

Tourism Market Study

Savannakhet Province – Lao PDR

Prepared for Savannakhet Provincial Tourism Department by Dr. Frederic Thomas and SNV in collaboration with the GMS Sustainable Tourism Development Project in Laos and MMGroup Ltd.



The views and analyses presented are those of the author. While the report was commissioned by SNV, it in no way represents the official SNV position on any of the issues presented.

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List of Acronyms

ADB – Asian Development Bank
ALOS – Average Length Of Stay
JICA – Japanese International Cooperation Agency
FIT – Free independent Travellers
GIT – Group Inclusive Travellers
LNTA – Lao National Tourism Administration
MDG – Millennium Development goals
NGO – Non-Governmental Organization
PTD – Provincial Tourism Department
SNV – Netherland Development Organisation
TO – Tour Operator
VFR – Visit Friends and Relatives

1. Executive summary

This report summarizes the main findings of a tourism market study of Savannakhet province undertaken in September 2009. The research aims to strengthen the capacity of the Provincial Tourism Department and other stakeholders through providing a thorough understanding of the main source markets of Savannakhet's tourism industry. This is done through assessing tourist expenditure patterns by country of origin and category, identifying tourist behaviour and expectations while visiting a destination, interviewing outbound tour operators in Thailand and Vietnam to better understand constraints and weaknesses and, finally, identifying opportunities for the Savannakhet PTD and other actors to play an enhanced role in the economic development of the province.

Around the world, one of the problems with development-led tourism initiatives over the last couple of decades has been a lack of understanding of local realities and perspectives, especially relating to the functioning of the private sector. Thus, many of the solutions have been inappropriate and ultimately unsuccessful.

With this in mind, SNV, in collaboration with the ADB-financed GMS Sustainable Tourism Development Project in Lao PDR, led this research initiative to study the various forms of tourism in Savannakhet province, placing a particular emphasis on transit visitors. This led a research team to interview tourists in Lao PDR and outbound tour operators in Thailand and Vietnam. Although the studies were conducted independently, a common theme was to look at the potential for increasing tourist expenditure and average length of stay.

As a result, various recommendations including, for example, improved access to tourism sites and the improvement of immigration procedures will help increase tourist satisfaction. Collaboration with outbound tour operators in Thailand and Vietnam must take place in order to lower dissatisfaction levels and increase tourism arrivals and average length of stay. Furthermore, tourism development needs to be approached in a more holistic manner, with the needs of the source markets taken into consideration. While tourism offers significant potential for increasing income, it also increases vulnerability to a range of social problems, including human trafficking and illegal migration. The fieldwork highlighted that the growth of tourism is coupled with an increase in demand for the sex trade, and in fact more sex tourism opportunities are being demanded by some of Savannakhet's key source markets. While listening to market demand is very

important, this needs to be coupled with the protection of the local population from the social problems that can occur with a growing tourism industry.

Overall, it appears that Savannakhet is not perceived as a leisure destination but as a transit area in both North/South and East/West directions, or a day-trip destination for the purposes of gambling or shopping. Paradoxically, while the atmosphere of Savannakhet was the most appreciated factor by visitors, both tour operators and tourists rated its destination appeal and its affective image poorly.

Savannakhet needs to create its own identity rather than passively acquiring the image of a casino destination. In order to attract more tourists, the province needs to upgrade its infrastructure and its services, while in order to increase spending, access to local goods and handicrafts must be improved. Special events should be promoted and encouraged.

2. Introduction

Tourism in Savannakhet province has grown rapidly over the past decade. The number of international visitors travelling to Savannakhet province has grown from slightly over 100,000 in 2000 to over 400,000 in 2008. Visitors travelling to Savannakhet province can be classified as international visitors, day-trippers or transit visitors. While immigration data distinguishes between arrivals using border passes and passport, this does not help assess whether visitors are day-trippers or tourists as visitors on border passes may stay more than one day which causes difficulty in analysing tourist types. In the past two years alone, visitor numbers have more than doubled. The opening of the second Friendship Bridge in December 2006 represents the main reason for this. Growth has averaged close to 18% year on year over the past eight years; representing one of the highest rates of growth in visitor numbers for Lao PDR, even compared to other developing countries. Continued growth should provide considerable opportunities for the province and its people. To be sustainable, however, growth requires planning based on an understanding of markets and on overcoming current and future challenges.

The Savannakhet province tourism sector faces a number of challenges which, if left unaddressed, will limit the development potential of the sector as well as the general economy, all of which could have debilitating knock-on effects. For these reasons, there is a need to better understand the tourism market, its suppliers and more particularly the visitors themselves. While the number of international

arrivals has grown quickly, the level of useful information on these visitors and their characteristics is minimal.

Data on the demand side of the tourism market, including visitor arrival numbers, country of origin, estimates of receipts and modes of arrival are reported annually by the Lao National Tourism Administration (LNTA). In addition, several market research studies have been undertaken on tourism in Savannakhet province, but have not provided a level of statistical significance that allows for accurate conclusions to be drawn.

Understanding the supply-side of the tourism sector relies on the licensing system of the LNTA, but it does not cover the source market outbound tour operators. In its yearly statistical report, the LNTA provides a record of all tourism businesses working in Savannakhet province, hotel and restaurants numbers, and size and numbers of travel agents (inbound operators). Limited information is available on international outbound tour operators working with Lao PDR at a national or provincial level.

The continued growth of the Savannakhet province tourism sector is impressive. But to improve tourism services and mitigate potential pressures caused by rapid sector growth, it is imperative that more information through research and analysis be provided on those who visit or sell trips to Savannakhet province, including their expectations, needs, likes and dislikes, and other practical information that will contribute to sector development. The visitor survey aims to compliment the data provided by the LNTA.

This report presents the findings of the SNV visitor and outbound tour operator surveys in Savannakhet province, Thailand and Vietnam. The survey was conducted from August 31st to September 6th, 2009, at the two entry/exit border checkpoints of Savannakhet province and in Champasak and Vientiane provinces.¹

2.1 Introduction to SNV in Savannakhet Province

SNV Netherlands Development Organization is an international non-governmental organization (NGO) which delivers capacity development advisory services to

¹ It should be noted that the month of September marks the low season in Savannakhet province and the Lao PDR as a whole.

over two thousand clients in thirty-three countries in Africa, Asia, Latin America and the Balkans. The mission statement of SNV asserts that SNV is dedicated to a society in which all people enjoy the freedom to pursue their own sustainable development. SNV contribute to this by strengthening the capacity of local organizations.

SNV is committed to working with organizations in developing countries so as to achieve the Millennium Development Goals (MDGs), and believes that tourism, as one of the largest economic drivers in the world, should play a more active role in the achievement of the MDGs. SNV is recognized as one of the leading development organizations working in the field of pro-poor sustainable tourism.

SNV has been supporting the development of pro-poor sustainable tourism in Savannakhet Province since 2001, where it provides capacity building support to the Savannakhet Provincial Tourism Department.

3. Research Objectives

The tourism sector globally faces well-known measurement problems. This is particularly the case in developing countries where, although tourism is often a key sector targeted for development, institutions are not well established to collect the depth and breadth of information required to adequately inform policy, regulatory and investment decisions. This is the experience in Savannakhet province. While the Lao National Tourism Administration (LNTA) reports key data annually there is limited detail available on visitor demographics, movements, expenditure and impact. Through this survey, SNV aims to complement the LNTA reports. The focus of this research is placed on international, domestic and transit visitors to Savannakhet province, as well as on outbound tour operators in Thailand and Vietnam who send groups to Savannakhet province or to Lao PDR.

The main objectives of the consultancy are to:

- Analyse tourist behaviour and identify means of extending the length of stay and daily expenditure for the top ten most common nationalities who visit Savannakhet (with a particular focus on Thai and Vietnamese visitors).
- Determine why international visitors to Vientiane and Pakse do not include Savannakhet in their itinerary.
- Identify and interview the 20 largest Thai Tour Operators (in terms of volume of customers) currently sending tourists to Lao PDR and Vietnam

(particularly via the Friendship Bridge II) to further develop a profile of the Thai market for tourism in Lao PDR, to determine the reasons for not including Savannakhet in itineraries, and to identify what can change this.

- Identify and interview the 10 largest Vietnamese Tour Operators (in terms of volume of customers) currently sending tourists to Lao PDR and Thailand (particularly via Dane Savanh) to further develop a profile of the Vietnamese market for tourism in Lao PDR, to determine the reasons for not including Savannakhet in itineraries, and to identify what can change this.
- Identify and interview all Vietnamese and Thai Tour Operators currently sending group tours to Savannakhet to determine satisfaction levels and supply shortages.
- Survey Thai and Vietnamese transit visitors (Thais passing through Savannakhet to reach Vietnam and *vice versa*) to identify means of increasing both expenditure and length of stay.
- Quantify the scale of the domestic tourism market in Savannakhet, the main motivations for visiting the province, and identify means of increasing expenditure.

This visitor survey was conducted over a seven-day period in September 2009. Due to a lack of maturity of the private sector, and mistrust in research, the survey among outbound tour operators in Vietnam and Thailand needed an additional three to four weeks to be completed.

Visitors were surveyed as they were either:

- Leaving/entering/visiting Savannakhet province through one of the main border checkpoints (Friendship Bridge 2 and Dane Savanh border check point) or with the support of travel agencies, hotels and restaurants; or
- Visiting Vientiane and Pakse and likely or unlikely to visit Savannakhet province.

In total, 1200 visitors² were surveyed and 20 Thai and 10 Vietnamese outbound tour operators were interviewed respectively in Thailand and Vietnam. Interviews were also conducted among Lao inbound tour operators in Vientiane and

² For a total of 1038 usable questionnaires

Savannakhet provinces. This document reports the findings of the surveys undertaken at the different locations mentioned above.

In designing the research methodology, considerable attention was paid to the statistical significance of the samples. The methodology design was based on the following assumptions:

- Several factors influence visitor expectations (e.g. nationality, age, gender, motivations etc.);
- Several factors influence visitor satisfaction (e.g. nationality, age, gender, motivations etc.);
- Visitors from different backgrounds and with different behaviour affect the tourism sector in diverse ways.

Based on the above assumptions, the following questions arose:

- Which visitors contribute most to the Savannakhet province economy?
- Which factors influence visitors' level of expenditure/expenses and satisfaction?
- Which factors influence the average length of stay?
- Which factors have an influence on the Thai and Vietnamese Outbound Tour Operators for selling Savannakhet province or not?
- Which policies or interventions could positively affect the growth of the tourism sector, increase the average length of stay and benefit local populations?

4. The Savannakhet Province Tourism Context

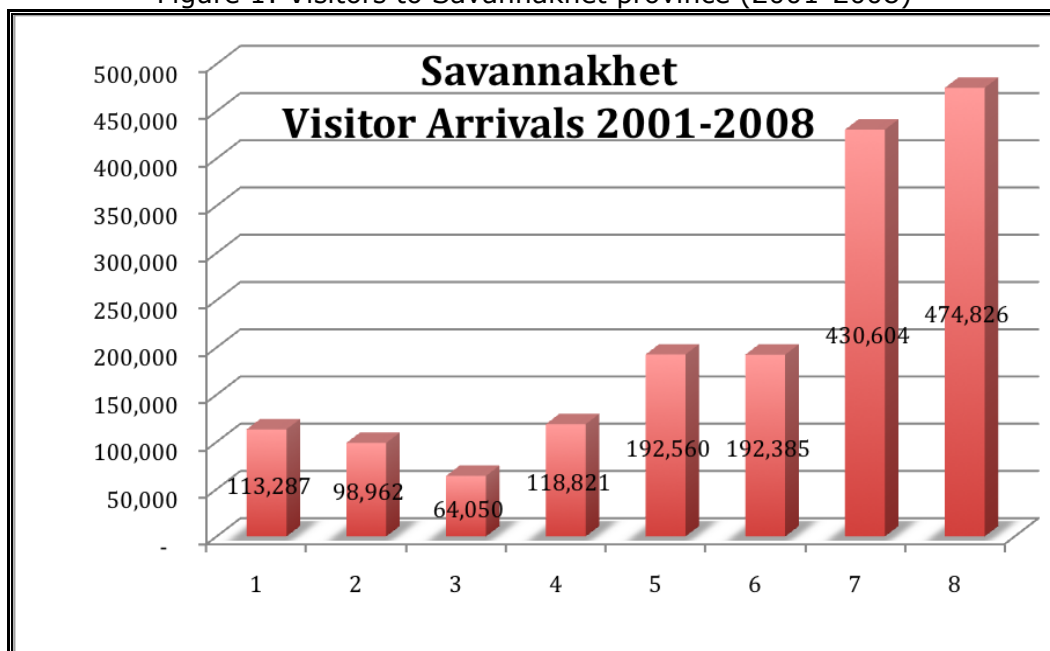
The number of tourists travelling to Savannakhet and the tourism industry in the province is changing rapidly. This section relates key tourism data at a provincial level provided by the LNTA. As mentioned in the Sustainable Tourism Development Programme's (STDP) "Strategy and Action Plan to Encourage Tourists to Stay Longer and Spend More" on the East West Economic Corridor (EWEC) Savannakhet, Lao PDR, *"accurate statistics on tourist behaviour in Savannakhet Province are currently limited in availability. Prior to 2007, LNTA statistics combined the international entry points of Dane Savan, Dane Savanh and Savannakhet Airport into one set of provincial figures, thus making any long-term analysis of different border entry points within the Province impossible*

unless immigration data from the Ministry of Public Security can be accessed. Statistics from the Savannakhet PTD are also sometimes inconsistent with figures published by the LNTA”.

4.1. International visitor arrivals

International tourist arrivals in Savannakhet province have increased steadily since 2000, with a dramatic increase following the opening of the second friendship bridge in December 2006, with average annual increases of 18.01% over the period leading up to 2008.

Figure 1: Visitors to Savannakhet province (2001-2008)



Source: LNTA

Greater regional economic integration, visa and airline liberalization and product diversification will likely see this trend continue over the short to medium term. Several reports (JICA, SNV) have emphasized how international travel to and through Savannakhet province has the potential to stimulate economic growth, create jobs, generate badly needed foreign exchange and raise tax revenue.

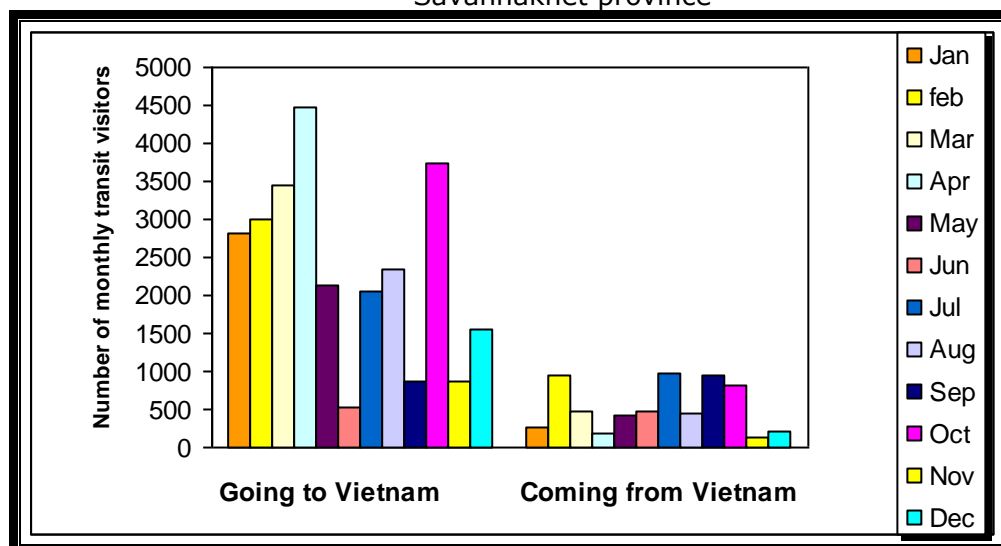
Table 1: Top 10 arrivals at Savannakhet border checkpoints

NATIONALITY/COUNTRY OF ORIGIN?	# ARRIVALS TO FRIENDSHIP BRIDGE II - 2008	# ARRIVALS TO DANE SAVANH - 2008
Thailand	217005	56419
Vietnam	24180	95964
USA	1274	423
France	1087	505
Japan	1047	659
Australia	1008	282
United Kingdom	848	407
Germany	585	326
Philippines	497	23
Canada	384	238

Source: LNTA

According to the Lao National Tourism Administration (LNTA), Savannakhet province received 474,826 visitors in 2008³. Arrivals through both of Savannakhet's border checkpoints (Dane Savanh and Friendship Bridge 2) reached 408,803 visitors for the same period, including 394,129 regional visitors.

Figure 2: Visitors going to and coming from Vietnam transiting through Savannakhet province



In 2008, Thai visitors maintained their position as the main inbound market, with approximately 89.6% of the visitors entering through the second Friendship Bridge and 37% returning from Vietnam. The second key market is Vietnam, with

³ see Table 12 of the 2008 LNTA tourism statistical report

95,964 (62.9%) visitors entering via Dane Savanh border checkpoint and 24,180 returning through the Friendship Bridge 2.

Table 2: Thai and Vietnamese arrivals at the Savannakhet province border checkpoints

Nationality	Total arrivals at Lao/Thai border checkpoint	Total arrivals at Lao/Vietnamese border checkpoint
Thai	217,005	56,419
Vietnamese	24,180	95,964

The data in bold are the estimated numbers of transit tourists for both nationalities. Evidence from interviews conducted among outbound tour operators in Vietnam and Thailand show that 90% of transit visitors are likely to come back through the same route. The number of international visitors and day-trippers from either Thailand or Vietnam should therefore be equal to the difference between the number of visitors leaving their country of origin to Lao PDR minus those likely to be transit visitors. This means that at least 160,586 and 71,784 respectively Thai and Vietnamese visitors were either international visitors or day-trippers. However, when asked about the number of passengers taken through Lao PDR, the sample of outbound operators provided slightly different data. In that sense, the Thai outbound operators who were interviewed claimed that they provided their services to 79,310 transit tourists in 2008. To conclude, the difficulties met by the tour operators while crossing borders, as well as their lack of maturity or their interest in not divulging some statistics, make an accurate evaluation of the number of transit and international visitors in Savannakhet province definitively impossible.

To confirm our approach, it was asked to all Lao inbound tour operators to provide their data concerning the number of visitors they were asked to transit in 2008 (see table 65 in appendix). By law, each outbound tour operator in fact needs to use a Lao tour operator in order to cross the country with transit visitors.

The data provided by the Lao inbound operators show a big gap between the likely number of transit visitors and those officially transited by an inbound tour operator. Interviews among Thai tour operators in Mukdahan show that alternative means of transportation (cars, mini-buses) are also used in order to avoid "excessive commission" at border checkpoints. While we observe different

seasonality for the two nationalities, they both correspond to important holiday periods for each country: New Year's (Song Kran in Thailand and Tet in Vietnam) and school holidays.

The number of domestic tourists can be estimated through the entrance to That Inhang. All domestic visitors to Savannakhet town generally visit this tourist attraction. From January to June 2009, the total amount of domestic and international visitors to That Inhang was respectively 19,800 and 14,840, representing an average of approximately 3000 domestic visitors per month.

The latest data we were able to collect confirm this trend:

- June 2009 = 3,142 for domestic and 2,800 for international
- July 2009 = 3,086 for domestic and 2,088 for international

The numbers for international visitors also include transit visitors. Most inbound operators claim they stop in Muang Phine for lunch and in That Inhang when possible. It should be noted that entrance to That Inhang is free of charge during festival periods. However, most of the tourists recorded during an important festival, which took place during the survey, were from the town of Savannakhet. This means that an important number of locals from Savannakhet city also visit the site time to time and more particularly during religious events. Therefore, the number of domestic visitors to That Inhang is higher than those officially recorded.

Table 1: Top 10 arrivals at Savannakhet border checkpoints

NATIONALITY/COUNTRY OF ORIGIN?	# ARRIVALS TO FRIENDSHIP BRIDGE II - 2008	# ARRIVALS TO DANE SAVANH - 2008
Thailand	217005	56419
Vietnam	24180	95964
USA	1274	423
France	1087	505
Japan	1047	659
Australia	1008	282
United Kingdom	848	407
Germany	585	326
Philippines	497	23
Canada	384	238

Source: LNTA

In addition, the recent opening of the Casino (Savan Vegas) has changed the distribution of Thai arrivals to Savannakhet province. An informal counting of

probable players at the casino reaches an average of five hundred per day during the week, and more than one thousand per day during weekends. An extrapolation of these numbers for the year 2009 would lead to a number of almost 300,000 casino players.

