1500 million foreign tourists to the world. Due to the Covid 19, global tourism has stopped, which has directly affected the flow of businesses: the flows of other goods have stopped, and the arrival of tourists has decreased in most of the countries. Myanmar has also experienced a significant decreased in tourism industry since January 2020, which has greatly affected. In 2018, there were 355, 1428 foreign visitors, which increased to 4, 364,101 in 2019, an increased to 812,673 (23%). Inflow of foreign visitors 877,479 in 2020, the total number of visitors decrease by 3486,622, a decreased of 75%. In the present time, decreased tourist arrival rate is main challenge for study area. The tourists arrival were increased quickly after 2013 but decreased in early 2020. The arrival of international tourists are very small amount in present conditions. Domestic tourists are also still too few. Table 1. Tourism sector is a failure. Between 2013-2019, the chief challenge is the lack of adequate lodging accommodations in Dwei destination area. It is a big barrier to tourism development. Thus, accommodation facilities and services will be needed. About 80% of local businesses person engage in tourism industry. After 2019, tourism industry has stopped in Dawei Area, which directly affected tourism related local businesses.

(2) Infrastructure

The main challenge of Dawei area is transportation before 2010. Although Dawei area is rich in physical resources, transportation is very limited situation. That is why tourism support services such as tourist agencies, tourist guides, vehicles rental shop and souvenir shops were

not well developed. The challenges of study area are marketing, operations, and infrastructure before 2019. Owners of tourism-related businesses responded to the questionnaire properly which include cooperation in marketing among businesses, which they have invested for a long time to overcome operational and infrastructure challenges. The development of the transportation and accommodations system should be conducted at the national level to create a network that interlinks with all parts of the study area. Although currently, the infrastructure in study area, initiatives for the development of roads, railway, airline and waterways should be further improved. For such a network to be created, the national planning and development of the transport and communication infrastructure should be prepared and implemented. Concerning tourism information services such as retail shops for arts, crafts and convenience stores, banking and money changer, medical care, public safety and postal services will be needed in Dawei area. Too many tourism destinations in Dawei area are not prepared for the visitors. There is a lack of good sanitation facilities, water treatment plants and electricity. Likewise, both roads and sidewalks are not well-maintained and consequently uncomfortable for not only local people but also visitors. Transportation between the tourist attractions sites is not well developed. These sites are situated in remote area and far away from each and other. Physical infrastructure is an important factor in a tourism industry in order to develop potential attractions. But if there are poor road conditions around the attraction sites, it will be affected.

Table 3 Challenges of Tourism Business in Dawei Area

Sr.No.	Type of Challenges	2019	2022
1	Rate of tourist arrival	Increased (84655 persons)	Decreased (29166 persons)
2	Infrastructure	insufficient accommodation, poor transportation and communication in tourism sites	poor transportation within destination area
3	Job opportunities	need qualify skill labour	lack of job opportunities
4	Technology and funds	weak technology	weak technology/lacks of funds

Source: Interviews in March 2019 and 2022

(3) Job opportunities

Tourism industry cannot run successfully without labour. Labours are also valuable asset in tourism industry. Tourism sectors need to hire the best talents for their business to thrive. But for small businesses, hiring qualified staff can be challenging. Retaining labour in a small business is tough. Most of the workers are ever searching for better opportunities. Before the outbreak of covid-19 in 2019, there were 64,076 employees in hotel and guest houses in national wide, but in 2020, when the outbreak of covid-19 occurred, due to the economic downturn, there were only 36,730 employees in Myanmar. Around the Dawei Area, tourism related businesses sector faced employee-hiring troubles. The cost (equipment, benefits, taxes, bonuses, etc.) of hiring new employees, unfortunately, kept rising. About 65 % of total employees move to other jobs because of them got more salary especially they migrated to Thailand. Therefore, the

region lost skilled workers. Before 2013, about 48 % of young people in the region had to go to Thailand to work because of the lack of the jobs and low income. After 2013, they returned to work in the region due to the development of tourism and employment. After 2019, due to the political, economic and health situations, about 65 % of the total young people have moved back to Thailand to work. Tourism is not simply a matter of job creation, but also the availability of qualified persons to take up these jobs. In fact, human resource is one of important factors for tourism development.