4.2. Modes of arrival

In 2008, most visitors to Savannakhet province arrived by road. Statistics from the Savannakhet international airport are not yet available, but there are only three flights per week from Vientiane and from Bangkok. In both cases, Savannakhet is currently a stop-over between two main destinations (Vientiane / Champasak / Siem Reap and Bangkok / Vietnam).

The number of passengers entering Savannakhet province by land dramatically increased with the opening of a new bridge in December 2006, and recently with a new casino in Savannakhet town, the latter causing a loss of overall market share for Lao tour operators. In fact, according to testimonies from the Lao tour operators, the casino players are granted free tours of Savannakhet town by the casino or they simply use a local tuk-tuk to visit the city.

4.3. Tourism market analysis context

The visitor and Tour Operators surveys were conducted during the month of September 2009. This section briefly discusses visitor movements, comparing 2007 to 2008, so that the results can be considered in this context.

Table 2: International tourist arrivals through border checkpoints to Savannakhet province and Lao PDR (2006-2008)

Country	2006		2007			2008		
	Dan Savanh + Dane Savanh	Total 2006	Friendship Bridge 2	Dane Savanh	Total 2007	Friendship Bridge 2	Dane Savanh	Total 2008
Grand Total	165,360 13.61%	1,215,106	261,993 16.13%	137,674 8.48%	1,623,943 25.18%	251,606 14.49%	157,197 9.05%	1,736,787 6.50%
Thailand	85,066 12.59%	675,845	232,019 24.44%	44,083 4.64%	949,452	217,005 24.34%	56,419 6.33%	891,448
Vietnam	69,285 36.38%	190,442	15,696 5.40%	88,380 30.41%	290,584	24,180 6.88%	95,964 27.31%	351,384

Within Table 3 we observe that:

- International tourist arrivals via Friendship Bridge II dramatically increased in 2007, right after its opening on December 20th, 2006;
- In 2008, the number of Thai tourists entering Lao PDR decreased via the second Friendship Bridge, while it increased via the Vietnamese border checkpoint. The flow of curious visitors in 2007, following the opening of the Bridge, was perhaps partly replaced by Thai Transit visitors to Vietnam in 2008;
- Despite the drop of additional international tourists in Lao PDR in 2008, the share of tourists from both nationalities (Thai and Vietnamese) remains relatively stable

Another interesting approach consists in looking at the number of visitors by province.

Table 3: Visitors by province 2007-2008

PROVINCES	2007	2008	VARIATION 2007/08	ADDITIONAL VISITORS 2007/08
Vientiane Capital	869,642	878,507	1.01%	8,865
Savannakhet	430,604	474,826	9.31%	44,222
Vientiane Province	230,548	268,891	14.26%	38,343
Luang Prabang	186,819	344,029	45.70%	157,210
Champassak	165,750	220,214	24.73%	54,464
Khammoune	154,525	177,097	12.75%	22,572
Bokeo	112,157	145,567	22.95%	33,410
Luang Namtha	88,427	197,202	55.16%	108,775
Oudomxay	76,970	101,761	24.36%	24,791
Bolikhamxay	69,773	84,401	17.33%	14,628
Xieng Khouang	25,531	22,729	-12.33%	(2,802)
Phongsali	22,850	41,378	44.78%	18,528
Xayabouli	19,751	23,043	14.29%	3,292
Attapeu	16,176	27,728	41.66%	11,552
Sekong	12,962	13,125	1.24%	163
Saravanh	10,500	26,802	60.82%	16,302
Huaphanh	7,247	8,848	18.09%	1,601
Total	2,500,232	3,056,148	18.19%	555,916

Logically, the total number of visitors by province is greater than the number of visitors to Lao PDR. First, these numbers probably include domestic visitors, and second most visitors are definitively multi-destination oriented. In terms of year-

on-year additional visitors, Savannakhet lags behind the many provinces in terms of % growth. For the visitors staying in Savannakhet province, a total of 55 natural, historic and cultural sites can be visited, of which the most famous is That Inhang. This positions Savannakhet as the 12th ranked province in terms of quantity of tourist attractions. Four Savannakhet based travel agents and seven branch offices of other travel agents were operating officially in 2008.

Table 4: Number of hotels, Guest houses, rooms and beds in 2008

	HOTELS			GUEST HOUSES			TOTAL		
	No	Room	Bed	No	Room	Bed	No	Room	Beds
Savannakhet	15	741	1316	68	1017	1446	83	1758	2762
Lao PDR	265	8803	12798	1120	13370	18721	1385	22173	31519
	5.66%	8.42%	10.28%	6.07%	7.61%	7.72%	5.99%	7.93%	8.76%

Although the province counts for more than 15% of aggregated visitors numbers⁴ it has only approximately 9% of the country's bed capacity with an occupancy rate of around 70%. This emphasizes a short length of stay and, more particularly, a high proportion of transit visitors and day-trippers.

As highlighted in Figure 2, September corresponds to a low season for both Thai transit and international visitors, which was confirmed when counting the number of buses transiting passengers through Savannakhet province (Road 9) during the survey period. Interviews with local tour operators confirmed that October would see a large increase in transit visitors through the province.

Table 5: Number of buses and transit passengers for the first week of September 2009

	BUSES PER DAY	PASSENGERS PER BUS	TOTAL PASSENGERS
Monday	4	45	180
Tuesday	0	45	0
Wednesday	6	45	270
Thursday	4	45	180
Friday	1	45	45
Saturday	1	45	45
Sunday	0	45	0

⁴ see Table 4

In the first week of September 2009, 720 Thai people transited through Savannakhet to visit Vietnam. One of the main reasons why Thai people visit Vietnam by land through Savannakhet province, and particularly Hoi An, started few years ago with the broadcast of a Thai TV series which took place in Hoi An⁵. The same process is currently taking place with a new TV series shot in South Korea, leading hundreds of Thai people to visit the location where the story takes place.

5. Visitor profile

This section of the report provides visitor demographics as the basis for understanding who travels to or through Savannakhet province. Visitor demographics include their country of origin, age, gender and level of education. This is followed by an analysis of visitors' modes of transport, travel party and primary motivation for travelling to Savannakhet province.

5.1. Visitor demographics

5.1.1. Country of origin

Thai (34%) and Western European (24%) visitors represented the two largest groups surveyed. Vietnamese, Lao, North American and Oceanic visitors comprised respectively 12, 9, 5 and 6% of respondents.

The nationality of visitors surveyed does not follow the pattern of all visitors to Savannakhet province, the objective being to have representative groups for each different nationality.⁶

The respondents are divided into three main categories: domestic, transit and international. The latter is divided into three sub-categories (visiting Savannakhet, visiting but had not originally planned to do so, and not visiting Savannakhet). The distribution of nationalities is thus dependent upon the classification and the location of the interview.

⁵ see: <http://www.oceansmile.com/forum2/data/1/1242-1.html>

Ocean Smile is a tour operator based in Thailand which sells tours to Hoi Un in Vietnam

⁶ Visitors from Vietnam are somewhat under-represented due to problems encountered during the fieldwork.

Table 6: Country of origin by category

	Type of tourists					Total
	Domestic	Transit	International			
	Visiting SVK		Visiting SVK	Visiting but had not originally planned to	Not visiting SVK	
Thai	0	173	106	36	39	357
Vietnamese	0	57	35	28	9	129
Lao	95	0	0	0	0	95
Other ASIAN	0	0	3	6	7	15
East Asia	0	0	16	8	27	51
South Asia	0	0	0	1	4	5
Western Europe	0	0	45	30	169	244
Eastern Europe	0	0	1	1	5	7
North America	0	0	12	7	36	55
South America /	0	0	0	1	7	8
Oceania	0	0	18	10	31	59
Africa-Middle East	0	0	1	0	11	12
Total	95	230	237	128	345	1038

5.1.2. Gender and age

A majority of respondents were male (53.2%), although the ratio of males to females varied across nationalities:

Table 7: Gender by country of origin

Region or country of	Category	Male	Female
Lao	Domestic	53	42
Thai	Transit	53	120
	Internation	112	72
Vietnamese	Transit	39	18
	Internation	49	23
Other Asian	Internation	45	29
Westerners	Internation	192	175
Others	Internation	9	6

From around 70% of females for Thai transit travellers to around 32% of female transit travellers from Vietnam. The share of male and female visitors was however similar among Westerners.

Table 8: Average Age by Country of Origin

Nationality	Category	Age
Lao	Domestic	33
Thai	Transit	39
	International	38
Vietnamese	Transit	33
	International	33
Other Asian	International	35
Westerners	International	34
Others	International	32
Average		35

The average age of visitors does not vary considerably across nationalities and according to category of interviewees. The average age of respondents was 40 years for international visitors and 32 years for transit visitors. In general, Thai visitors to Savannakhet province were older than other visitors. In contrast, 'others' were the youngest.

Table 9: Gender and Age by Country of Origin

Gender	Region or Country of Origin					
	Lao	Thai	Vietnamese	Other Asian	Westerners	Others
Male Average Age (years)	35	39	34	36	35	30
Female Average Age (years)	32	38	31	32	32	35

As might be expected, female visitors tended to be younger than their male counterparts. For all nationalities, with the exception of Thai, the highest proportion of visitors fell within the 25-35 year old age bracket. In contrast, Thai visitors were more likely to be over the age of 35. The proportion of visitors from each country generally declined with age, although for Westerners there is a decline in the visitors aged between 40-50, which represents years when careers or children limit travel options.

5.1.3. Level of income

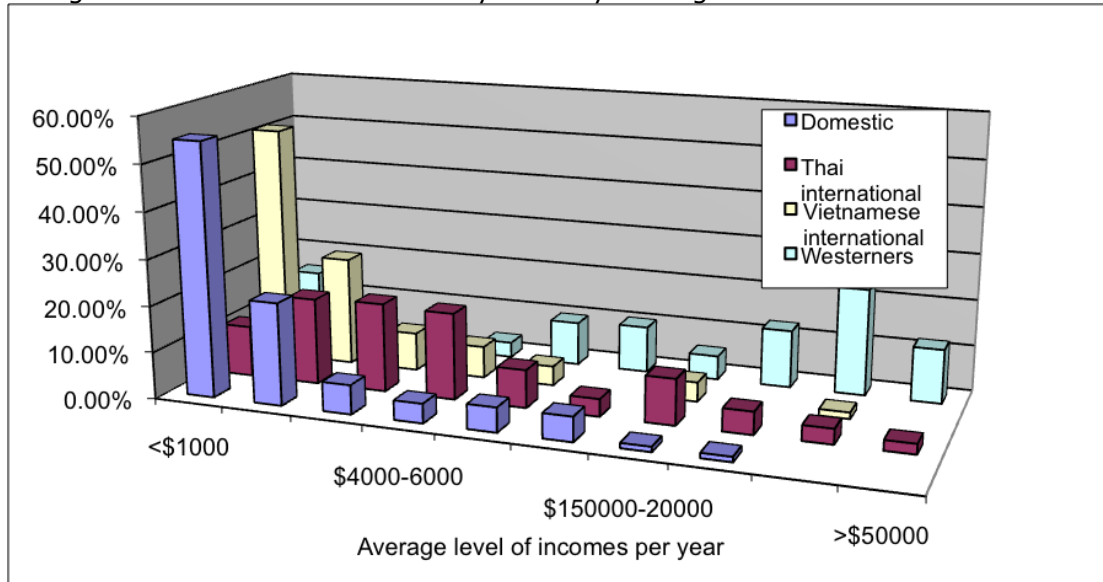
The levels of income vary from one nationality to another, and also depend on the category (transit or international)

Table 10: Level of income by country of origin

Nationality or region of origin	Range of income	<\$1000	\$1000 to \$2000	\$2001 to \$4000	\$4000 to \$6000	\$6001 to \$10,000	\$10,001 to \$15,000	\$15,001 to \$20,000	\$20,001 to \$30,000	\$30,001 to \$50,000	>\$50000
	Category	%									
Lao	Domestic	54.7	22.1	6.3	4.2	5.3	5.3	1.1	1.1		
Thai	Transit	26.0	28.3	12.1	12.1	8.1	6.9	1.2	1.7	2.3	1.2
	Inter-national	11.0	18.7	19.2	18.7	8.2	3.8	9.9	4.9	3.3	2.2
Vietnamese	Transit	47.4	22.8	8.8	7.0	3.5	5.3	1.8		1.8	1.8
	Inter-national	51.4	23.6	8.3	6.9	4.2		4.2		1.4	
Other Asian	Inter-national	16.2	6.8	4.1	6.8	6.8	5.4	9.5	20.3	13.5	10.8
Westerners	Inter-national	15.2	5.4	4.1	3.3	9.5	10.1	5.2	12.5	23.1	11.7
Others	Inter-national		6.7	6.7	6.7		6.7		6.7	60.0	6.7

Respondents from Western and other Asian countries have a higher level of income than those from regional countries. More than two-thirds of domestic tourists earn less than USD2,000 per year.

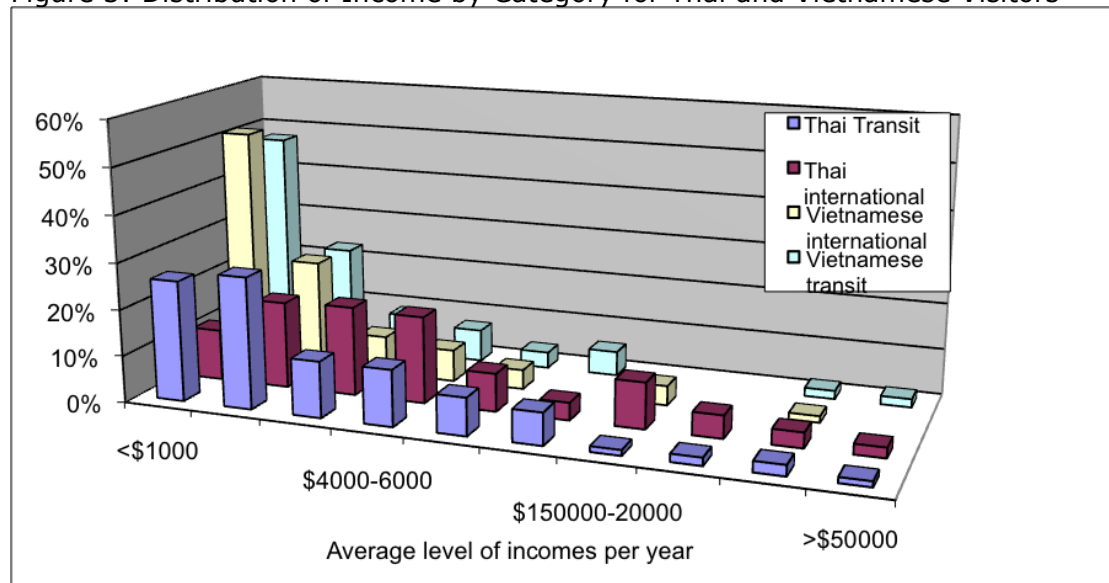
Figure 2: Income Distribution by Country of Origin



With the exception of a small group (15%), which had a very low level of income, more than half of the international visitors earn above US\$ 1000 per month.

Below, we also observe a strong difference among Thai visitors: more than 50% of Thai transit visitors earn less than US\$ 2000, while this is only 30% among international Thai visitors.

Figure 3: Distribution of Income by Category for Thai and Vietnamese Visitors



5.2. Means of Transport and Travel Party

This section of the report provides respondents' primary means of transport to and from Savannakhet province and travel party details, while exploring the relationship between the two.

5.2.1. Transport to Savannakhet province

A vast majority of respondents travelled to Savannakhet province by bus (50%). In contrast, around 22% arrived by car, and only 11% arrived by plane. The remainder can be considered as having travelled by bus too since they mainly belong to the "transit visitors" category.

Thai visitors have the permission to spend three days / two nights with their own car in Lao PDR, which explains the high percentage (27.7%) of Thai international visitors travelling with their own car. The proximity of Thailand to Savannakhet can be seen as an influencing factor, however Vietnamese visitors travelling to Lao PDR with their own car were not among the surveyed visitors. Other factors, such as the proximity of the two languages (Thai and Lao), can explain the easiness of travelling to Savannakhet for Thai visitors, including all the administrative issues involved in crossing the border with their own car.

Table 11: Transport Mode by Country of Origin

Nationality or region of origin	Means of Transportation	Own car	Friend's car	Rented car	Public and tour company buses	Taxi	Plane	Other
	Category	%						
Lao	Domestic	29.5	8.4	9.5	33.7		16.8	2.1
Thai	Transit	1.7	0.6		63.3			34.3
	International	27.7	13.0	27.2	20.1	2.2	1.6	8.2
Vietnamese	Transit		5.3	10.5	40.4		10.5	33.3
	International		6.9	9.7	38.9		6.9	37.5
Other Asian	International		2.7	18.9	44.6	2.7	16.2	14.9
Westerners	International	0.5	1.4	3.0	67.3	2.7	18.0	7.1
Others	International				46.7		46.7	6.7

While an analysis of the average age of respondents does not show any relationship between the age of respondents and the means of transportation to Savannakhet, there are differences concerning the means of transportation in Savannakhet⁷. Nationality also plays an important role.

Table 12: In-city means of transportation by country of origin

In-city transportation	Tuk Tuk	Taxi	Mini-bus	Public Bus	Car	Bicycle	Moto	Walk
Nationality	%							
Thai	45.7	1.4	13.8	5.1	26.8	2.2	1.4	3.6
Vietnamese	60.3	7.9	4.8		9.5	1.6	4.8	11.1
Other Asian	34.4		3.1	3.1	15.6	25.0	12.5	6.3
Westerners	47.6	2.9	1.9	9.7	2.9	11.7	13.6	9.7
Others	50.0						50.0	

Visitors travelling by car and mini-bus were more likely to be from Thailand, while those walking or cycling were more likely to be from Western or other Asian countries. Vietnamese visitors were mainly interviewed near the Vietnamese – Lao border where tuk-tuks are likely to be the main means of transportation. What should be noted is the low percentage of visitors travelling by public bus, and therefore the flexibility and freedom that visitors have during their stay in Savannakhet province/city.

5.2.2. Travel Party

Transit visitors from Thailand, more than any other region, travelled on group tours (76%). Other groups displayed differences in the preferred travel parties. Domestic and Thai international visitors, for example, preferred to travel with family (48% and 31% respectively), although one in five Thai international visitors travelled unaccompanied to Savannakhet province. Vietnamese transit (42%) and international visitors (44%) travelled unaccompanied. Westerners, and more particularly other Asian visitors, generally travelled alone (36% and 53% respectively), or with friends.

⁷ see Table 67 in Appendix

Table 13: Travel party by country of origin

Nationality or region of origin		Travelled alone	Independently as couple	Independently with friends	Independently with family	Group Tour
Lao	Domestic	22%	20%	7%	48%	2%
Thai	Transit	4%	6%	3%	10%	76%
	International	22%	18%	18%	31%	10%
Vietnamese	Transit	42%	11%	16%	30%	2%
	International	44%	13%	18%	21%	4%
Other Asian	International	53%	12%	14%	20%	1%
Westerners	International	36%	13%	30%	20%	1%
Others	International	33%	33%	27%	7%	0%

From the data collected it is difficult to provide a breakdown of visitors using the common classification of FIT (Free Independent Travellers) and GIT (Group Inclusive Tour). Visitors who reported travelling with their friends sometimes belonged to larger groups, though they did not consider themselves as part of a group tour.

Table 14: Travel party and package tour

Travel Party	Are you on a package tour or prepaid trip?		
	Yes	No	No answer
Travelled alone	4%	95%	1%
Independently as couple	10%	89%	1%
Independently with friends	6%	92%	2%
Independently with family	12%	86%	2%
Group tour	95%	4%	1%
Total	21%	77%	1%

While we observe that 21% of all arrivals are on group tours, it should be noted that a majority of these arrivals are transit visitors. In fact, only 6.3% of all arrivals are on group tours in Savannakhet once transit visitors are removed from the sample.

The table below, therefore, details the average number of people travelling with respondents by their region of origin. On average, visitors travelling with their friends travelled with slightly less people (3.2 people) than people travelling with their family did (3.3 people).

As expected, visitors travelling on group-tours did so with a larger number of people. Group sizes to Savannakhet province averaged around 61 people, though they varied depending on the category of visitors (transit or international). Thai transit visitor groups were the largest, averaging around 66 people per group, while Thai international and domestic groups tended to be much smaller, averaging 43 and 32 members respectively. Others were relatively small compared to Thai and Lao visitors.

It is evident that the distance travelled to Savannakhet province did not influence the size of some travel parties. In general, the further the distance travelled the smaller the travel party, but no statistically significant relationship was identified between the number of people on a group-tour and the distance to Savannakhet province.