(4) Technology and funds

Interviews with local authorities clearly indicate that insufficient funding and technical know-how is another problem. Technology is another challenge for study area. Dawei's tourism businesses need technology for daily operations such as computers, internet, and web applications, among other technological functions. One of the tourism business challenges facing many startups is the lack of technology. Technology promotes effective communication and makes operations run smoothly. With technology, you can reduce costs by sharing some tools. Furthermore, technology improves flexibility in business operations. The next challenge is lack of funds. Nothing can hold a business back like money problems. This is even more true for small businesses. While most larger companies have enough cash flow to keep up with payroll and keep the lights on, small businesses are often in a less stable situation. If one big client fails to make a payment, a small business may not be able to cover its bills. There are plenty of tales of small business owners giving up their own salaries in order to pay their employees and vendors. And, sadly, there are plenty more stories of small businesses failing because they ran out of funds.

4. Basic Requirements for Tourism Development

The basic requirements for tourism development are (a) attraction, (b) accessibility, (c) accommodation and (d) amenities. Although Dawei Area already has high value physical, cultural resources, unspoiled beaches and potential ecotourism sites, tourism development was late compared to other tourism sites due to infrastructure for transportation and accommodation lodging are in very limited situation. Potential ecotourism sites have strong attraction, difficult accessibility, limited amenities, and inefficient administration.

(a) Attraction

Tourist attraction sites are the most important in the development of tourism industry. There are many tourist attraction sites such as shin koe shin, beaches, ecotourism sites, community-based tourism (CBT) and others. According to field observations in 2019, three types of tourists can be found in Dawei Area. One type is local visitors (55%), who visit from villages of near and within Dawei District. A second type is domestic visitors (40%), who are from various places of Myanmar, outside Dawei Area. A third type is foreign tourists (5%). They are foreigners, who have arrived in Dawei as Package Tours, and Foreign Individual Tourist (FIT). In 2019, according to questionnaire survey 100, the visit was the first time for 73 percent,

second time for 13 percent and frequent 14 percent. Among the one-time visitor, 71 percent were from Yangon, 16 percent from Mandalay, 10 percent from Shan state and 3 percent from others places. Second time visitors included 56 percent from Yangon, 20 percent from Mandalay, 4 percent from Shan State and 20 percent from others places. Frequency of visits was highest by the dwellers of Yangon Region. Among the tourists, 65 percent have come to shin koe shin, 30 percent took interest in beaches and 2 percent interested in ecotourism sites and 1 percent come to CBT sites and represented others 2 percent of the total. Among Shin koe shin, Shin Maw Pagoda is the most attractive pagoda for tourists, especially domestic tourists.

According to table 4 and figure 3, most tourists were attracted by these places, seventy percent of total tourists were interested in recreation, twenty percent of total tourists were in attractive places, five percent in souvenirs things. Three percent are study local people behaviours and two are interested in food.

(b) Accessibility

Transportation or accessibility is one of the most significant factors for the development of tourism in Dawei Area. The important requirement of any destination is accessibility. Physical access plays an important role in tourism. Tourism and transportation are interrelated. Dawei can be reached directly by motor road from Yangon and other places. It is possible for tourists to enter Dawei by coach, by train and by air. Yangon- Dawei highway is 564 km long. Thus, tourists used to travel by airways and continue by car to potential tourism sites within study areas. In the present time, foreigner is not allowed to use motor road and allowed to travel only by airways. According to the data obtained from the field survey and interviews, before 2013, because the number of bus line and buses were few, road maintenance was rare. In the late period of 2013-2019, the number of bus line had increased due to tourism sector development and in 2020-2022, bus line and buses were reduced due to political disturbances. In 2022, 55 percent of people used airline and own car due to unsafe condition along the road. Dawei has also a direct link to Yangon and Mandalay. If the road connectivity is poor at any destination, tourists get frustrated. Accessibility as an important component of tourism infrastructure provides basis for tourists to travel which helps in long term growth and development of tourism destination (Jovanović and Ilić, 2016).