Table 15: Travel party size by country of origin

Region of origin and country	Category	Average Travel Party Size		
		Independently with friends	Independently with family	Group Tour
Lao	Domestic	0	3.74	32.5
Thai	Transit	2.5	3.33	66.38
	International	6.92	4.18	42.83
Vietnamese	Transit		2.8	3
	International	2.8	2	
Other Asian	International	3	1.79	6
Westerners	International	2.47	2.65	
Others	International	2	5	
Average		3.21	3.3	61.17

5.3. Primary motivation

5.3.1. Primary motivation for taking holidays

The following table needs to be analyzed with care. Considering that each visitor has a different level of understanding of a Likert Scale, no significance should be attached to the absolute values (from 1 to 7) but rather only used to draw comparisons between the different motivations.

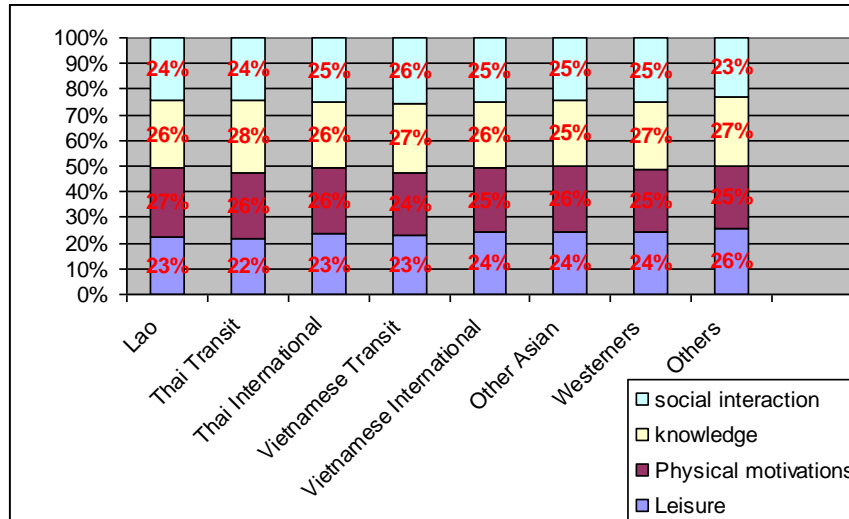
Table 16: Primary motivations for holidays by country of origin

Region of origin and country	Category	Leisure	Physical Motivations	Knowledge	Social interaction
Lao	Domestic	4.79	5.63	5.59	5.19
Thai	Transit	4.32	5.01	5.47	4.77
	Inter-national	4.99	5.51	5.51	5.35
Vietnamese	Transit	4.33	4.47	5.02	4.85
	Inter-national	4.32	4.47	4.60	4.45
Other Asian	Inter-national	5.37	5.73	5.59	5.45
Westerners	Inter-national	5.15	5.26	5.72	5.29
Others	Inter-national	6.00	5.75	6.23	5.44

All the different reasons given by the interviewees for visiting a destination are grouped in the table above into four categories:

- **Leisure**
 - To seek adventures
 - To be in contact with nature
 - To seek diversion and entertainment (including gambling)
 - Exciting experiences
- **Physical motivations**
 - To take a rest/to relax
 - To alleviate stress
 - To escape
- **Knowledge**
 - To discover new places
 - To discover the natural environment
 - To explore historical and cultural heritage
 - To learn about cultures and ways of life
- **Social interaction**
 - To meet new people
 - To integrate new lifestyles and the activities of local people
 - To enjoy with family and/or friends

Figure 4: Motivation for travelling by country of origin



None of the nationalities emphasize “leisure” or “social interaction” as their primary motivation for visiting holiday destinations. With the exception of domestic visitors and other Asian tourists, the acquirement of “knowledge”, as defined above, is the pushing factor to visit a destination.

Overall, the variations between the different ratings are bigger for Thai and Westerners who visited Savannakhet. These visitors therefore have more specific preferences than others do.

When looking at motivations for visiting holiday destinations by age, “knowledge” comes first for most categories. However, some differences are particularly noticeable between those who did or did not plan to visit Savannakhet. These differences concern the second reason/motivation for taking holidays. By comparing the expectations of tourists visiting Savannakhet or not, we can underline some of the perceived characteristics of the destination. In addition to the first conclusions, Table 70⁸ indicates the following:

- The importance of knowledge was less important to those visiting Savannakhet aged less than 30 years old;
- Almost all age brackets of visitors not going to Savannakhet rated leisure more importantly than those visiting Savannakhet;
- Social interaction is most important for those visitors to Savannakhet aged less than 40 years old;

⁸ See Appendix

Savannakhet is not perceived as a leisure destination. It more fits the profile of a secondary destination in which visitors are looking for social interaction. This is confirmed while looking at the average age of visitors - 35 years old - a group for who "social interaction" is more important among those visiting Savannakhet. Therefore if Savannakhet wishes to develop longer lengths of stay, interventions are needed to develop the facilities and attractions demanded by tourists looking for leisure activities.

5.3.2. Primary motivation for visiting Savannakhet

While some visitors choose Savannakhet province solely for holiday purposes, it is necessary to determine and understand the motivations behind all travel to the province/city. Table 20 provides a breakdown of visitors' primary motivations for visiting Savannakhet province, based on their country of origin and category. A majority of foreign visitors to Savannakhet province travelled on holiday (62.8%). Others travelled for educational purposes (11.2%), business (9%), to visit friends or relatives (8.4%), other (6.8%) and to volunteer (0.8%).

Analysis by nationality indicates considerable differences within each group. Countries with the highest proportion of visitors travelling to Savannakhet province on holiday were predominantly long-haul (Westerners and other Asian), with the exception of Thai internationals. In contrast, countries which had a high proportion of business travellers and travellers for an educational purpose were generally neighbouring countries (Thailand and Vietnam). Interviews among Thai outbound tour operators highlighted that most Thai transit visitors travelling to Vietnam were often civil servants. It seems that Thai outbound tour operators regularly visit the persons in charge of organizing the annual trips in each governmental institution, and offer package tours matching their budget and expectations.

Though VFR was less often a motivation to visit Savannakhet province for international visitors, a higher than average proportion of VFR domestic visitors travelled from all around Lao PDR.

Table 17: Primary motivations for visiting Lao PDR by country of origin

Region of origin and country		Primary reason for visiting Lao (%)					
		VFR	Holiday	Business	Education ⁹	Volunteer	Other
Lao	Domestic	47%	18	7	9	2	16
Thai	Transit	2	40	0	49		9
	Inter-national	5	76	6	10		3
Vietnamese	Transit	4	37	32	5		23
	Inter-national	13	28	44	7		8
Other Asian	Inter-national	4	72	12	1	1	9
Westerners	Inter-national	4	87	4	2	1	2
Others	Inter-national	13	80				7
Total		8.4	62.8	9	12.2	0.8	6.8

When visitors' primary motivation is further cross-referenced with their gender, it is evident that female visitors are more likely to visit Savannakhet province on holidays (64.9% vs. 60.9%), while male visitors dominated business travel (12.5% vs. 4.9%).

To conclude, the primary reason for visiting Savannakhet province remains for holiday purposes. This is the case for all source countries, although the dominance of Vietnamese visitors in business travel hints at their importance.

⁹ Thai civil servants called the annual trip organized by their institution "Pai Doo Ngan", which was translated as educational tours or project visiting. However, these trips should generally be considered entertainment trips.

Table 18: Primary motivations for visiting Lao PDR by gender

Primary reason for visiting Lao PDR.		
	Male (%)	Female (%)
Visit friends and relatives	9.1	7.6
Holiday/vacation	60.9	64.9
Business	12.5	4.9
Education	10.5	14.2
Volunteer	0.9	0.6
Other	6.2	7.6
Total	100	100

5.4. Length of Stay and Repeat Visits

This section explores visitors' average length of stay (ALOS) in Lao PDR and in Savannakhet province, and how this is influenced by travel motivations. This is followed by a review of visitors' average number of trips to Savannakhet province, their ALOS, and the existence of relationships between visiting Savannakhet province or not.

5.4.1. Length of Stay

The ALOS for all visitors to Lao PDR was 7.15 nights. There is an important difference between the mean (average) and the median length of stay (5 nights), which indicates the presence of outliers. However, the outliers are not the only source of difference between the two values: 27.2% of interviewees did not stay even one night and 7.3% stayed more than 20 days. The ALOS for all international visitors to Savannakhet province was 3.48 nights. The ALOS drops to 1.83 nights (Median = 1) when data for transit visitors and visitors staying longer than 30 days are respectively added and removed from the analysis. Thirty days was adopted as the cut-off to align with the length of stay dictated by a tourist visa in Lao PDR. The ALOS for domestic tourists was 2.93 nights (Median = 2).

The ALOS obviously becomes shorter when taking into account the real distribution of tourists to Savannakhet province. Unfortunately, the number of “gamblers is currently impossible to evaluate and therefore the weighting is equally impossible.

The table below presents the ALOS in, and number of trips to, Lao PDR and Savannakhet province based on visitors’ country of origin.

Table 19: ALOS, Frequency by Country of Origin

Region of origin and country	Category	Was Savannakhet included in your trip?	Length of stay	How many times have you visited Laos? (Savannakhet for Domestic)	How many times have you already transited through Laos?	How many nights did you or do you plan to stay in Savannakhet?
Lao				3.5		2.9
Thai	Transit		-	1.3	1.2	
	International	Not originally	3.6	5.8		1.8
		Yes	1.9	6.1		1.7
		No	3.3	3.0	2.5	
Vietnamese	Transit		-	0.8	0.8	
	International	Not originally	7.0		0.9	3.6
		Yes	7.9	3.0	0.8	6.6
		No	19.0		0.9	
Other Asian	International	Not originally	10.9	2.6	1.0	4.3
		Yes	12.6	2.1		6.9
		No	8.8	1.2	1.0	
westerners	International	Not originally	11.8	0.9	1.0	3.4
		Yes	14.9	2.1	-	3.3
		No	11.9	1.2	0.6	
others	International	Not originally	4.0	1.5		1.0
		Yes	30.0	-		3.0
		No	10.2	1.8		

For international visitors (excluding Thai and Vietnamese) surveyed in Savannakhet, the ALOS in Lao PDR was greater than for others. This is significantly higher than for those not visiting Savannakhet. Given that some international respondents surveyed in Savannakhet travelled beyond the classic routes, it could logically be expected that the ALOS would have been even lower for those who visited only the primary destination. For example, Westerners interviewed in Savannakhet had a longer ALOS of 3 days which corresponds approximately to the ALOS in Savannakhet. Interestingly, those who did not plan to visit Savannakhet have respectively a similar and lower ALOS in Savannakhet and in Lao PDR. This means that they are likely to have cancelled a trip to another destination in order to visit Savannakhet.

5.4.2. Repeated visit

48% of transit tourists were travelling to Savannakhet province for the first time. On average, domestic and international visitors took respectively 3.46 trips to Savannakhet province and 2.52 trips to Lao PDR. Some visitors taking a large number of trips influenced these figures. When data for outliers (Thai international travelling regularly to Lao PDR) is removed, the average number of trips to Lao PDR drops to 1.8.

As noted previously, a majority of visitors came to Lao PDR on holiday (62.8%). Their volume and short length of stay significantly affected the ALOS for all visitors. Table 23 below shows that volunteer tourists (18.2 days) and those travelling on business (10 days) stayed the longest in Lao PDR. However, when looking at the median, business visitors stayed less time than the average visitor.

Table 20: Primary motivations for visiting **Lao PDR** and Length of stay

Your primary reason for visiting Lao?	%	Mean (days)	Median (days)
Visit friends and relatives	8.4	6.45	5.00
Holiday/vacation	62.8	8.02	6.00
Business	9	10.36	4.00
Education	12.2	1.69	.00
Volunteer	0.8	18.17	13.00
Other	6.8	3.21	.00

To conclude, while the size of the samples for Savannakhet is too small to draw statistically significant conclusions for visitors from other Asian countries and others, it is apparent that long-haul visitors who travelled to Savannakhet stayed longer in Lao PDR than others.

With the exception of Vietnamese visitors (not statistically representative), Table 23 also indicates that long haul respondents visited Savannakhet province over a longer period of time than regional tourists did. This is particularly the case for visitors from neighbouring Thailand.

To summarize, Thai visitors stayed in Savannakhet province for a shorter period of time than other visitors but came more often¹⁰.

5.5. Information sources

To determine whether there is a link between choosing Savannakhet province and the main source of information used by visitors, respondents were asked what source of information they used when deciding to undertake a trip to Savannakhet province. This information is also a fair indicator of the promotion or marketing tools that should be prioritized by tourism businesses to reach target markets.

Table 21: Existence of a main source of information by country of origin?

Region of origin and country	Yes	No	Don't know	No answer	Total
Lao		96.8		3.2	100.0
Thai	4.1	61.5		34.3	100.0
Vietnamese		92.5		7.5	100.0
Other Asian	16.0	30.0		54.0	100.0
Westerners	28.0	15.7	.8	55.5	100.0
Others	33.3			66.7	100.0

The rate of answers to the question about a main source of information or not is very low. This means that respondents use various forms of media and other

¹⁰ Thai international tourists were almost all interviewed in Savannakhet.

sources to obtain information about Savannakhet province when making their decision to travel and that there was no single source that was used.

For the visitors with a main source of information, key sources of information included the Internet (15.2%), word-of-mouth recommendations (16.7%), and guidebooks (40.9%).

Table 22: Main source of information by country of origin (Total)¹¹

Region of origin and country	Radio	Television	newspaper	Magazine	Internet	Travel brochures	Tour operator	Guidebook	hotel/guest house	Word-of-mouth	Others	Empty case	Total
Thai		1		3			1	2					7
Other Asian				3	1	1		3					8
Westerners	2		1	4	10	5	3	27	1	11	1	1	66
Others					1						1		2

Table 25 presents the key sources of information used by visitors (without a main source of information) according to their country of origin. Transit visitors did not reply to the question concerning the source of information since they were not visiting Savannakhet. The main source of information for visitors from neighbouring countries (Thailand and Vietnam) was word-of-mouth (32% and 33%). Thai visitors' second source of information is television (18%). One fourth of Vietnamese visitors obtained their information from another source (26%).

¹¹ Table 25 only concerns the visitors who emphasized that they had a main source of information, The numbers are the total of responses.

Table 23: Sources of information by country of origin

		Radio	Television	Newspaper	Magazine	Internet	Travel brochures	Tour operator	Guidebook	hotel/guest house	Word-of-mouth	Others
Lao	Domestic	13%	22%	9%	11%	10%	4%	2%	6%	4%	16%	4%
Thai	International	10%	18%	6%	4%	11%	11%	5%	2%	1%	32%	0%
Vietnamese	International	4%	9%	7%	5%	11%	3%	0%	3%	0%	33%	26%
Other Asian	International	0%	6%	3%	7%	30%	6%	0%	32%	1%	12%	3%
Westerners	International	2%	4%	3%	5%	25%	5%	1%	39%	1%	12%	3%
Others	International	0%	0%	0%	0%	80%	0%	0%	20%	0%	0%	0%

Asian respondents clearly differed from each other. Other Asian and Westerners visitors sought information in guidebooks (32% and 39% respectively) and on the Internet (30% and 25%, respectively). Domestic travellers made decisions based on radio (13%) and television programs (22%) as well as word-of-mouth (16%).

Only 12% of Westerners preferred to follow advice from friends or relatives, which is relatively low compared to the international trend. The fact that Savannakhet is not well-known can explain this result.

The number of sources of information also varies from one nationality to another, with an apparent opposite relationship between the distance to Savannakhet province and the number of sources of information.

Table 24: Number of sources of information by country of origin

Region of origin and country	Number of sources of information
Lao	2.71
Thai	1.76
Vietnamese	1.95
Other Asian	1.67
Westerners	1.03
Others	1.25

Information sources varied according to visitors' primary motivation to visit Savannakhet province. Holiday visitors from neighbouring countries, for example, were more likely to tap into existing networks to obtain word-of-mouth information, while Westerners sought information from only one source likely to be a guidebook. Business travellers and visitors considering travelling for an educational purpose from Thailand were also more likely than others to consider television programs as a reliable source of information. Overall the low number of sources utilised by visitors from outside of Lao PDR indicates a lack of available information for visitors regarding Savannakhet before they arrive in-country. More available information would allow potential visitors to understand the options they have available to them and if presented correctly could lead to an increase in length of stay.

6. Savannakhet Province and Lao PDR

There are many existing opportunities and potential destinations for visitors in Lao PDR: Savannakhet is just one of them. Ever since the opening of the second Friendship Bridge, Savannakhet has benefited from a real advantage in expecting to attract more visitors. The question now concerns the real potential of Savannakhet as a tourist destination and not only as a transit area for regional and international tourists. This section explores visitor travel patterns, including the number of countries/provinces they visit, the route that they take and their reasons for choosing or not choosing Savannakhet province over other destinations. The relationship between these variables and visitors' country of origin, length of stay and primary motivations are further explored.

6.1. Savannakhet province: An alternative choice in Lao PDR?

6.1.1. Number of countries visited

According to the survey, 90% of Western visitors to Savannakhet province were on a multi-country trip, travelling to an average of 3 other countries. Table 27 illustrates that the greater the distance to Savannakhet province, the more likely travellers were to plan a multi-destination itinerary. In total, respectively 12% and 28.6% of Thai and Vietnamese visited at least one other country when travelling to Savannakhet province. The low number of transit Vietnamese visitors (21.4%) highlights that they use the border checkpoint Dane Savanh border to enter Lao PDR only.

Table 25: visit of other destinations by country of origin

Region of origin and country	Category	All Respondents		Visiting Savannakhet	
		% visiting other countries / provinces	Number of other visited countries / provinces	% visiting other countries /provinces	Number of other visited countries / provinces
Lao	Domestic	40.0	1.10	40.0	1.10
Thai	Transit	97.7	1.35	97.7	1.35
	Inter-national	17.9	1.81	12.0	2.13
Vietnamese	Transit	22.8	1.20	21.4	1.25
	Inter-national	26.4	2.00	28.6	2.00
Other Asian	Inter-national	60.8	3.07	70.6	3.04
Westerners	Inter-national	78.0	2.94	90.2	3.37
Others	Inter-national	73.3	3.09	100.0	4.00

To conclude, a majority of non-Asian visitors combined a trip to Savannakhet province while travelling to neighbouring countries.

Table 28 does not indicate that the average length of stay in Savannakhet province increases or decreases with the number of countries included on a trip.

Table 26: number of visited countries by length of stay

Number of Countries visited		ALOS	ALOS
		Lao PDR	Savannakhet
1	Mean	11.81	3.70
	Median	10.00	2.00
2	Mean	9.77	2.53
	Median	8.00	2.00
3	Mean	11.72	3.38
	Median	7.00	2.00
4	Mean	14.71	3.04
	Median	10.00	2.00
5	Mean	15.61	6.88
	Median	13.00	2.00

6.1.2. Travel routes

As might be expected, a majority of Westerners include visiting Savannakhet province with other countries in the region. Limited access to Lao PDR by direct flights from long haul destinations results in most visitors travelling to Savannakhet province via other destinations. Table 29 shows that this is the case for more than two-thirds of Western visitors. Thai and Vietnamese visitors were the most likely to travel directly from their home country. The location of interview and particularly the origin of the journey play a significant role in the results for transit visitors.

Table 27: Last location visited by country of origin

Region of origin and country	Category	Last destination (%)		Next Destination (%)	
		Home	Other	Home	Other
Thai	Transit	77.9	22.1	23.3	76.7
	International	75.4	24.6	78.6	21.4
Vietnamese	Transit	94.7	5.3	94.7	5.3
	International	100.0		91.7	8.3
Other Asian	International	32.4	67.6	33.8	66.2
Westerners	International	19.0	81.0	16.8	83.2
Others	International	40.0	60.0	20.0	80.0

6.1.3. Why Savannakhet Province and Why Not?

Among the respondents, some did not have Savannakhet included in their trip. However, it would have been necessary to interview all visitors to Lao PDR during a certain period of time to provide a statistically significant percentage of visitors who either had never heard about or had not included Savannakhet province in their trip. But the results concerning the reasons why respondents did not visit Savannakhet are nevertheless relevant. For Westerners, the top three reasons for not visiting Savannakhet were either a lack of time, the fact that they had never heard about it or they had not included it in their original plan.