Table. 4 Tourists Interesting on Tourism Sites in Dawei

Sr.	Tourist interested	Percentage
1	Recreation	70%
2	Attractive places	20%
3	Souvenir things	5%
4	Local people behaviours	3%
5	Food	2%

Source: Based on questionnaires, 2019 March

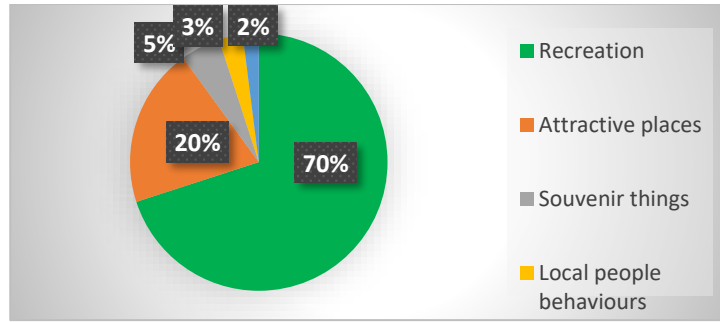


Figure 3. Tourists Interesting on Tourism Sites in Dawei
 Source: Based on table 4

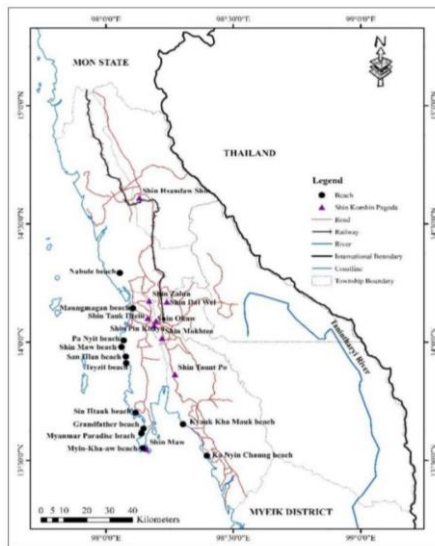


Figure 4. Location of Tourism Sites in Dawei

Table 5. Modes of Transport in 2019 and 2022

Types	2019	2022
Coach	38 %	9%
Private Car	36%	32%
Airline	14%	55%
Train	12%	4%

Source: Field Observation in March, 2019 and 2022

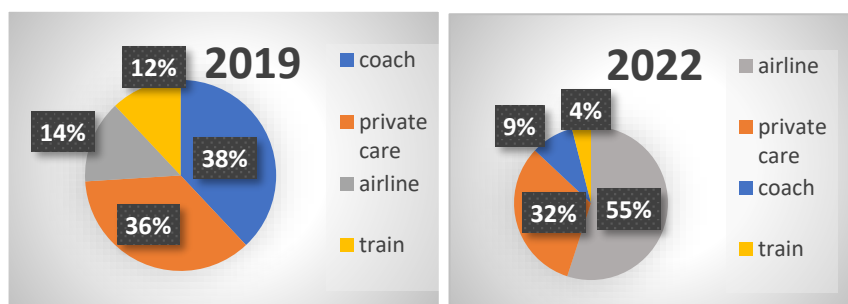


Figure 5. Modes of Transport in Dawei area, 2019 and 2022 (Source: Based on table 5)

(c)Accommodation

Accommodation is very important and basic component in tourism sector, and it serves as key element to satisfy the tourists’ and visitors’ stay at the destination (Rahovan, 2013). Accommodation is a mix of many facilities including hotel service, lodges, campsites, home stays, caravans, in addition to bread and breakfast during the stay at destination (Haneef, 2017). Nearly all the accommodation facilities are concentrated in the urban area. Before 2013, the study area had only 5 hotels, but increased to 15 hotels in 2022. The total number of rooms in the hotel is 503. All hotels are registered at the Ministry of Hotels and Tourism and private owned. The total number of Inn was 7, total travel agency was 30 and the number of local tourist guide was 32 persons in 2019. Currently, all the hotels in the Dawei area have not been able to open safely, especially the hotels in Loung lone Township, the government has not yet given permission to open safely. Therefore, 80 percent of all businessmen involved in the tourism industry had to suspend their operations. The remaining 20 percent are engaged in agriculture, fishing, and other businesses. In general, tourism- related activities in Dawei Township are at a standstill.

Table 6. Number of Hotels and Rooms in Dawei Area

Sr.No.	Year	Number of Hotels	Number of rooms
1	2000	1	28
2	2001	2	54
3	2009	2	54
4	2012	2	82
5	2013	5	129
6	2017	15	483
7	2019	15	503

Source: Ministry of Hotels and Tourism (2021)

(d)Amenities

Amenities are the facilities added to the tourists’ service to make the tourists comfortable and add value to the overall tourism activities at the destination. Amenities are considered as complementary facilities with accommodation and accessibility which are needed for tourists’ satisfaction, amenities can be “tangible and intangible facilities used to obtain pleasure of the visitors at the destination” (Robustin et al., 2018, p. 95). Amenities are the services that are required to meet the needs of tourists while they are away from home. They include public toilets, signage, retail shops, restaurants and cafes, visitor centers, telecommunications and emergency services (Naw Marlar ,2018). To satisfy the increasing demand, more new hotels have emerged. These restaurants and foodstalls have emerged near the well-known tourism sites and hotels. Most restaurants are concentrated on both sides of the main road, having no place for car parking. Chinese foods (30%), Thai foods (50%) and Myanmar foods (20%) are available in study area. Most restaurants are kept clean and the prices charged for the foods and beverages are not so

expensive. The majority have no music, dancing or other entertainments while the visitors are taking their foods. The study area has unique traditional foods, the hotels, motels and restaurants take great care on cleanliness, delicious taste and display of the items used within their respective buildings. The arrival of tourists in Dawei varies both spatially and seasonally. Generally, the number of tourists decreases in the rainy season from June to October. The higher number of local travelers to the study area somehow related to local pagoda festivals and traditional festivals and auspicious days like full moon days, gazetted holidays, summer holidays as well as variable climatic conditions. These factors also affect the spatial and temporal variations in domestic tourism of the country as a whole. According to the principle of basic tourism requirement (4As), Dawei area have strong attraction, difficult accessibility within study area (i.e shin koe shin pagodas), limited amenities and insufficient infrastructure. Although Dawei area has physical and cultural resources, safe and administration are in very limited situation. Without security, there will be no tourists. It is especially true with international tourists. Concerning security, the authorities sometimes restrict international tourists. Therefore, tourism industry is deadlock in study area.

5. Conclusion and Suggestions

Tourism development is linked with accommodation, facilities, and advertisement whereas the current study includes all the required components which helps in developing tourism at destination. Tourism industry is not developing rapidly without the active participation of local businesses people. The local people concern the physical organization of the structure and development of potential sites. The natural attraction sites will be attention for the further planning. The responsibility sharing becomes important between the local people and local government institutions. Between 2013-2019, people from this area are engaged in tourism industry due to tourism was development. Therefore, some village tracts have developed in tourism. In the present study, over 65 % people had not only their own work but also worked in other country (like Thailand). COVID 19 and political situation deeply affected tourism industry.

If tourism had developed in Dawei area, living standard of local people will improve as income increased. The government institutions play major role in implementing policies and guidelines. The regional authorities provide supplementary finance for tourism works. Regional planning for various infrastructure sectors will be needed for transport, communication, water supply, sanitation and energy, electricity and so on. Interviews with authorities from various departments gave valuable suggestions. According to the interviews, mainly concerned with the needs and potentials of Dawei area for further tourism development. Although there are many new potential sites, Dawei Area needs to make extensive improvement in the infrastructure, especially road transportation facility within Dawei Area. Transportation is playing an important role for linking within Dawei Area. Regional planning for various infrastructure sectors will be needed for transport, telecommunication, water sources and sanitation and so on. Interviews with local business clearly indicate that insufficient funding and technical knowhow is another problem. Between 2013-2019, inadequate accommodation in study area presents a big challenge

for tourism development. Authorities restrict visit to unsafe tour sites. Government should be providing fund for local businesses. The regional authorities must be providing supplementary finance for tourism works. Regional planning for various infrastructure sectors will be needed for transport, communication, water supply, sanitation and energy, electricity and so on. According to the responses to the questionnaire and interviews by 110 persons, concern with barrier for tourism development, conservation weak was highest with 37 percent, infrastructure problem was the second with 22 percent, need awareness with 24 percent, weak of collaboration with 12 percent and other was 5 percent. Local people were weak in collaboration and conservation. Tourism industry will not develop rapidly without the active participation of local business.

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