Table 28: Reasons to not visit Savannakhet by country of origin

	Never heard of it	Not originally planned	Nothing to do there	Does not fit with my objectives	Not interested at all	Lack of time	Need too much time for few things to do	Not in my package	Lack of accessibility	Low standard quality	Too expensive	Limited budget	Not the good season	Too far	Cannot do everything	Other
Thai	15	20	15	13	5	5	2	7	2	2	3	1	7	1	2	0
Vietnames	0	5	0	0	0	3	1	0	0	0	0	1	0	0	1	0
Other	9	16	15	10	5	12	4	0	3	4	4	3	4	4	4	1
Westerner	10	11	63	33	39	11	19	7	17	6	11	41	10	12	31	3
Total	34	52	93	56	49	31	26	14	22	12	18	46	21	17	38	4

The question regarding the reason to finally stop and visit Savannakhet was not asked to the transit visitors since it was included in the questionnaire addressed to the Thai and Vietnamese outbound tour operators.

The lack of knowledge about Savannakhet is also reflected in the answers concerning the possibility of visiting the province/city. We can interpret that an important share of respondents did not visit Savannakhet because it was either not included in their package or not proposed by their tour operator. Lack of time represents one of the major reasons for not visiting Savannakhet, as does the fact that the province is not on the agenda of most of tourists who chose the option “never heard of it” or “nothing to do there”.

Table 29: Reasons that would encourage a visit to Savannakhet by country of origin

	If included in my package	if proposed by my TO	If I had more time	If value for money destination	If better accommodation	If more activities	If more things to buy	If landscape / ecotourism	If nightlife	If culture and heritage	nothing	If more casinos	cannot stay longer	other
Thai	16	19	12	11	8	4	5	5	2	10	4	4	3	0
Vietnamese	5	1	5	1	0	0	1	0	0	0	1	0	0	1
Other Asian	12	5	14	9	10	7	2	10	5	5	9	3	3	1
Westerners	44	51	150	38	30	40	4	79	24	53	26	9	23	6
Others	0	6	8	3	2	1	0	3	0	3	1	4	0	0
Total	87	82	189	63	50	52	12	97	31	71	41	20	29	8

For Westerners, the existence of landscape / eco-tourism activities would be their second main reason to visit Savannakhet. Obviously, such activities already exist, it would therefore be important to improve their promotion or to create more adapted circuits.

To conclude, respondents were asked about the likelihood to return to Lao PDR and thus to visit Savannakhet province/city. Regional visitors are more willing to do so than others do. The distance to Lao PDR is definitively likely to influence the possibility for visitors to plan a future trip to Savannakhet province/city.

Table 30: Possibility of returning to Savannakhet by country of origin (%)

	Yes absolutely	Probably yes	Not decided	Probably not	Absolutely not
Thai	47.8	39.1	13.0		
Vietnamese	77.8	11.1	11.1		
Other Asian	15.4	25.6	28.2	30.8	
Westerners	14.1	40.1	27.8	17.2	0.9
Others	25.0	25.0	16.7	33.3	

It is generally acknowledged that the tastes and the levels of satisfaction of tourists partly depend on their origins. In this section, this assumption was tested through an analysis of the motivations to visit Savannakhet province. As noted

previously, close to two out of three visitors came to Savannakhet province for a holiday. This is considered their primary or first motivation to travel to Savannakhet province. In this section, visitors' secondary motivations, or other reasons for visiting Savannakhet province are considered. To determine this, respondents were asked to provide three more motivations by order of importance.

In the section below, it is determined that Savannakhet province's cultural heritage was important to visitors when they made the choice of destination for their holiday¹². More than 30% of all visitors, across nationalities, were inspired to travel to Savannakhet province because of the presence of cultural heritage

Table 31: Breakdown of the main reason for visiting Savannakhet (%)

	Visit temples and experience cultural heritage	Ethnic minorities	Value for money destination	Friendly people	Wildlife/ bird watching	Eco-tourism	Landscape	Recent history	Visit relatives and friends	Art / architecture	Market / shopping	Nightlife	Casino	Mekong river trip	Recommended by friends/ travellers	Religious practices	On my way	Other
Lao	36	9	7	13	1	1	2	3	17	2	2	1	1		1			
Thai	17	2	17	11		4	4	2	6	4	15		4	2	8	2		
Vietnamese	17	24		3					24		24			7				
Other Asian	35	5	20	20		5					5			5	5			
Westerners	33	5	8	3	4	4	8	4	1	2	2		1	4	3		12	5
Others	33	33	33															

¹² Given that they have specific reasons for travelling to Savannakhet province, business tourists, volunteers and visitors for an educational purpose were not asked to reply to this question.

This section highlights the fact that long-haul tourists (Westerners – 12%) also tend to visit Savannakhet because of its strategic location on the road to or from Cambodia. To summarize, Savannakhet is also a transit route for Westerners in a North-South and South-North direction. However, Savannakhet can also be avoided when taking the night bus to Champasak, meaning that Westerners visiting Savannakhet made the choice to do so. Savannakhet province is not always a unique choice. Other motivations included visiting friends and/or relatives and shopping at markets. Ethnic minorities, friendly people and, to a lesser extent, the perception of value for money, constitute other key pull factors for attracting tourists, more particularly for Thai, Vietnamese and domestic citizens. Factors such as wildlife, eco-tourism and recent history were generally unimportant.

Compared to neighbouring provinces, Savannakhet province may be considered an emerging destination with arrivals stimulated by improved access, due in part to the recent opening of the second Friendship Bridge.

7. Visitor experiences

Understanding the elements of visitors' travels to Savannakhet province that lead to satisfying or dissatisfying experiences is essential to inform improvements in current - and development of new - products and services. The importance of word-of-mouth as a source of information on Savannakhet province makes it even more critical to identify and understand the basis of satisfying experiences, and the information likely to be transmitted to others once they return home.

7.1. Sources of satisfaction and dissatisfaction

Individuals were asked to indicate their levels of agreement on each "cognitive image attribute" on a 7-point scale (1 = strongly disagree; 7 = strongly agree). Transit visitors were asked to answer according to their experience while crossing the province. On a scale from one to seven, domestic visitors rated the attributes the most highly. The lack of elements for comparison for a nationality not likely to travel abroad can probably explain this trend. Finally, the level of importance Vietnamese visitors placed on attributes differed considerably.

Table 32: Sources of satisfaction by country of origin

	Lao	Thai		Vietnamese		Other Asian	Westerners	Others
	Domestic	Transit	Int.	Transit	Int.	Int.	Int.	Int.
Infrastructure and socio-economic environment	5.6	4.7	5.6	4.4	4.2	4.2	5.7	5.4
Atmosphere	5.9	5.0	5.9	4.7	4.2	5.8	5.7	6
Natural environment	5.1	4.9	5.7	4.8	4.8	4.1	5.2	5.3
Affective image	5.1	4.5	5.2	4.8	4.4	5.3	5.2	4.7
Cultural environment	5.6	4.9	5.6	4.7	4.6	5.6	5.3	5.3

The key source of satisfaction for almost all visitors to Savannakhet province was the atmosphere (peaceful, relaxing place and good hospitality¹³). Sources of satisfaction differed by nationality; but all in all, Savannakhet does not catch the heart of visitors. The affective image of Savannakhet is rated the lowest for the most important groups of visitors. A relationship was found to be only statistically significant between the age and the affective image (sig=.043) or the cultural environment (sig=.009) meaning that elders generally have a better appreciation / higher satisfaction concerning the cultural environment than others.¹⁴

All in all, Transit visitors from Thailand and Vietnam, as well as international visitors from Thailand, did not consider having enjoyed their visit in Savannakhet and were not satisfied with the province either. Knowing that transit visitors only follow Road 9 while crossing Savannakhet province, we assume that the lack of tourist attractions and associated services and amenities along the road, as well as a familiar landscape, can explain a part of this trend.

¹³ Further breakdown of answers can be seen in Table 70 in Appendix

¹⁴ This relationship is positive, meaning that the level of satisfaction for the cultural environment or the image of the destination is related to the age of respondents. However, the low values (Kendall's tau-b test = .058 and .074) for the test statistics indicate that the relationship between the variables is a fairly weak one.

Table 33: General level of satisfaction by country of origin

General level of satisfaction	Lao	Thai		Vietnamese		Other Asian	Westerners	Others
	Domestic	Transit	Int.	Transit	Int.	Int.	Int.	Int.
You are satisfied with Savannakhet province in general	6.2	4.6	6.0	4.4	4.1	5.7	5.5	5.0
All in all, you enjoyed your visit to Savannakhet very much	6.1	4.5	5.9	4.5	4.3	5.4	5.5	5.0
Good tourist information		5.3	5.5	4.9	5.0		6.0	6.0

Domestic and Thai visitors expressed a greater overall satisfaction than Westerners and Vietnamese did. Westerners were more satisfied by information delivered to tourists than regional visitors. No statistically significant relationship between the age of the respondents and the level of satisfaction was found. The main source of satisfaction differs from one nationality to another, with international visitors who are more satisfied with the infrastructure and the socio-economic environment, while regional tourists seem to appreciate the atmosphere or the natural environment

7.1.1. Infrastructure and socio-economic environment

The safety of Savannakhet province is the only criteria on which most of the respondents strongly agree. Visitors from Western countries (6.4) expressed a greater satisfaction with the quality of accommodation than visitors from neighbouring countries, especially the Vietnamese (4.0). Visitors to Savannakhet province considered the shopping facilities to be slightly above average, although none were considered excellent. Visitors from Western countries (5.0) were less likely than domestic or Thai visitors to consider the accessibility to the destination as satisfying.

7.1.2. Atmosphere

With the exception of Vietnamese international visitors, for whom interviews took place more at the Vietnamese – Lao border, the items which represented the atmosphere of the destination were rated highly. With the exception of

Vietnamese international visitors, a general and strong agreement on the peacefulness of the destination is reported.

7.1.3. Natural environment

With the exception of Vietnamese visitors, all other visitors quote the natural environment low. Visitors expressed a low level of satisfaction regarding the variety of fauna and flora, as well as the level of adventure. Thai international and other Asian visitors however quoted this last point high. Differing definitions of adventure can explain a part of the result.

7.1.4. Affective image

The affective image of Savannakhet is quoted low on the scale from one to seven compared to the atmosphere. This result influences the likelihood of returning. We also found that the affective image was related to the age of the respondents. As an arousing destination, Savannakhet province was poorly rated. The province/city offers a pleasant atmosphere but it leaves a low affective impression.

7.1.5. Cultural environment

International visitors were more satisfied with the local food and the local customs than the cultural attractions or activities. Discovering and learning about local culture is a common source of satisfaction or interest for most visitors. Visitors from Thailand and Lao PDR generally rated the cultural environment higher than visitors from Western nations.

7.2. Satisfaction and local attractions

Visitors were asked about the places they had visited and their experience or level of satisfaction¹⁵.

That Inhang is the main attraction of Savannakhet province, followed by the Savanxai Market which receives half the number of visitors. With the exception of these top tourism assets, others sites have a level of unsatisfied or undecided visitors comprising between 10% and 20%, or even more. This low level of satisfaction or indecision could explain the low frequency of visitors to these sites or attractions.

¹⁵ Table 71 in Appendix

In order for SNV to study the potential of two destinations, two additional questions were asked to visitors about their knowledge of Vilabouly district and the Sepon Gold and Copper Mine.

Table 34: Knowledge of Vilabouly district and Sepon Gold and Copper Mine

	Have you heard about Vilabouly?		Have you heard about Sepon gold Mine	
Yes and interested in going	24.4%	41.1%	39.5%	56.9%
Yes and not interested in going		23.6%		17.2%
Yes but don't know		.3%		
Yes and no answer		35%		25.9%
Never heard of it	58.4%		43.3%	
No answer	17.2%		17.1%	

The Sepon Gold and Copper Mine is clearly more well-known than Vilabouly. If activities were developed at the Mine, approximately 20% of the visitors in Savannakhet would be likely to go.

7.3. Recommending Savannakhet province as a destination

49% of visitors would definitively recommend Savannakhet province as a destination to friends or relatives. Around 35% would probably recommend Savannakhet and 13% were undecided, while the remaining 3% would probably or surely not recommend Savannakhet province to others.

Table 35: Recommendations by primary reason for visiting Lao PDR

Your primary reason for visiting Lao?	Absolutely	Probably	Not decided	Probably not	Absolutely not
Visit friends and relatives	69.3	24.0	2.7	1.3	2.7
Holiday/vacation	46.2	35.0	16.0	2.6	.2
Business	48.9	37.5	6.8	5.7	1.1
Education	45.0	39.2	15.8		
Volunteer	25.0	50.0		25.0	
Other	55.1	36.2	8.7		

VFR visitors (69%) indicated the highest levels of preparedness to recommend Savannakhet province. In contrast, only 46.2% of holiday visitors and 48.8% of business visitors would absolutely recommend Savannakhet province as a destination. While many holiday visitors were undecided, almost 8% of business visitors indicated that they would probably not recommend Savannakhet province.

Table 36: Recommendations by country of origin (%)

Region of origin and country	Category	Absolutely	Probably	Not decided	Probably not	Absolutely not
Lao	Domestic	82.1	13.7	1.1	1.1	2.1
Thai	Transit	42.8	38.2	19.1		
	Inter-national	69.8	22.8	7.4		
Vietnamese	Transit	31.6	52.6	14.0	1.8	
	Inter-national	37.5	51.4	9.7		1.4
Other Asian	Inter-national	50.0	34.8	10.9	2.2	2.2
Westerners	Inter-national	30.1	43.2	18.2	8.5	
Others	Inter-national	16.7	16.7	66.7		

Similarly, important differences exist among nationalities. Approximately 70% of Thai international visitors would absolutely recommend Savannakhet, against only 30% of Westerners. The use of a five point "Likert scale" helps to show the uncertainty of respondents. Thus, half of the Vietnamese visitors claimed that they would probably recommend Savannakhet province but there is no evidence that they will do so. The same conclusion can be drawn for the Westerners, with 43% of probable recommendations and almost 20% of undecided persons.

7.4. Staying longer or returning to Savannakhet

The likelihood of returning to Savannakhet is higher for domestic tourists (66.3%) while Westerners remain predominantly undecided (24%) or silent on this

question (44%). The proximity to Thailand and certainly the closeness between the Lao and Thai languages are important factors which encourage Thai international visitors to return to Lao PDR (49.7%).

Table 37: Likelihood of returning to Savannakhet by country of origin (%)

Region of origin and country	Category	Absolutely	Probably	Not decided	Probably not	Absolutely not	No answer
Lao	Domestic	66.3	27.4	2.1	3.2	1.1	
Thai	Transit	27.7	46.2	26.0			
	Inter-national	49.7	27.9	9.8	1.1		11.5
Vietnamese	Transit	29.8	49.1	19.3	1.8		
	Inter-national	27.8	47.2	22.2			2.8
Other Asian	Inter-national	31.4	18.6	14.3	1.4		34.3
Westerners	Inter-national	12.9	12.5	23.8	6.8		44.1
Others	Inter-national		13.3	26.7			60.0

The same question by motivation/reason to visit Savannakhet / Lao PDR shows that holidays visitors (26.1%) have less intention of returning to Savannakhet than others do. Obviously, VFR and business visitors are more likely to return, with respectively 53% and 41% of intention of "absolutely returning".

Table 38: Likelihood of returning by motivation to visit Savannakhet

Primary reason for visiting Lao	Absolutely	Probably	Not decided	Probably not	Absolutely not	No answer
Visit friends and relatives	53.0	24.1	8.4	3.6	1.2	9.6
Holiday/vacation	26.1	22.4	19.6	3.5		28.4
Business	40.9	28.0	22.6	2.2		6.5
Education	26.6	49.2	21.0			3.2
Volunteer		28.6	14.3	14.3		42.9
Other	42.3	42.3	11.3	1.4		2.8

To conclude, while asking visitors what could make them stay longer, a majority claimed that they simply could not stay longer (51%). Other answers were varied, but mostly oriented towards the lack of activities, tourism assets, products or good services.

8. Visitor Expenditure

A key objective of the Provincial Tourism Department is to increase tourist contributions to the economic development of Savannakhet province. In most destinations, the focus is usually on increasing international visitors, thereby increasing income. Over time, however, it has become better understood that increasing visitor numbers alone does not directly translate to improved benefits. Thus, many tourism authorities are beginning to target high-yield markets with the aim of minimizing pressures on destinations while maximizing development potential.

Targeting high-yield visitors or visitors that contribute to the development of a destination requires a better understanding of visitor expenditure. In addition, specific questions were asked regarding shopping items and their accessibility. In this section, average daily expenditure and expenditure per trip are analysed. The relationship between expenditure and other variables, such as country of origin, travel motivations and travel party, are then considered.

In surveying visitor expenditure, visitors were asked what they spent per day, what they spent in total and how many people their expenditure covered. In this section therefore, expenditure is shown 'per respondent' and 'per person'.¹⁶

8.1. Average expenditure

To determine visitor expenditure, survey respondents were asked to recall their total expenditure in Lao PDR or/and Savannakhet province and their expenditure over the last 24 hours. Total expenditure figures were used in the analysis of average daily and trip expenditure. Expenditure over the last 24 hours was used in the analysis of itemized expenditure.

As Table 42 shows¹⁷, visitors spent on average a total of approximately US\$596 in Lao PDR. This expenditure covered costs for an average of 1.6 people,

¹⁶ average level of expenses per respondent divided by the number of people the expenditure covers

¹⁷ more details available in Table 72 in the Appendix

resulting in an average expenditure of around US\$377 per person, per trip, and US\$ 161 per person per stay in Savannakhet or US\$90 per person, per day. The positive skewness value indicates a positively skewed distribution that differs significantly from a normal symmetric distribution. The strong diversity of respondents' categories, as well as the differences observed between the mean and the median, can easily explain this result. For this reason, and the presence of outliers, the average level of expenditure for the last 24h is more likely to come close to the median, i.e. US\$ 59.70 per day.

Table 39: Expenditure Per Person and Per Respondent (USD)

	Total Expenditure Per Respondent	How many people covered by this?	Total Expenditure in Lao PDR Per Person	Total Expenditure in Savannakhet (Per person)	Total expenditure for the last 24h (Per person)
Mean	596.43	1.58	376.76	161.03	90.36
Median	400.00	1.00		200.00	59.70

Since we do not have a clear image of the number of tourists per year in Savannakhet province and its distribution, these results should therefore not be observed for all groups at once. Without reliable data for a good weighting of the general level of expenditure, it would give a wrong image of the tourist expenditure. Below is an analysis by category.

Figure 1 in the Appendix (Box Plot) represents the expenditure per respondent and by nationality for the last 24 hours in Savannakhet. It shows that the profile of Westerners is more likely to be unique, while Lao, Thai and Vietnamese visitors are more heterogeneous. Several outliers can also be identified for each category of visitors.

Visitors from Vietnam¹⁸ (US\$208.5) had the highest average expenditure per person in Savannakhet province. This was close to double than what was spent by domestic visitors (US\$119.8), but only slightly more than what was spent by other Asian (US\$203.4), Thai (US\$177.9), and Western (US\$170.9) visitors.

¹⁸ Caution should be taken in interpreting the data, as the Vietnamese sample was not statistically significant

Table 40: Expenditure per person (USD) in Savannakhet province by country of origin

Region of origin and country (excluding transit visitors)		Total Expenditure in Savannakhet	Total expenditure for the last 24 hours	How many nights did you or do you plan to stay in Savannakhet	Total average expenditure per person per day ¹⁹
Lao	Mean	119.8		3.13	21.1
	Median	100		2	
Thai	Mean	177.9	111.4	1.67	60.5
	Median	205	150	1	
Vietnamese	Mean	208.5	149.1	6.64	23.1
	Median	165	70	2	
Other Asian	Mean	203.4	109.1	7.29	23.9
	Median	200	50	3	
Westerners	Mean	170.9	42.3	3.44	37.9
	Median	135	40	2	

When weighted by the total number of arrivals, the direct economic contribution of each nationality could then be determined. However, the Thai visitors interviewed during the survey are not representative of those visiting/entering Savannakhet Province/city. The reason is that the majority of Thai visitors are casino players (day-trippers) or transit visitors. For the casino players, a free shuttle bus is available on the Thai side and the food and beverages are complimentary inside the Casino. Figure 7 represents the total expenditure per person per trip in Savannakhet. It indicates with the table above that the economic contribution of Thai visitors is the highest per day, but among the smallest per trip. It also confirms the important purchasing power of Thai visitors.

¹⁹ The low difference between the mean and median for the expenditure per person per trip in Savannakhet enables us to calculate the average level of expenditure per person per day in Savannakhet. The latter is lower than the expenditure per person for the last 24h, confirming the hypothesis that visitors spent more particularly on souvenirs the last day of their trip.

Figure 5: Total Expenditure per person per trip in Savannakhet (bubble size)

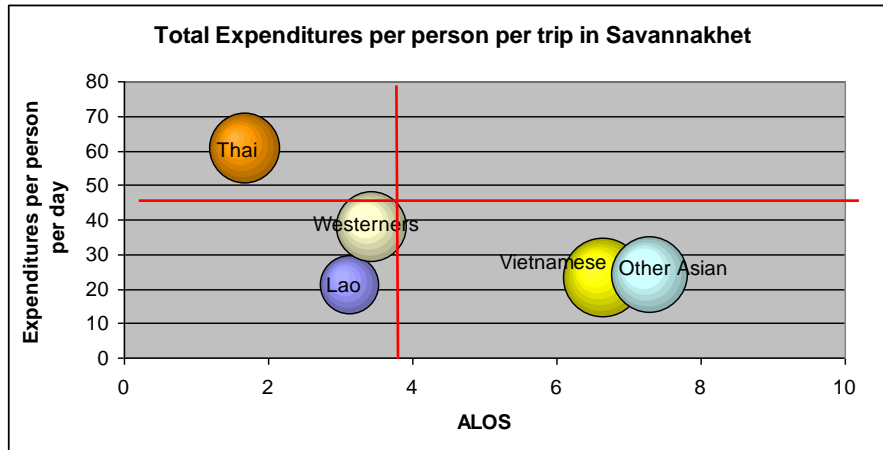


Figure 6: Total Expenditure per person per trip in Savannakhet (bubble size)

Clearly the length of stay influences the level of expenditure in Savannakhet province. On a daily basis, expenditure by Thai visitors (US\$60.5) was the highest. This was followed by Westerners (US\$37.9), other Asian (US\$23.9), Vietnamese (US\$23.1) and domestic (US\$21.1) visitors. Both data on level of expenditure per day and per trip underline the current importance of the intra-regional, short-haul market for Savannakhet province.

Figure 7 demonstrates that no visitors had higher than average expenditure and length of stay. Countries that fall above the line for average expenditure could be considered high (economic) yield markets and worthy targets. Countries that fall to the right of the ALOS could also be targeted, given their propensity to undertake more activities and distribute the economic benefits of tourism more broadly. Strategies to move other countries into the northeast quadrant should be made a priority.

Holiday visitors (US\$61.1), and those travelling to Savannakhet province for educational purposes (US\$78.9), spent the most on a daily basis. In contrast, VFR (US\$30.9) spent the least. When length of stay is considered, however, business visitors (US\$262) spent the most in Savannakhet province, followed by holiday visitors (US\$180.4) which made up the bulk of visitors to Savannakhet province.

Table 41: Expenditure per person (USD) by primary reason for visiting Savannakhet province

Primary reason for visiting Lao	Total Expenditure in Savannakhet	Average expenditure per day	How many nights did you or do you plan to stay in Savannakhet
VFR	109.9	30.9	3.6
Holiday/vacation	180.4	61.1	2.9
Business	262.1	44.9	5.8
Education	131.6	78.9	1.7
Other	105.6	24.6	4.3

8.2. Itemized expenditure

8.2.1. Itemized expenditure by country of origin

This section provides details of itemized visitor expenditure on tourism-related goods and services. It also highlights how expenditure varied with the number of countries visited and the money spent per person. With the exception of the table below, itemized expenditure results are based on visitors' recollection of their expenditure over the last 24 hours.

The median of expenditure per person per day varied significantly between visitors surveyed in Savannakhet (US\$50) and those not willing to visit Savannakhet (US\$35.7). For the surveys conducted at Savannakhet, this represented an average per day of their stay in Savannakhet province. For surveys conducted outside of Savannakhet and among visitors not willing to visit the destination, this represented an average per day at some point during their stay.

Table 42: Average expenditure per person per day (USD)²⁰

	Was Savannakhet included in your trip?		
	Yes	Yes but not originally	No
Mean	63.47	60.90	64.06
Median	50.0	50.0	35.0

²⁰ The calculation excludes outliers - visitors spending more than US\$250 dollars per day.

While the means are approximately similar for the three groups, the lower median value indicates that Savannakhet has more the profile of a “one day – weekend” destination, with most people spending less than average. The analysis confirms the importance of focusing on short-term visitors and proposing new activities and products suitable for this market.

For the remainder of this section, transit visitors and those not visiting Savannakhet were excluded from the calculation. The use of several currencies (Lao Kip, Dollars, Thai Bath, Vietnamese Dong) in one single province has complexified the analysis of itemized expenditure. For this reason, we would prefer here to first use the median as an indicator of comparison.²¹

Table 43: Itemized expenditure per respondent (USD)

	Number of respondents	Mean	Median
Local transport	228	28.88	12.00
Hired transport	198	11.41	7.50
Excursion	100	22.85	12.00
Guide	66	16.77	10.00
Entrance Fees	119	9.88	6.00
Food	315	26.85	15.00
Drink	17	18.65	15.00
Tips	68	20.36	5.00
Accommodation	255	30.70	20.00
Shopping	150	52.13	20.00
Massage	33	13.46	10.00
Casino	21	198.39	120.00
Others	101	30.83	12.00

²¹ The use of several currencies (Lao Kip, US Dollars, Thai Baht, Vietnamese Dong) in one single province has complexified the analysis of itemized expenditure. For this reason, it is preferred to first use the median as an indicator of comparison.

With few exceptions, visitors spent most of their budget on four itemized categories: shopping, accommodation, food and beverages and excursions²².

Table 44: Weighted itemized expenditure per person by country of origin for the last 24h

		Local transport	Hired transport	Excursion	Guide	Entrance fees	Food	Drinks	Tips	Accommodation	Shopping	Massage	Casino	Other
Lao	USD	2.90	2.00	4.20	1.20	0.90	6.90	0	0.10	9.40	5.80	0.60	2.30	6.80
	%	6.8	4.6	9.6	2.8	2.1	16.1	0	0.3	21.9	13.3	1.5	5.3	15.7
Thai	USD	7.50	4.70	5.80	2.60	3.50	12.40	0	0.90	16.10	8.60	1.00	14.60	7.80
	%	8.8	5.5	6.8	3.1	4.1	14.5	0	1.1	18.8	10.1	1.2	17.1	9.1
Vietnamese	USD	25.80	1.20	0.10	0.20	0.10	19.60	1.70	4.80	2.60	32.70	0.10	0	0
	%	29.0	1.4%	0.1	0.2	0.1	22.0	1.9	5.4	2.9	36.8	0.2	0	0
Other Asian	USD	9.00	5.30	1.60	3.30	0.80	9.70	0	1.10	11.60	7.80	0.60	0.30	2.80
	%	16.8	9.8	2.9	6.1	1.4	18.1	0	2.0	21.7	14.5	1.0	0.5	5.2
Westerners	USD	5.10	4.00	2.30	1.50	1.60	11.70	0.60	3.20	14.40	3.10	0.60	4.60	2.20
	%	9.2	7.3	4.3	2.7	2.9	21.4	1.0	5.80	26.2	5.7	1.1	8.4	4.1

²² Missing values in the data set can affect the results of the analysis. However, a missing value in an expenditure survey can be considered as a “non-expense”, e.g. being equal to zero. For this reason, here we have chosen to replace the missing values in the data set by the value zero.

That being said, there were few clear regional preferences for expenditure, with differences evident across nationalities. Vietnamese visitors, for example, spent a higher proportion of their budget on shopping and transportation, while other visitors spent more on accommodation and food. Observations of the Vietnamese market established that a high proportion of Vietnamese visitors are on business in Savannakhet province. Therefore, shopping can be assimilated to items bought for their business including high cost of transportation either for doing business or repatriating the goods. In contrast, other visitors spent higher proportions of their budget on accommodation than the Vietnamese, confirming their status as holiday visitors. However, Western visitors spent a smaller proportion of their budgets on souvenirs. Their characteristic of multi-destination travellers definitively influences this trend. They were also the largest tippers. Additionally, Thai visitors spent an important share of their budget on gambling/in the casino (17.1%).

The two following tables specify the ranges of hotels and restaurants where international and domestic tourists stayed or ate. The third table indicates their main means of transportation while visiting Savannakhet province / city.

All international visitors tend to predominantly stay in middle-range hotels. In contrast, domestic visitors prefer budget hotels (58.9%).

Table 45: Hotel range by country of origin (%)

Region of origin and country	less than 10\$	\$ 10-20	\$21-50	\$51-100	More than \$100	Don't know
Lao	58.9	29.5	2.1	1.1		8.4
Thai	10.6	47.5	16.3	2.8	.7	22.0
Vietnamese	7.9	28.6	19.0	7.9	3.2	33.3
Other Asian	12.1	48.5	24.2	6.1		9.1
Westerners	34.0	38.8	20.4	1.9	1.9	2.9
Others		100.0				

We equally observe a difference between domestic and international visitors concerning the range of restaurants; it was found that locals ate more in budget restaurants. An important share of Vietnamese and other Asian visitors also ate in high-end restaurants, with respectively 30.2% and 21.2% who spent more than USD10 per meal.

Table 46: Restaurant range by country of origin

Region of origin and country	Less than 2\$	\$3-5	\$6-10	More than \$10	Don't know
Lao	41.1	40.0	9.5	4.2	4.2
Thai	9.2	39.7	25.5	9.9	14.9
Vietnamese		23.8	34.9	30.2	11.1
Other Asian	6.1	33.3	33.3	21.2	6.1
Westerners	7.8	54.4	27.2	7.8	2.9
Others		50.0	50.0		

The tuk-tuk is definitely the main means of transportation for all categories of visitors. This also indicates that most of the domestic tourists who were interviewed for the survey came to Savannakhet with a means of transportation other than a personal car. This finding reflects a low level of income for the Lao visitors, which is also highlighted in the analysis of the range of hotels and restaurants.

Table 47: Means of transportation by country of origin (%)

Region of origin and country	Tuk-tuk	Taxi	Mini bus	Public bus	Car	Bicycle	Motor-bike	Walk
Lao	42.6	1.1	12.8	5.3	16.0	7.4	10.6	4.3
Thai	45.3	1.5	13.9	5.1	27.0	2.2	1.5	3.6
Vietnamese	60.3	7.9	4.8		9.5	1.6	4.8	11.1
Other Asian	34.4		3.1	3.1	15.6	25.0	12.5	6.3
Westerners	47.6	2.9	1.9	9.7	2.9	11.7	13.6	9.7
Others	50.0						50.0	

8.2.2. Itemized expenditure by travel party

Average expenditure per day was highest for accompanied travellers with families (US\$103.1), followed by unaccompanied travellers (US\$86.1). Visitors travelling by group had the lowest daily expenditure (US\$36.2) and a shorter length of stay

(0.3). Statistical tests do not indicate the existence of a relationship between visitors' age and expenditure per day and per trip.

Table 48: Average expenditure per person by travel party (USD)

Travel Party	Mean	Median	How many people are covered by expenses?	ALOS
Travel Alone	86.1	45	1.1	2.9
Independently as couple	54.9	90	2.4	2.4
Independently with friends	81.0	60	1.5	2.2
Independently with family	103.1	50	1.3	2.9
Group-tour	36.2	60	2.4	0.3

8.2.3. Itemized expenditure by number of visited countries

For two or more visited countries, there was an opposite trend between the number of countries visited and expenditure per day and per trip in Savannakhet province. Those visitors who travelled only to Savannakhet province tended to spend more during their last 24 hours and on a per trip basis than those who travelled as part of a multi-country trip.

Table 49: Total and average daily expenditure in Savannakhet province by number of visited countries (USD)

Number of countries visited	Average expenditure per person (last 24 hours)	Total expenditure per person, per trip in Savannakhet province	Average Daily expenditure per person in Savannakhet
Only Savannakhet province	102.4	171.8	66.24
1	30.0	97.0	96.41
2	78.5	129.4	151.96
3	53.4	114.4	34.31
4	26.1	94.9	30.99
5	39.4	148.0	19.55

8.2.4. Location of expenditure

While the location of purchases depends on nationality, a significant portion of expenditure by transit visitors was made at the border with Vietnam. The needed time for visa formalities and the existence of duty-free shops at border checkpoints are likely to be the main factors explaining this trend.

Table 50: Location of purchases for transit visitors by country of origin

Location	Region of origin and country	
	Thai	Vietnamese
Friendship Bridge 2	29%	7%
Dan Savanh	56%	32%
Muang Phine	8%	0%
Savanxay market	11%	9%
ODOP shop	5%	0%
Savan Vegas Casino	0%	4%
Other	12%	48%

8.3. Expenditure on local products

Respondents (international and transit visitors) visiting Savannakhet were asked about the purchase of local products. The following table indicates which products the visitors mostly bought and how much they spent on them. A total of 301 respondents provided information regarding the purchase of local products. While products bought at duty-free shops (cigarettes, alcohol) represent an important share of purchases, the local food remains the favourite item of visitors. Among the identified products, jewels (US\$35.7), Lao clothing (US\$33.4) and basketry (US\$32.1) were the local products which entailed the most expenses in average.

Table 51: Expenditure on local items

Local Purchases	Valid	Mean	Median
Local food	218	17.4	10.0
Cigarettes	93	9.3	6.0
Alcohol	158	22.4	14.7
Non alcohol	79	8.7	5.9
Basketry	65	32.1	10.4
Shoes	29	10.7	7.0
Carving	28	22.7	10.9
Jewels	43	35.7	11.8
Lao clothing	73	33.4	11.8
Ethnic weaving	42	25.4	10.0
Other purchases	67	40.1	15.0
# of respondents	301		
Total		65.3	30.0

A breakdown of local purchases by category of tourists enables us to compare their preferences, and possibly the products that could be targeted to develop further projects.

Table 52: Average expenditure (USD) on local products per respondent by country of origin

Local Purchases	Region of origin and country						
	Lao	Thai		Vietnamese		Other Asian	Wester ners
	Domestic	Transit	Inter	Transit	Inter	Inter	Inter
Local food	12.5	7.9	25.2	38.0	10	22.4	10.8
Cigarettes	5.2	9.5	11.5	9.5	6.5	12.8	6.2
Alcohol	15.7	30.2	30.1	20.5	9.0	13.6	12.3
Non-alcoholic drinks	7.9	9.5	3.1	6.0	10.0	8.5	9.9
Basketry	17.1	7.4	55.3			12.7	5.6
Shoes	9.1	10.0	17.9	7.0	10.0	1.0	2.0
Carving	33.1	5.0	30.5	5.0	5.0	8.0	7.3
Jewels	27.9	11.0	48.7	7.5	7.0	65.0	20.2
Lao clothing	22.5	13.1	56.0			17.4	8.1
Ethnic weaving	13.5	10.6	20.4			78.4	13.5
Other purchases	28.3		51.1			70.6	20.3

Visitors take the opportunity of crossing borders to buy alcohol to take it back into their own countries (taxes on alcohol are high in Thailand). Jewels are an important source of income per head, but only few tourists were interested in them. Lao, Thai and other Asian visitors are local food enthusiasts. Basketry and Lao clothing are attractive local products for Thai international visitors, a category in which they spend more than in others. The low number of answers for Vietnamese can be linked to their dissatisfaction with shopping facilities in Savannakhet.

In fact, transit visitors are visibly unsatisfied with shopping facilities, as we can observe with less than one third of positive feedback for both Thai and Vietnamese nationals. Domestic and international tourists were more fulfilled with

the existing facilities, but an important number of them remained either frustrated or unsatisfied.

Table 53: Satisfaction with shopping facilities by country of origin (%)

Region of origin and country	Category	Yes	No	No answer
Lao	Domestic	67.4	32.6	
Thai	Transit	28.3	67.6	4.0
	International	56.7	38.3	5.0
Vietnamese	Transit	17.9	82.1	
	International	33.3	66.7	
Other Asian	International	69.7	30.3	
Westerners	International	50.9	36.1	13.0

While Vietnamese transit visitors are particularly looking for Thai products, an increase of diversity is required in Lao-style clothing, handicrafts and local food for Thai transit visitors. However, one third of respondents were not likely to buy anything else.

Table 54: Missing products by country of origin

	Thai	Vietnamese
More diversity in local food	16	11
Thai products	2	30
Vietnamese products	0	1
Non-alcoholic drinks	1	0
More variety in handicrafts	17	1
More jewels	1	1
More diversity in Lao-style	14	0
Don't want to buy anything	57	2
Other	9	10
Nothing missing	44	0
Total	161	56

More than half (59.2%) of all visitors indicated that they stayed within their budget during their travels to Savannakhet province. Another one in five (18.5%) visitors said that they spent more than they had expected to, and slightly more of them (21.7%) spent less than expected. These results need to be observed by nationality, since more than half of the Vietnamese visitors spent

less than expected. Westerners are nevertheless more likely to stay within their budget (73.4%).

Interestingly, visitors who spend less than expected have a higher purchasing power than others do. They actually spend more than those who stay in their budget, with a median respectively equal to USD57 and USD50.

Table 55: Missing products by category of spender

	Under spend	Over spend	Stayed within budget
More diversity in local food	7	6	13
Thai products	15	14	3
Vietnamese products	1		
Non-alcoholic drinks			1
More variety in handicrafts	4	5	9
More jewels	1	1	
More diversity in Lao-style clothing	5	2	7
Don't want to buy anything	5	3	50
Other	9	1	9
Nothing missing	6	8	29
Total	53	40	121

The lack of Thai products constitutes respectively the main missing item for those who spent less or more than expected. More diversity in local food, handicrafts and Lao-style clothing could have constituted the main reasons for under-spending.

As with other criteria, the table below indicates that the results differ from one nationality to another. Vietnamese visitors (transit 50% international 52.4%), were more likely to have under-spent compared to other nationalities. For example, only 12% of Westerners and domestic visitors under-spent during their stay in Savannakhet. A clear opportunity exists to develop products and services to meet their needs.

Table 56: Over / Under spend by country of origin

region of origin and country	Category	Under spend	Over spend	Stay within budget	Did not spend anything	Don't know
Lao	Domestic	12.6	24.2	60.0	2.1	1.1
Thai	Transit	16.5	13.5	69.4	.6	
	International	17.0	18.5	64.4		
Vietnamese	Transit	50.0	32.1	17.9		
	International	52.4	23.8	23.8		
Other Asian	International	15.2	12.1	72.7		
Westerners	International	12.8	13.8	73.4		
Others	International	33.3		66.7		
Total		21.7	18.5	59.2	0.5	0.2

9. GIT and Tour operators

The evaluation of itemized expenditure for GIT (Group Inclusive Travellers) is a hazardous exercise. Their answers can dramatically bias the analysis, and therefore consider them as outliers. For this reason, they should have been removed from the calculation on expenditure and a special section has been dedicated to them and their suppliers.

9.1. The GIT (Group Inclusive Travellers)

21.1% of respondents (219) were on a package tour. A majority of them were Thai transit visitors (168 or 77%). Currently, the number of GIT in Lao PDR is estimated at 4.1% of the total international arrivals. Another 15% of GIT were Thai international visitors with a median equal to three nights for the average length of stay, and they were mostly travelling for holiday purposes (58.1%). The average cost of their package is approximately USD300.

Concerning Thai transit visitors, 53.6% earn less than US\$200 per month and 51.8% were transiting for the first time through Lao PDR, including respectively 29.1% and 47.7% who consider that they should absolutely or probably come back to visit Savannakhet. Only few of the transit visitors travelling on a package tour stopped by one the top 5 tourism sites (Savanxai Market or ODOP shop). However a majority of them shopped at one of the border checkpoints, either at

the Thai/Lao or the Vietnamese/Lao borders. A small group did some shopping while stopping at Muang Phine during lunch time. However, tour operators highlighted the lack of interesting products available in the only area where most tour companies stop for lunch.

9.2. Outbound Tour Operators

Ten Vietnamese and twenty Thai outbound tour operators were interviewed over the months of September and October 2009. Difficulties were met with some others in understanding the objectives of the research and the sensitivity of the data requested. Therefore, names of companies will not appear in this document in order to respect the agreement developed with them. Seven out of the twenty Thai Tour operators were interviewed in Mukdahan, the city facing Savannakhet on the other side of the Mekong River.

9.2.1. Overview of outbound operators and activities in Savannakhet

55 and 70% of respectively Thai and Vietnamese outbound Tour Operators use an inbound Lao tour operator as a ground handler to prepare their tour or to transit their customers through Lao PDR.

Table 57: Volume of tourists taken to Lao PDR and to or through Savannakhet²³

Number of customers from the sample	Year	Thai Outbound Tour	Vietnamese Outbound Tour
# Tourists taken to Lao PDR	2005	18,530	3,553
	2006	139,690	5,076
	2007	237,150	6,833
	2008	319,130	8,916
# Tourists transiting through Savannakhet province	2005	3,090	9,850
	2006	3,430	12,900
	2007	7,750	17,250
	2008	79,310	12,690
# Tourists taken to Savannakhet	2005	190	3,619
	2006	600	4,726
	2007	790	6,318
	2008	2,380	8,784

The table above shows that visitors to Savannakhet represented less than 1% of Thai Visitors taken to Lao PDR by the interviewed Tour operators. However, the

²³ Not all interviewees agreed to provide the data. For the year 2008, data are for 19 Thai and 8 Vietnamese outbound tour operators.

trips organized by Vietnamese tour operators included one stop in Savannakhet. As mentioned by one of the Vietnamese Tour Operators, Vietnamese tourists like/enjoy caravan tours.

The dramatic increase of Thai Transit and international visitors to Savannakhet between 2007 and 2008 can find its source in several explanations. First the opening of the second Friendship Bridge took place in late 2006. While the number of free Independent Travellers from Thailand visiting the province dramatically increased (entrance through the Second Friendship bridge), we have no significant evidence of an increase of Thai entrances from Vietnam (transit visitors). This means that the Thai Tour Operators did not really anticipate the opening of the second Friendship Bridge, and therefore the sales of tours to Vietnam through Savannakhet really started in late 2007. This lag can also be explained by the amount of time needed to implement / negotiate tours crossing two borders twice and to set up the package. Moreover, only one Thai Tour operator interviewed in Bangkok was selling Savannakhet.

While asked about the reasons for not selling Savannakhet, four Thai tour operators, representing 15,000 Thai tourists taken to Lao PDR in 2008, replied that they did not know much about the area. Other Thai and Vietnamese Tour Operators insisted more on the lack of demand and therefore the fact that it was not worth making such efforts in selling the destination as their main reason for not selling Savannakhet.

While only 35% of Thai tour operators sold Savannakhet, their number is double among those interviewed in Vietnam (70%). Concerning the possibility of organizing a stop in Savannakhet, 60% of Thai operators consider that it would be possible with one third and two thirds proposing respectively one day/night and one hour. .

With the exception of three agencies in Thailand and one in Vietnam each tour operator concentrates its activities with its own nationals. Internet and word-of-mouth are considered as the main sources of information, which fits with the indications given by tourists.

Table 58: Sources of information by country of origin

Country		Frequency	Percent
Thailand	Walk-in	2	10.0
	Website	5	25.0
	Travel guide	1	5.0
	Newspaper	3	15.0
	Word-of-mouth	4	20.0
	Brochures	2	10.0
	Other	3	15.0
Vietnam	Internet	1	10.0
	Website	2	20.0
	Travel guide	1	10.0
	Newspaper	1	10.0
	Word-of-mouth	3	30.0
	Other	2	20.0

While their brochures do not represent an important source of information, respectively 50% and 70% of Thai and Vietnamese operators have Savannakhet included in these. The fact is that customers often come with their own requests rather than purchasing an off-the-shelf package.

As seen earlier, a majority of Thai visitors to Savannakhet are mainly transiting to Vietnam, and especially to Hue / Danang / Hoi An. This trend was helped by the broadcast of a Thai TV series which took place in Hoi An a few years ago. There is currently a trend in Thailand for trips to destinations where Thai or famous TV series/movies took place (Hoi An, Luang Prabang, Korea). In Vietnam, the demand is more oriented towards Caravan tours²⁴. These differences on the demand side can also be observed on the supply side.

²⁴ Caravan Tours are fully escorted tours, all inclusive with all meals, featuring complete sightseeing.

Table 59: Features that tour operators are looking for when making the decision to carry or sell a specific package

	THAI TOUR OPERATORS			VIETNAMESE TOUR OPERATORS		
	RANK 1	RANK 2	RANK 3	RANK 1	RANK 2	RANK 3
Cost / value for money/price	7	3	1		2	1
Demand / inquiries /product appeal	3	3		2		
Exclusiveness and reliability				2	1	2
Balance in what the package offers - many types of activities		1	1			
Destination appeal	1	3	2	1	1	
Hotels and services	2	3	2	1	3	1
Location	1	1	1			1
Accessibility/Transportation and airlines	1	3	2			
Means of inner-city transportation						1
Interesting product / package			3	2		
Culture/history/the "Authentic way of life"				1	2	2
Online bookings		1				
Quality (including guides)			2			
Reliability						1
Seriousness of provider	1		1			
Tailor-made packages	1		1			
Available time of clients	2					
Other: (Client budget, Toilet,)			2			

The main features that Tour operators are looking for when making the decision to carry or sell a specific package are effectively different for Thai and Vietnamese operators. The cost or value for money is thus the main criteria for an important number of Thai operators (7) before the existence of a specific demand (3), while the Vietnamese are more interested in the product itself and notably its appeal. The quality of hotels and services is definitively a matter of concern for all operators. The more developed nature of the Thai outbound market may explain

this demand led approach, rather than the supply-led approach favoured by the Vietnamese operators.

9.2.2. Savannakhet Tourism Competitiveness

Looking more specifically at Savannakhet province, tour operators were asked to give their opinion about the strengths and weaknesses of Savannakhet province. These answers showed that Savannakhet has more weaknesses than strengths. These answers also differed by nationality for some of the items.

Accessibility is obviously easier from Thailand than from Vietnam, which gives obvious strength to Savannakhet for Thai Tour operators. Vietnamese operators are more contented with the services of local providers than the Thai are.

The top 5 missing items or weaknesses for Thai Tour operators are:

- The scenery
- Not enough variety in the packages
- The number of possible excursions
- The lack of interesting products or packages
- The balance in what the package offers – lack of variety of activities

The top 4 missing items or weaknesses for Vietnamese tour operators are:

- Hotels and services
- Availability
- Destination appeal
- Online booking

We note that the main weaknesses raised by Thai tour operators are mostly linked with the characteristics / appeal of the products and more specifically their variety. A summarizing question for Thai tourists would be “what (else) can you do there?” Vietnamese Tour operators are more concerned with the “How to do” question.

While some items cannot be changed (scenery, wildlife etc), opportunities to improve the competitiveness of Savannakhet as a tourist destination exist. The province should not try to find assets that do not exist or which are too expensive to be commercialized. It should first improve the level of services and offer more

choices for visitors (in-city transportation, hotels, restaurants etc). It is also obvious that tastes differ from one nationality to another, and especially between Westerners and regional visitors. Both Thai and Vietnamese visitors are looking for entertainment or virtual activities (markets, zoos, themes parks). They constitute a bigger market than Westerners.

First of all, Savannakhet is not price-competitive. Most of the interviewed tour operators consider that they make less profit while organizing a tour in Savannakhet than in other provinces. Qualitative interviews with Thai tour operators in Mukdahan thus highlight several issues concerning *informal* fees requested by customs at both border crossings (Thai/Lao and Vietnamese/Lao).

Table 60: Price Competitiveness of Savannakhet by country of origin

Country	Level of profit for Tours in Savannakhet		
	About the same	Less than other areas	don't know
Thailand	31.6	42.1	26.3
Vietnam	11.1	66.7	22.2

Secondly, Savannakhet does not always fit the expectations of tour operators and their clients. Below, the tour operators list “missing products” and remarks:

- Development of touristic sites and services / caravan tours / boat tours
- Picnic areas / pilgrimage /
- Convenience of transportation between tourist sites
- Food products
- Friendly guides / no professional guides
- Not enough shops selling souvenirs
- Lack of traditional Lao souvenirs / Lao silk / woven products / female accessories / fabrics / hand-made products / wooden handicrafts / silver
- Improve the quality of local products
- More alcohol / More duty-free shops
- More sex workers / Entertainment places
- More variety of public transportation / extend the availability of public transportation at night
- Low quality of hotels / comfort / services
- Theme parks, Zoos, Gardens
- Basic information on attraction

- Conference services / resort
- Home-stay
- Canoeing

When comparing Savannakhet to other destinations, Thai tour operators are more pessimistic than the Vietnamese. The proximity of Savannakhet city to Thailand can explain part of this disappointment. Thus, comments are particularly negative regarding the cost of packages to or through Savannakhet.

To summarize the views about Savannakhet tourism competitiveness:

- None of the characteristics of Savannakhet get a majority of “better than most” for the Thai Tour Operators and the level of interest that the package generates, despite an acceptable overall cost, is definitively less appealing for most of them
- Five out of sixteen items were rated as strictly less appealing by the Thai tour operators (the perceived value for money, the availability of flights to Savannakhet, the level of interests that the packages represent, the cost of meals and dining, how exotic the package is) and four received an equal consideration between “less appealing” and “About the same”
- For the Vietnamese Tour Operators, two items were unanimously quoted as less appealing, i.e., the quality of accommodation and the level of interest that packages to Savannakhet generate.
- Similarly, none of the items were mainly quoted as “better than most” by all respondents.

Strong efforts are still needed concerning the marketing materials. The recent support provided by the Japanese International Cooperation Agency (JICA) to improve the communication materials of the Provincial Tourism Department should normally improve this vision. However, it seems to target Westerners more than regional tourists and the distribution of the marketing material has been largely only within Savannakhet, thus not reaching the target audience.

Table 61: Tour Operator rating of current marketing materials (T=Thailand, V= Vietnam)

	BETTER THAN MOST		ABOUT THE SAME		LESS APPEALING		DON'T KNOW / REFUSED	
	T	V	T	V	T	V	T	V
Providing comprehensive information	3	1	1	2	5	6	11	1
Organization and layout	2	0	3	1	3	6	12	3
Being attractive and "eye-catching"	2	0	3	2	3	5	12	3

Clearly, current marketing material is not reaching the tour operators (don't know answers) and in the cases where it is, it is not of a sufficient quality.

According to the Thai Tour operators, the top 5 suggestions to encourage tourism in Savannakhet province were/are:

- Have special offers, do more advertising and work on consumer awareness
- More organized packages (hotel, transportation, guide)
- More flights from Thailand
- Mass media and/or Thai program
- Website

Ranked second, a better and more intensive cooperation, the upgrade of the city centre and again better promotion, were the three main cited suggestions by Thai Tour operators

The Vietnamese Tour operators each gave different suggestions to encourage the development of tourism in Savannakhet. However, answers were more homogenous concerning the second ranked suggestion with, first, the proposal to invite one of them to experience the culture and then to develop a better and more intensive cooperation, including more concerted actions in marketing.

10. Conclusion

The tourism sector is highly fragmented. Visitors to Savannakhet province travel with different motivations and expectations. Who travels, the way they travel, what they visit and how long they stay, each impact their experiences and their perceptions of Savannakhet province. This research has provided a representative analysis of these factors and enabled an understanding of the

inbound market and the expectations of the outbound regional tour operators - an understanding that is critical to the success of Savannakhet province as a destination.

Above all, the "image" of Savannakhet province remains blurred. The research highlights that the success of Savannakhet province as a destination in large parts will depend upon the development of its own identity. Tour operators do not know much about the province, emphasizing the fact that the province does not market its tourism well enough and that it lacks a flagship attraction. Savannakhet is a peaceful place, but a low quality of services, the lack of activities and tourist sites, as well as the lack of communication with outbound operators make it "non-competitive".

In general, there are more intra-regional short-haul visitors, many of whom travel specifically to gamble in casinos or simply drive through the country using Road 9. The ratio of "real visitors" is low. While long-haul visitors - predominantly Westerners - are fewer in number, they tend to travel to Savannakhet province because of its location on the way to or from Cambodia. Similarly, tour operators from Vietnam have difficulty selling a package to the province only.

Differences observed between long and short-haul visitors are not limited to general itinerary preferences, but also include the number of countries visited on the trip, length and frequency of visits, levels of satisfaction, and the amount of money spent. Improvement to access by air must also be considered as an influence on increasing tourist numbers travelling to Savannakhet province.

Results show that visitor satisfaction with their trip influences Savannakhet's image abroad and, in turn, the number of visitors who travel to Savannakhet province. A vast majority of visitors are satisfied with the atmosphere, however, Savannakhet does not catch the heart of visitors. The affective image of Savannakhet is thus rated the lowest for the most important groups of visitors. All in all, only 46.2% of holiday visitors would definitely recommend Savannakhet province as a destination.

Savannakhet province's cultural heritage was clearly the main pull factor in choosing to visit the destination. There is a risk that the high value placed on Savannakhet's cultural heritage may lead to disappointment for international visitors coming from Angkor Wat, Luang Prabang or from Thailand where That Inhang has its twin (Prathat Phnom). These findings are particularly relevant given that the Internet, guidebooks and word-of-mouth - where information

travels quickly and can be more sensitive than that found in travel brochures or through tour operators - are the main sources of information.

Visitors' propensity to combine Savannakhet province with other countries on one trip leads to price and quality comparisons. These factors should also be monitored closely, given the importance of word-of-mouth promotion. Addressing key concerns and areas of importance for visitors to Savannakhet province must be coupled with the promotion of Savannakhet province as an independent destination, or as part of a trip to neighbouring countries with the expectation that a greater portion of the transit visitors will stop longer in Savannakhet province. In both cases, attention to the quality and development of products and services is the key to establishing and maintaining a positive reputation that can and will be spread through word-of-mouth and other means.

Finally, this study illustrates clear differences across nationalities in terms of their expenditure. Among the main findings, the weighted global level of expenses shows that Vietnamese visitors are the market's top spenders per stay, while the Thai are the market's top spenders per day. By sheer volume, the Thai market constitutes a majority of visitor expenditure. Its tendency for shorter stays, however, limits the development contribution of their expenditure. Nevertheless, Savannakhet cannot expect visitors to stay longer. High levels of growth in visitor numbers from Thailand are not likely to occur with the current decreasing trend (2009), unless other products and services are developed and communicated to change it.

Recommendations

These recommendations are not only based on the conclusions reached by this research, but also try to follow current and future activities undertaken by other development actors, in particular the Asian Development Bank (ADB) and the Japanese International Cooperation Agency (JICA):

- JICA and PTD have:
 - Developed a series of pamphlets to provide visitors with a brief overview of available tourist attraction options.
 - Done some infrastructure work, including road signs indicating tourist attractions and some site interpretation work at tourism attraction sites.
- ADB is involved in the STDP and has developed a Stay Longer and Spend More Strategy which it will implement with the PTD over the next 4 years.

Below is a non-exhaustive list of recommendations that could quickly help Savannakhet increase in arrivals and expenditure.

Recommendations on increasing expenditure along Road 9

The research emphasizes two locations as particularly relevant to access Thai and Vietnamese transit tourists in order to increase their expenditure in Savannakhet: Muang Phine and That Inhang.

1. With the building of a roadside station in Muang Phine (STDP) supply chain development could help supply Lao products with strong pro-poor impact potential, and therefore increase not only the economic but also the development impact of transit visitors. Based on research results, a focus on favourite items such as local food and Lao clothing is recommended. Further research is needed to identify local poor producers/suppliers, and therefore adapt their products to international or expected standards / tastes;
2. Similar interventions could be undertaken at That Inhang where a minimum of 60,000 international and domestic tourists visit the site every year. We have observed that the expensive requested rental rate to install souvenirs stalls was a major issue for local craftsmen and souvenir sellers. Group discussions with local authorities and local craftsmen should help in finding solutions for installing/developing a small souvenir/food market at

That Inhang. Economic impact is likely to be very high, both for local communities and local producers

Recommendations on increasing the level of tourist expenditure and the number of tourists in Savannakhet

From a marketing and business-development perspective, each of the tourism stakeholders, including local authorities, must cooperate with each other. Substantial resources need to be invested in tourism marketing and opportunities.

1. Strong links need to be built with outbound tour operators in Thailand and Vietnam²⁵. There is currently a lack of knowledge on Savannakhet province. For this reason, it is advised to:
 - a. Develop a Savannakhet's website which is regularly updated;
 - b. Regularly inform Tour Operators on new activities or events in Savannakhet province / city (email, newsletters);
 - c. Invite Tour Operators from Mukdahan to share experiences on Tourism promotion and issues in Savannakhet province and find solutions to the identified problems;
 - d. Invite the main Thai and Vietnamese tour operators to Savannakhet and introduce its tourism assets/products (define needs for operators to sell Savannakhet);
 - e. Advertise in Thai and Vietnamese newspapers (Bangkok for Thailand, Danang for Vietnam), especially when events are organized.
2. As mentioned in the executive summary, while tourism development offers significant potential for increased incomes, it also increases vulnerability to a range of problems, including trafficking and unsafe migration. The recent dramatic growth of tourism in Savannakhet also shows some nascent signs of entailing an increase in sex trade. There is evidence of increasing prostitution, both in terms of demand and supply²⁶ in Savannakhet.

²⁵ a list of major Tour operators in Thailand and Vietnam is attached to this document

²⁶ Driven by the increased desire for consumer goods and better lifestyles, people are migrating to economic centres in order to search for cash-income earning activities. For many, this has led to

Demand, as always, precedes supply, and therefore has been identified as a factor contributing to increased vulnerability towards exploitation and trafficking. This apparent increase has happened despite the fact that trafficking has become a major focus of world/international attention. Being an organization with the mission of helping developing countries to reduce poverty and to improve the quality of life of their citizens, it is important for development actors to be fully engaged on this issue. Therefore, the existence of this relatively important demand for sexual services must encourage the implementation of new activities, which target families and groups in priority.

- a. Improvement and better access to the top 5 tourist sites (based on tour operators' recommendations)
 - i. A theme park could be added to the dinosaur Museum;
 - ii. Picnic areas and local food and handicraft sellers around tourist attraction sites;
 - iii. Offer reasonable entrance fees for the dinosaur museum;
- b. Implementation of a Weekend Market at the previous French Market location. The market needs to be covered and to provide local products;
- c. Encourage the business of River cruises or the development of water activities on the Mekong River.

3. Improve/develop the identity/image of Savannakhet

- a. Extend the Tourism stakeholders working group (mentioned in the Long Term Development Strategy) to outbound tour operators in neighbouring countries in order to improve the tourism environment within Savannakhet;
- b. Involve and give the private sector more responsibilities in promoting Savannakhet and offering solutions to the identified weaknesses;

- c. Involve local authorities in financial participation and administrative solving of barriers to tourism development (facilitating in-city transportation, facilitating visa issuance, improving access to sites during rainy season)
 - d. Promote local events, including food and handicraft festivals and the That Inhang Festival.
 - e. Create a yearly “tourism services day” where highly qualified tourism professionals would present best tourism practices (cooking, hygiene, management, front desk etc) and conduct discussions on tourism development with local tourism stakeholders. Access to all would allow a secondary impact on local communities (new carrier plan, understanding of intercultural exchanges, public health etc).
4. Support and facilitate the starting of tourism-linked projects
- a. Create an original festival on Lao food such as the “bar-food” festival in Belo Horizonte in Brazil but adapted to local customs and habits. Linked to one of the most requested local products (local food), such a festival would have several impacts including visibility, encouragement and capacity building. Moreover, it indirectly represents a means of improving the quality of services and hygiene.²⁷
 - b. Facilitate the ease of doing business in Savannakhet (See MPDF/IFC project in Vientiane on Business Environment Enabling),

²⁷ See www.comidadibuteco.com.br for more details.

Appendix – Additional tables

Table 62: International Visitors going to or coming from Vietnam with Lao inbound tour operator

Business	Destination	Jan.	Feb.	March	Apr.	May	June	July	Aug.	Sept	Oct.	Nov.	Dec.
SK travel	To Vietnam	1276	1618	1760	2239	676	241	1104	522	394	1685	452	520
	From Vietnam	133	783	297	32	48	279	710	118	434	302	91	89
SBH	To Vietnam	569	384	355	486	429	104	413	528	107	497	24	343
	From Vietnam	45	0	102	121	227	83	191	320	485	275	39	57
AP	To Vietnam	93	189	269	706	275	44	181	0	60	486	209	35
	From Vietnam	77	84	0	0	119	100	60	0	0	140	0	0
Champ	To Vietnam	0	42	377	31	42	0	47	109	75	160	56	205
	From Vietnam	0	0	0	0	0	0	0	0	0	0	0	0
Souknapha	To Vietnam	213	113	296	0	133	121	46	46	111	155	96	232
	From Vietnam	0	0	0	0	0	0	0	0	0	0	0	0
Champasan	To Vietnam	76	73	0	89	0	0	0	0	0	37	0	75
	From Vietnam	0	0	0	0	0	0	0	0	41	0	0	73
SV	To Vietnam	376	201	177	468	208	9	119	30	44	363	20	0
	From Vietnam	0	0	0	0	0	0	0	0	0	99	0	0
Inter	To Vietnam	0	0	33	0	0	0	0	0	0	0	0	0
	From Vietnam	0	0	0	0	0	0	0	0	0	0	0	0
Thomar	To Vietnam	0	0	0	0	0	0	0	0	0	0	0	0
	From Vietnam	0	0	0	0	0	0	0	0	0	0	0	0
Phongpaseud	To Vietnam	25	39	0	42	0	0	0	0	0	0	0	50
	From Vietnam	0	0	42	0	0	0	0	0	0	0	0	0
Vieng	To Vietnam	140	347	140	286	280	13	154	1088	73	363	0	99

Table 63: One sample test - Visit to Savannakhet or not by age

Was Savannakhet included in your trip?	Test Value = 35.2404						
	T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference		
					Lower	Upper	
.	age	-1.709	96	.091	-1.82803	-3.9514	.2953
Yes	age	1.417	230	.158	1.01501	-.3965	2.4266
yes but not originally	age	2.586	348	.010	1.36705	.3273	2.4068
No	age	-2.904	341	.004	-1.56204	-2.6201	-.5040

Table 64: In-city means of transportation by age bracket

In-city transportation	Tuk Tuk	Taxi	Mini-bus	Public Bus	Car	Bicycle	Moto	Walk
	%							
<= 25	48.9	6.4	6.4	6.4	17.0	2.1	6.4	6.4
25 - 30	48.9	4.5	9.1	4.5	6.8	11.4	6.8	8.0
31 - 35	48.1	2.6	5.2	2.6	15.6	9.1	9.1	7.8
36 - 40	50.0		10.0	4.0	12.0	8.0	8.0	8.0
41 - 45	48.5	3.0	6.1		21.2	6.1	9.1	6.1
45 - 50	47.1		5.9	17.6	29.4			
50 - 60	30.8		7.7	15.4	23.1		7.7	15.4
60+	66.7				33.3			

Table 65: Primary motivations for holidays by country of origin

region of origin and country	Category	To seek adventure	To be in contact with nature	To seek diversion	To live exciting experiences	To take a rest / to relax	To alleviate stress	(Reason is) to escape	To discover new places	To discover natural environment	To explore cultural and historical heritage	To learn about cultures and ways of life	To meet new people	To integrate new lifestyles and activities	To enjoy with family and/or friends
Lao	Domestic	4.42	5.42	4.26	5.14	5.88	5.68	5.38	5.60	5.59	5.68	5.52	5.10	4.66	5.85
Thai	Transit	2.92	5.68	3.94	4.73	5.74	5.13	4.18	5.38	5.55	5.37	5.60	4.42	4.52	5.45
	International	4.41	5.57	4.97	5.17	5.84	5.52	5.26	5.70	5.47	5.41	5.55	5.32	5.18	5.61
Vietnamese	Transit	4.11	4.53	4.32	4.47	4.65	4.37	4.40	5.11	4.98	4.95	5.05	4.72	4.95	4.91
	International	4.38	4.39	4.26	4.28	4.40	4.46	4.35	4.89	4.39	4.76	4.39	4.28	4.47	4.60
Other Asian	International	5.49	5.63	4.80	5.72	5.88	5.79	5.57	5.56	5.70	5.55	5.59	5.62	5.46	5.37
Westerners	International	5.34	5.50	4.35	5.45	5.34	5.18	5.28	5.92	5.66	5.61	5.70	5.46	5.17	5.26
Others	International	6.40	6.40	5.67	5.53	5.67	5.73	5.87	6.47	6.20	6.07	6.20	5.87	5.33	5.13

Table 66: Motivations for travelling by country of origin

Age (Banded)	Was Savannakhet included in your trip?	Leisure	Physical motivation	Knowledge	Social interaction
<25	No answer	4.4	5.8	5.8	5.3
	Yes	4.9	5.4	5.5	5.3
	Yes but not	4.6	4.8	5.3	5.0
	No	5.4	5.0	5.9	5.3
26- 30	No answer	4.9	5.6	5.7	5.2
	Yes	4.8	5.2	5.5	5.4
	Yes but not	4.7	4.8	5.1	4.7
	No	5.2	5.2	5.5	5.2
31 - 35	No answer	5.0	6.0	5.4	5.0
	Yes	5.0	5.3	5.5	5.4
	Yes but not	4.6	4.9	5.2	4.9
	No	5.1	5.5	5.7	5.2
36 - 40	No answer	4.9	5.1	5.3	5.5
	Yes	4.8	5.3	5.5	5.3
	Yes but not	4.4	5.2	5.6	4.9
	No	5.5	5.4	5.7	5.3
41 - 45	No answer	5.7	5.8	6.4	6.4
	Yes	5.2	5.3	5.6	5.4
	Yes but not	4.4	5.3	5.7	4.8
	No	5.2	5.8	6.1	5.6
46 - 50	No answer	4.6	5.4	5.5	5.1
	Yes	4.5	5.3	5.7	5.2
	Yes but not	4.5	4.7	5.7	4.7
	No	5.1	5.9	5.6	5.1
51 - 60	No answer	2.9	3.5	3.5	2.8
	Yes	4.8	5.0	5.8	4.8
	Yes but not	3.5	5.0	5.5	4.8
	No	4.4	4.9	5.7	5.4
60+	Yes	4.4	4.7	5.4	6.1
	No	4.8	5.7	5.8	5.0

Table 67: Level of satisfaction by country of origin

	Lao	Thai		Vietnamese		Other Asian	Westerners	Others
	Domestic	Transit	Int.	Transit	Int.	Int.	Int.	Int.
Infrastructure and socio-economic environment								
Easy accessibility	5.9	5.0	5.5	4.3	4.0	5.0	5.3	5.0
Shopping facilities	5.5	4.4	5.2	4.4	4.3	4.6	5.0	5.0
Quality accommodation	5.4	4.7	5.8	4.4	4.0		6.4	6.0
Good value for money	5.5	4.6	5.6	4.3	4.3	5.6	5.7	5.0
Safe place	5.8	5.0	5.9	4.4	4.4	5.9	5.9	6.0
Atmosphere								
Peaceful place	6.2	5.2	6.1	4.5	3.9	5.9	5.7	6.0
Place to rest	5.7	4.9	5.9	4.8	4.4	5.8	5.7	6.0
Relaxing place	5.7	4.9	5.8	4.7	4.2	5.7	5.7	6.0
Good hospitality	5.8	5.1	5.9	4.8	4.4	5.6	5.5	6.0
Natural environment								
Variety of fauna and flora	5.1	4.9	5.3	4.9	4.3	5.1	5.0	4.7
Beautiful landscapes	5.4	4.9	5.8	4.9	4.2	5.6	5.4	5.3
Beautiful natural parks	5.2	5.0	5.7	4.6	5.5		5.4	6.0
Great Adventures	4.5	4.7	6.0	4.9	5.3	5.7	5.0	5.0
Affective image								
Arousing destination	5.1	4.2	4.6	4.7	4.7	5.2	4.9	3.7
Relaxing destination	5.1	4.6	5.5	4.8	4.4	5.4	5.4	4.3
Exciting destination	4.9	4.3	5.2	4.8	4.3	5.2	5.1	5.3
Pleasant destination	5.2	4.9	5.5	4.8	4.3	5.5	5.3	5.3
Cultural environment								
A lot of cultural attractions	5.6	5.1	5.6	4.7	4.0	5.5	5.2	5.3
Interesting cultural activities	5.3	4.8	5.5	4.6	4.6	5.5	5.2	5.3
Nice to learn about local customs	5.7	5.0	5.6	4.7	4.7	5.7	5.4	5.3
Good local food	5.6	4.7	5.5	4.9	4.9	5.6	5.4	5.3

Table 68: Reasons for not selling Savannakhet by country of origin

REASONS FOR NOT SELLING SVK	THAI TOUR			VIETNAMESE TOUR		
	RANK	RANK	RANK	RANK	RANK	RANK 3
Do not know much about the area	4	1	1			1
Very specific location - not a lot of	2		1			
No awareness or need for our customers					1	
No demand market	1			2		
In the process of putting everything together to be able to sell tour packages	1					1
Only sell specific packages		2				
Some of our packages go through Savannakhet, but there are not enough activities that people can really do.			1		1	
There's not enough demand to make it worth the effort for us	2		1			1
Lack of accessibility (land, air...)			1			
Low standard of quality (Hotel,					1	
Very low level of awareness/unknown.		1				
Other: no destinations (attractions,	1	1		1		

Table 69: Strengths and Weaknesses of Savannakhet province by country of origin

	THAI TOUR OPERATORS			VIETNAMESE TOUR OPERATORS		
	MISSING/ WEAKNESS	STRENGTH	DON'T KNOW	MISSING/ WEAKNESS	STRENGTH	DON'T KNOW
Cost / value for money/price	8	5	7	3	2	5
Demand / inquiries /product appeal	8	5	7	4	0	6
Exclusiveness and reliability	6	5	9	4	1	5
Availability	7	5	8	5	0	5
Balance in what the package offers - many types of activities	10	2	8	4	0	6
Destination appeal	9	4	7	5	0	5
Hotels and services	9	4	7	6	0	4
Location	4	9	7	4	1	5
Accessibility/Transportation and airlines	5	7	8	3	2	5
Means of inner-city	8	4	8	3	1	6
Commission	10	3	7	3	0	7
Interesting product / package	11	1	8	5	1	4
Wildlife (Not for hunting)	10	1	9	2	3	5
Culture/history/the "Authentic way of life"	7	4	9	2	4	4
Length of tour package	6	6	8	2	1	7
Scenery	12	0	8	2	3	5
Must be mainstream – not adventure	10	2	8	3	1	6
Online bookings	9	1	10	5	0	5
Not too specific – variety in the package	12	1	7	4	0	6
Number of possible	11	2	7	4	0	6
Quality (including guides)	9	4	7	2	2	6
Quick response from TO	7	6	7	1	4	5
Reliability	6	7	7	1	3	6
Seriousness of provider	8	4	8	0	3	7
Short day package	6	6	8	1	3	6
Tailor-made packages	6	7	7	3	2	5
Understanding specialist needs	6	3	11	3	0	7

Table 70: Savannakhet Tourism competitiveness (T=Thailand, V= Vietnam)

	BETTER THAN MOST		ABOUT THE SAME		LESS APPEALING		DON'T KNOW / REFUSED	
	T	V	T	V	T	V	T	V
The overall cost of tour packages	4	3	2	3	4	2	10	2
The perceived value for money	2	2	3	3	5	3	10	2
Accommodation costs in general	1	3	5	3	5	2	9	2
The availability of quality	1	0	6	0	4	8	9	2
Cost of air transportation to	2	3	4	0	3	0	11	7
Availability of flights to Savannakhet	0	0	3	0	4	3	13	7
Transportation costs while in	2	2	6	3	3	2	9	3
Transportation quality while in	2	0	5	4	4	4	9	2
The level of interest the package	1	0	2	2	7	6	10	2
Savannakhet' s weather	1	1	4	5	4	1	11	3
The Lao exchange rate	1	1	4	5	4	1	11	3
Airport taxes	2	0	4	3	3	0	11	7
The cost of meals and dining out in	1	3	3	3	7	2	9	2
How "exotic" the package is	3	0	2	3	6	3	9	4
Border crossing concerns when entering	4	1	4	6	3	0	9	3
Border crossing concerns when leaving	3	1	4	6	4	0	9	3

Table 71: suggestions to encourage tourism in Savannakhet province

SUGGESTIONS TO ENCOURAGE TOURISM IN SAVANNAKHET PROVINCE	THAI TOUR OPERATORS			VIETNAMESE TOUR OPERATORS		
	RANK	RANK	RANK	RANK	RANK	RANK
Better and more intensive cooperation		3			2	
Develop own identity	1	1		1		2
Do promotions/have special offers, do more advertising and work on consumer	4	3		1		2
More organized packages (hotel, information trips, more concerted action in marketing presentation and publication	2	1		2	1	2
Invite one of us over so we can experience	1		1	1	3	
Upgrade the city centre	1	3	1			1
Marketing efforts (Window displays and decorations), advertising in newspapers.		1	2	1		
More and up-to-date pictures.			1			
More and up-to date marketing and participation in Tourism shows.			2			
More awareness of what there is to do and	1		1	1	2	
More financial support for advertising in daily newspapers			1			
More info about Savannakhet's needs, to be provided to the tour operator	1	2	1	1		2
More flights from Vietnam or Thailand	2					
Mass Media and/or Thai program	2	1	1			
Increase awareness through newspaper ads, financial support of the tour operators				1		1
Improve sellers behaviour in the market	1					
Website	2	1	4			
Introduce new touristic places (create a centre of activities)	1		1			
Facilitate in and out procedures		1				
Control prices of market			1			

Figure 7: Total expenditure by nationality in Savannakhet for the last 24h

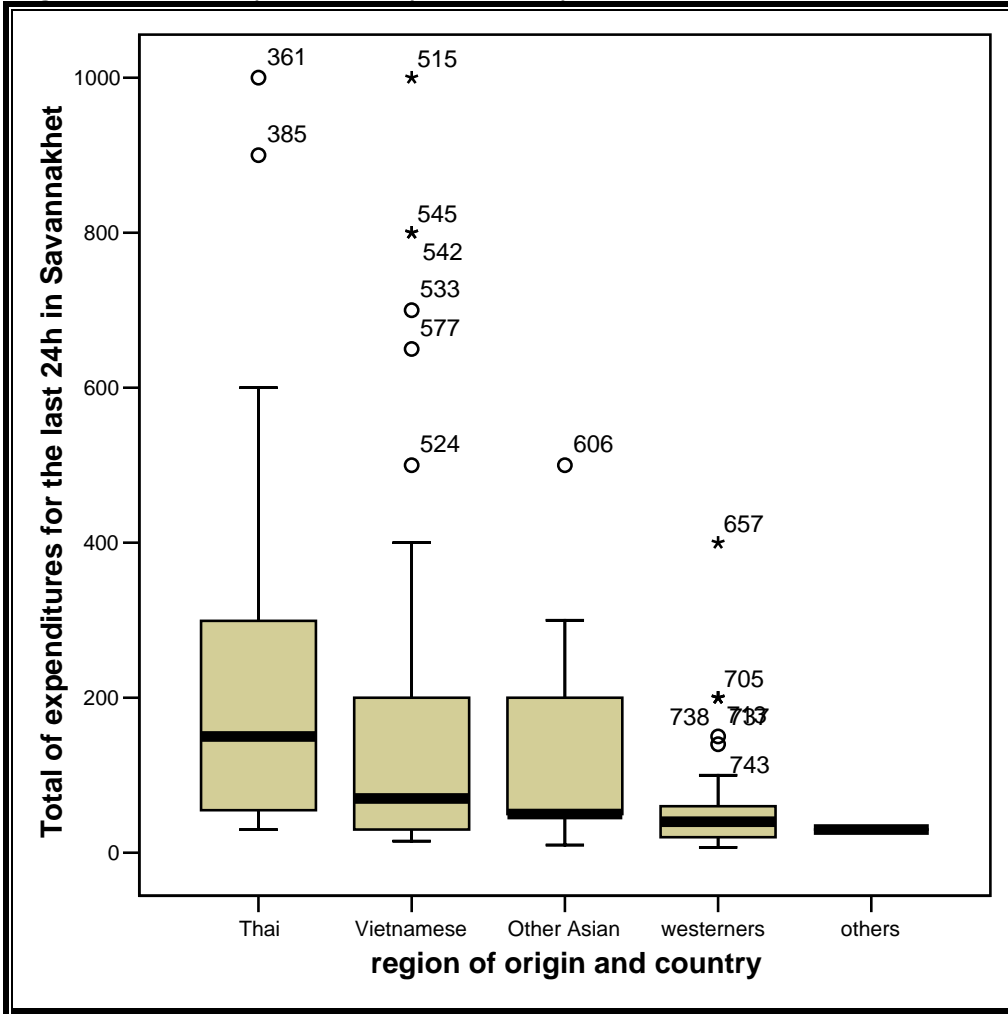
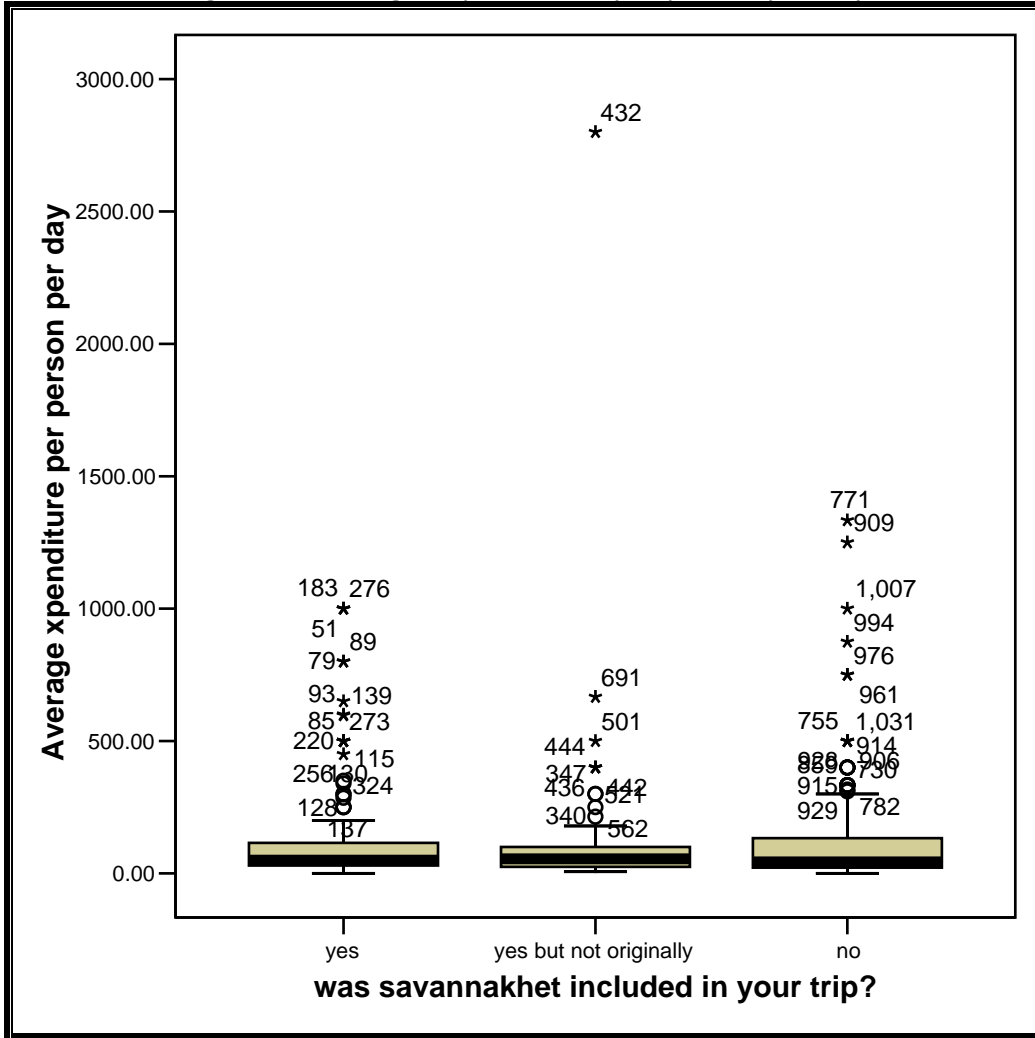


Figure 8: Average expenditures per person per day



ANNEX 1 - Methodology

First, the research sought to identify visitor profiles and their levels of satisfaction and expenditure during their visit to Savannakhet province. In order to quantify this, a multi-item questionnaire was developed. The questionnaire was generated using previous tourism research. The questionnaire recorded:

- Demographic details;
- Spending patterns;
- Reasons for visiting Savannakhet province and primary motivation for stay;
- General motivations for visiting a destination
- Consumer behaviour and perception of service levels to visitors (a seven-point Likert scale was selected for ease of response and analysis);
- Other countries or provinces visited;

The size of the travel party was also included to ensure that the spending per capita could be calculated, including the factoring of nil expenditure, and thus not overestimating average expenditure.

Second, information was gathered among Thai and Vietnamese outbound tour operators in order to know more about the tourism competitiveness of Savannakhet province.

Sample method and survey administration

Sample method

Sample sizes for the survey were determined by various factors. Initially it was hoped that a probability sample could be undertaken using a 90% confidence level with a 5% margin of error calculated assuming a 'worst-case' proportional split of $P = 0.1$. This gave a total sample size of 1,400. However, given the period of the research (low season) and the characteristics of the tourists²⁸, it was

²⁸ Regional tourists are usually not willing to participate in surveys.

decided to consider that for the analysis to be relevant each nationality group should at least reach a sample size of 150.

Regarding the sample size indicated in the table below, statistical significance was not obtained for most nationalities, but the amount of collected questionnaires was viewed as sufficient in providing results noteworthy of drawing reliable conclusions. The collection of Vietnamese questionnaires was also stopped in the middle of the fieldwork due to personal issues met by the interviewers speaking Vietnamese. No replacement was possible in such a short period of time.

The table below proposes a breakdown of the top nationalities and the main regions of origin for the duration of the survey. It also highlights the minimum size of samples for each nationality to be statistically significant. Please note that we have calculated the size of the sample independently for all nationalities. Without knowledge and existing data on domestic tourists, the size of the sample was fixed to 300. The fieldwork has shown that very few domestic tourists visited the Savannakhet province in September.

Table 72: Sample size and statistical significance of the survey

Region or country of origin	Category	Total collected	Representative sample size (90% with 5% margin of error)
Lao	Domestic	95	300
Thai	Transit	173	221
	International	184	251
Vietnamese	Transit	57	164
	International	72	222
Other Asian	International	74	242
Westerners	International	367	
Others	International	15	

Survey location

SNV aimed to gather data on total level of expenses, reasons for visiting Savannakhet province / city and levels of satisfaction. Consequently, visitors were approached while they were leaving the province (Friendship Bridge II, Dane Savanh border checkpoint, Savannakhet Airport, Savannakhet city), or in Vientiane and Champasak in order to understand their choice of visiting or of not visiting Savannakhet province / city while in Lao PDR. Interviews were conducted:

- At both international border checkpoints (Friendship Bridge II, Dane Savanh) or on the way to reach the border or to leave the province (inside buses for transit visitors: they returned the questionnaire to the bus/boat driver for collection by a team member at the terminus).)
- At Savannakhet international Airport, while visitors were waiting for their flights in the departure area.
- At hotels, restaurants and bus stations in Vientiane and Champasak

A slightly modified questionnaire was used with question changes reflecting the characteristics of the tourists (International, transit or domestic).

Survey administration

The response options on the questionnaires were all numerically pre-coded to allow for ease of data entry. The few open questions were entered verbatim and coded by the researcher when necessary. A total of 1200 questionnaires were returned during a one-week period (31st August to 6th of September 2009). Only 1038 questionnaires were finally usable. Unusable questionnaires were those not reaching the minimum rate of completion (80%)

Research team

Project leader: Dr. Frederic Thomas is a graduate of the University of Nice Sophia-Antipolis (IDEFI: Institut du Droit et Economie de la Firme et de l'Industrie) holding a PhD in Economics: Distribution of the tourism rent and

sustainable development. He combines 10 years of technical expertise in the areas of social and economic impacts evaluation of tourism and development.

Project leader Assistant: Mrs Rananan Boonyopakorn holds a Master's degree in Communication for Development, and has extensive experience in research in Thailand and Cambodia. She speaks fluent Thai, Lao, Cambodian and English.

Dr. Frederic Thomas and Mrs Rananan Boonyopakorn led a team of 10 members of the Lao National Tourism Administration in Vientiane. The working language of the data collectors was English and Lao. However, some of them can also communicate fluently in Vietnamese and Thai.

Bias and skews

- Questionnaires were distributed prior to the departure of respondents.
 - o The level of expenditure for the last day can be greater than the daily average, since people can take the opportunity of this last day to complete their purchase of souvenirs;
 - o The level of expenses for the last day can also be smaller than the daily average level of expenses, since people could already have overspent their budget.
- Questionnaires were distributed to respondents for self-completion. Unfortunately, experience from previous research showed that a qualitative approach was necessary in order to get the detailed expenditure data from visitors, and visitors are sensitive to certain questions, particularly those dealing with expenses. In order to adequately represent the different visitor populations and their special features, a large sample of the respondents was finally recommended. This strategy inevitably and negatively influences the details that the respondents can provide concerning all the questions on expenses. Therefore, while visitors gladly give a general amount for one day or for a period, they generally do not provide any breakdown if they are not encouraged to do so. The survey also encountered a certain resistance of visitors to participate.

ANNEX 2 - Regional grouping of countries

ASIAN	Cambodia, Laos, Indonesia, Myanmar, Brunei, Malaysia, Singapore, Thailand, Vietnam, Philippines
Other Asian	Japan, South Korea, Taiwan, China, Hong Kong, India, Pakistan, Sri Lanka, Bangladesh, Maldives, Nepal
Westerners	UK, France, Denmark, Holland, Germany, Italy, Switzerland, Spain, Belgium, Ireland, Finland, Greece, Scotland, Norway, Portugal, Sweden, Austria, Luxembourg, USA, Canada, Australia, New Zealand, Fiji,
Others	Hungary, Poland, Slovakia, Russia, Croatia, Slovenia, Latvia, Lithuania, Brazil, Argentina, Colombia, Mexico, Ecuador, Peru, Paraguay, Chile, Israel, Egypt, South Africa, Palestine, Cyprus, Iraq...

Annex 3 : Questionnaire for Tourist

		No: _____ Date: _____ / _____ / 2009 Location: _____ Interviewer: _____
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International Tourists Questionnaire

Thank you for participating in our survey. **It will take only 10mn.** In Savannakhet province, SNV has been supporting the development of pro-poor sustainable tourism since 2001. Your participation will help us to get a sound understanding of tourism in Lao PDR and more particularly in Savannakhet province with the objective of increasing the developmental impacts of tourism in this region.

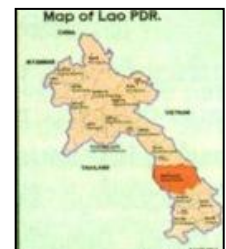
1. What is your nationality?

2. Are you male ¹ female ²

3. What is your year of birth? _____

4. What is approximately your annual income level?

- < US\$ 1000¹ US\$ 1000-2000² US\$ 2000-4000³ US\$ 4000-6000⁴
 US\$ 6000-10,000⁵ US\$ 10,000-15,000⁶ US\$ 15,000-20,000⁷
 US\$ 20,000-30,000⁸ US\$ 30,000-50,000⁹ > US\$ 50,000¹⁰



5. Are you travelling?

- alone¹ with family² (# people _____) couple³
 with friends⁴ (# people _____) on a group tour⁵ (# people _____)

6. Are / Were you here..... (Please choose one)

- to visit friends/relatives¹ on holiday² on business³
 for education⁴ as a volunteer⁵ other⁶

7. What is your main mean of transportation

- own car¹ friend's car² rented car³
 bus⁴ taxi⁵ plane⁶ other⁷ _____

8. How long did/will you stay in Laos? _____ nights just transiting

9. Including this trip, how many times have you visited Lao? First time ___times
10. Are you visiting other countries on this trip? yes¹ (How many =___) no²
11. Where did you enter Laos?
 Friendship bridge 2 ¹ Dan savanh² Wattay Airport³
 Veunkham⁴
 Friendship bridge 1 ⁵ Luang Prabang Airport⁶ Nam Phao⁷
 other⁸ _____
12. Which was the last city or location you visited before entering Laos?
 Home¹ other location/country²: _____

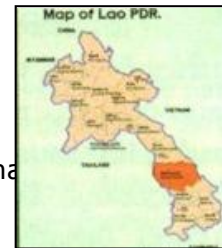
13. Which is the first city or location you will visit after departing Laos?
 Home¹ other destination/country²: _____
14. For each of the following reasons to visit holiday destinations, please indicate the level of importance (1 = low importance; 7 = high importance)

Reasons for visiting holiday destinations	Low						High
Leisure							
To seek adventures	1	2	3	4	5	6	7
To contact with nature	1	2	3	4	5	6	7
To seek diversion and entertainment (<input type="checkbox"/> including Gambling)	1	2	3	4	5	6	7
To live exciting experiences	1	2	3	4	5	6	7
Physical motivations							
To take a rest/to relax	1	2	3	4	5	6	7
To alleviate stress	1	2	3	4	5	6	7
To escape	1	2	3	4	5	6	7
Knowledge							
To discover new places	1	2	3	4	5	6	7
To know the natural environment	1	2	3	4	5	6	7
To explore historical and cultural heritage	1	2	3	4	5	6	7
To learn about cultures and ways of life	1	2	3	4	5	6	7
Social interaction							

To meet new people	1	2	3	4	5	6	7
To integrate myself into the life and activities of local people	1	2	3	4	5	6	7
To enjoy with the family and/or friends	1	2	3	4	5	6	7

15. Have/Had you ever heard about Savannakhet province (if not interviewed in the province)

- yes¹ no² Don't know³



16. Was / Is Savannakhet province included in your trip?

- yes¹ **If "Yes", go directly to Question 20** yes² but not original

17. If "No", why? (*Three answers maximum*)

1. _____ 2. _____
3. _____

18. What could make you stay or choose to visit Savannakhet province? (*Three answers maximum*)

1. _____ 2. _____
3. _____

19. If you had the opportunity, would you finally like to stop in Savannakhet province?

- yes, absolutely¹ Probably yes² not decided³ Probably not⁴ Absolutely not⁵

If you haven't been or do not plan to visit Savannakhet,

just reply to question 30 to 34 regarding your expenses for the last 24h

20. Why did you finally choose to visit Savannakhet? **Three Answers by order of importance**

1. _____
2. _____
3. _____

21. How did you receive information about Savannakhet, before arriving in country?

Circle your main source of information and tick all other sources

- radio¹ television² newspaper³
 magazine⁴
 Internet⁵ travel brochure⁶ tour operator⁷
 guidebook⁸

- hotel/guesthouse⁹ word of mouth/other travellers¹⁰
 travel agencies¹¹ other¹² _____
22. How many nights did you stay / plan to stay in Savannakhet:
 _____ nights
23. What could make you stay longer? What could make you spend more?
- _____ 1.
 - _____ 2.
 - _____ 3.
- Cannot stay Longer Cannot spend more
24. Would you tell your friends, family or other travellers to visit Savannakhet (choose one)?
- yes, absolutely¹ Probably yes² not decided³ Probably not⁴ Absolutely not⁵
25. Do you have the intention to return to Savannakhet province?
- yes, absolutely¹ Probably yes² not decided³ Probably not⁴ Absolutely not⁵
26. Please rate your level of agreement on each characteristics for Savannakhet province (1 = strongly disagree; 7 = strongly agree)

☺ = STRONGLY AGREE										
☹ = STRONGLY DISAGREE										
	☹							☺	DO NOT KNOW	DID NOT USE
F0: Overall satisfaction										
You are satisfied with Savannakhet province in general	1	2	3	4	5	6	7			
All in all, you have enjoyed your visit in Savannakhet very much	1	2	3	4	5	6	7			
F1: Infrastructures and socioeconomic environment										
Easy accessibility	1	2	3	4	5	6	7			
Shopping facilities	1	2	3	4	5	6	7			
Good value for money	1	2	3	4	5	6	7			
Safe place	1	2	3	4	5	6	7			

F2: Atmosphere									
Peaceful place	1	2	3	4	5	6	7		
Place to rest	1	2	3	4	5	6	7		
Relaxing place	1	2	3	4	5	6	7		
Good hospitality	1	2	3	4	5	6	7		
F3: Natural environment									
Variety of fauna and flora	1	2	3	4	5	6	7		
Beautiful landscapes	1	2	3	4	5	6	7		
F4: Affective image									
Arousing destination	1	2	3	4	5	6	7		
Relaxing destination	1	2	3	4	5	6	7		
Exciting destination	1	2	3	4	5	6	7		
Pleasant destination	1	2	3	4	5	6	7		
F5: Cultural environment									
A lot of cultural attractions	1	2	3	4	5	6	7		
Interesting cultural activities	1	2	3	4	5	6	7		
Nice to learn about local customs	1	2	3	4	5	6	7		
Good local food	1	2	3	4	5	6	7		

27. Have you heard of Vilabouly District in Savannakhet Province? yes¹ no²

- If yes, would you consider making a detour to visit this district? yes¹ no²

28. Have you heard of the Sepon Gold Mine? yes¹ no²

- If yes, would you consider making a detour to visit the mine site? yes¹ no²

29. Which tourist sites / activities have you done or plan to visit / to do in Savannakhet province?

1. _____ Were you satisfied yes¹
 no² in between³

2. _____ Were you satisfied yes¹
 no² in between³
3. _____ Were you satisfied yes¹ no²
 in between³

30. Are you on a package tour/prepaid trip? yes¹ no²

- Name of Tour Company: _____
- Cost of the total package (per head) _____ \$ (including international airfares or transportation) Dollars Euros Yen Baths
 Dong Other _____
- Cost of extra spending in Laos _____ US\$

Please, understand that the following part on expenditures is very important for understanding tourism in Savannakhet province and be assured that all information remain anonymous

31. Approximately how much money do/did you or plan to spend in 24 hours in Savannakhet? US\$ ___

32. **Who was/will be the money spent on?**

- me alone¹
- my family² (adults: _____ children _____) ***(including you!)***
- other people³ (how many people _____) ***(including you!)***

33. Approximately how much did you / expect to spend in total on your trip in Laos (excluding international airfares): _____ US\$

34. **How much did you spent in the last 24 hours or in average per day in Savannakhet / or your budget per day for Savannakhet (if not yet visited):**

EXPENDITURES	IF YOU ARE IN SAVANNAKHET	IF YOU HAVE BEEN TO SAVANNAKHET	IF YOU PLAN TO VISIT SAVANNAKHET	Did not use ⁹⁹⁹	Don't remember ⁹⁹⁹⁹
	Total expenses last 24h	Total expenses per day	Total of expected expenditures per day		
Local/domestic transport (e.g. taxi, bus) ¹	US\$	US\$	US\$	<input type="checkbox"/>	<input type="checkbox"/>
Hired transport (self-drive motorbike, bicycle, tuk tuk etc) ²	US\$	US\$	US\$	<input type="checkbox"/>	<input type="checkbox"/>
Excursions (Activities/Tours) ³	US\$	US\$	US\$	<input type="checkbox"/>	<input type="checkbox"/>
Local guide ⁴	US\$	US\$	US\$	<input type="checkbox"/>	<input type="checkbox"/>
Entrance fees ⁵	US\$	US\$	US\$	<input type="checkbox"/>	<input type="checkbox"/>
Meals and drinks ⁶	US\$	US\$	US\$	<input type="checkbox"/>	<input type="checkbox"/>

Tips ⁷	US\$	US\$	US\$	<input type="checkbox"/>	<input type="checkbox"/>
Accommodation ⁸	US\$	US\$	US\$	<input type="checkbox"/>	<input type="checkbox"/>
Shopping ⁹	US\$	US\$	US\$	<input type="checkbox"/>	<input type="checkbox"/>
Massage ¹⁰	US\$	US\$	US\$	<input type="checkbox"/>	<input type="checkbox"/>
Casino ¹¹	US\$	US\$	US\$	<input type="checkbox"/>	<input type="checkbox"/>
Other ¹² : _____	US\$ _	US\$	US\$	<input type="checkbox"/>	<input type="checkbox"/>

* **If another currency, please specify the currency:**

35. In total, how much was/will be spent in Savannakhet (Approximately):
_____ US\$

36. From your total budget for Savannakhet, did you:

Underspend¹ Overspend² Stay within your budget³

37. If you underspent / overspent, what were the reasons?

38. What were you spending on shopping?

SHOPPING ITEMS	PURCHASE		EXPENDITURES
Local food	<input type="checkbox"/> yes ¹	<input type="checkbox"/> no ²	Kip _____
Cigarettes	<input type="checkbox"/> yes ¹	<input type="checkbox"/> no ²	Kip _____
Alcohol	<input type="checkbox"/> yes ¹	<input type="checkbox"/> no ²	Kip _____
Non alcoholic Drinks	<input type="checkbox"/> yes ¹	<input type="checkbox"/> no ²	Kip _____
Basketry	<input type="checkbox"/> yes ¹	<input type="checkbox"/> no ²	Kip _____
Shoes	<input type="checkbox"/> yes ¹	<input type="checkbox"/> no ²	Kip _____
Wood and stone carving	<input type="checkbox"/> yes ¹	<input type="checkbox"/> no ²	Kip _____
Silver or Gold	<input type="checkbox"/> yes ¹	<input type="checkbox"/> no ²	Kip _____
Lao Style clothing	<input type="checkbox"/> yes ¹	<input type="checkbox"/> no ²	Kip _____
Ethnic weaving	<input type="checkbox"/> yes ¹	<input type="checkbox"/> no ²	Kip _____
Others	<input type="checkbox"/> yes ¹	<input type="checkbox"/> no ²	Kip _____

39. Do shopping facilities currently available meet your expectations?
yes¹ no²

/

40. **In Savannakhet**, did you mostly stay in hotels / guesthouses that were?

less than 10\$¹ 10- 20\$² \$21- 50³ \$51-100⁴ more than \$100⁵ don't know⁶


41. **In Savannakhet**, did you mostly eat in restaurants that were?

less than 2\$¹ \$3-5² \$6-10³ more than \$10⁴ don't know⁵

42. **In Savannakhet**, did you mainly use as a local means of transportation (choose only one)?

tuk tuk¹ Taxi² Mini-Bus³ Public bus⁴ car rental⁵ bicycle⁶
motorbike⁷ walk⁸

Annex 4: Questionnaire for Outbound Tour operators

	<p>Outbound Tour Operators Survey Savannakhet Province, Lao PDR</p>
---	--

Thank you for participating in our survey,

The overall objective of this survey is to develop a market analysis and recommendations for increasing demand for Savannakhet province. It will take 5 - 10 minutes to complete the survey. Your answers will help us in our efforts to develop and promote a more sustainable tourism industry in Savannakhet province.

1. Name: _____

2. Date of creation: _____

3. Number of employees? _____

4. Numbers of years selling packages to Lao PDR? _____ years

5. Have you or still used an inbound tour operator to prepare your Lao tour packages?
 Yes (please specify the name) No No answer

6. What kind of tour packages to or including Lao are you selling the most?

1. _____
2. _____
3. _____

7. Number of tourists currently taken by your company to Lao PDR per year?

Year	2005	2006	2007	2008
Number of tourists				

8. Number of tourists taken to Thailand / Vietnam via Dane Savanh per year?

Year	2005	2006	2007	2008
Number of tourists				

9. If you organize tour packages crossing Lao PDR, through Savannakhet province, would it be possible to stop over in Lao (Savannakhet Province)?
 Yes No No answer

9.1.If yes, how many days could be included in the package: _____Days

9.2.If no, why? _____

10.Do you sell tour packages to or including Savannakhet?
 Yes No (**go to question 12**) No answer

11.If yes, number of tourists currently taken to Savannakhet per year?

Year	2005	2006	2007	2008
Number of tourists				

12.If no, why do you not sell tour packages to Savannakhet?

	Rank
Used to sell (please specify the reasons to stop)	
Do not know much about the area	
Very specific location - not a lot of demand for.	
No awareness or need for our customers to go.	
No market	
In the process of putting everything together to be able to sell tour packages to Savannakhet -	

Rank in order of importance only 1, 2 and 3

Only sell specific packages	
Some of our packages go through Savannakhet, but there are not enough activities that people can really do.	
There's not enough demand to make it worth the effort for us	
Lack of accessibility (land, air...)	
Low standard of quality (Hotel, restaurants...)	
Too expensive	
Very low level of awareness/unknown.	
Others: _____	

13.What are your source markets to Lao PDR / to Savannakhet province?

	Share of source Markets to Lao PDR	Share of source markets to Savannakhet province (For those selling Savannakhet)	Average length of Stay in Savannakhet
Thai	___%	___%	
Vietnamese	___%	___%	
Japanese	___%	___%	
American	___%	___%	
French	___%	___%	
German	___%	___%	
Korean	___%	___%	
British	___%	___%	
Chinese	___%	___%	
Australian	___%	___%	
Canada	___%	___%	
Others	___%	___%	

14.How do your customers mainly know about your services (**only one answer**)?

- Internet Walk-in Website Travel guide
 Magazine Word of mouth hotel/guest house other

For the Tour Operators which are not selling Savannakhet, please go directly to question 19

15.Is Savannakhet included in your brochures?

- Yes No No answer

16.Since when? _____

17.Which are your three most popular tour packages including or going through Savannakhet? (**How many days are devoted to explore Savannakhet**)?

1. _____
2. _____
3. _____

18.Is there a difference in the demand for personal itineraries compared to tour packages?

- Yes No No answer

18.1. If yes, which difference? _____

18.2. Does this difference depend on nationality?

- Yes No No answer

19.What are the top three features that you look for when making the decision to carry and sell a specific tour package?

	Rank
Cost / value for money/price	
Demand / inquiries /product appeal	
Exclusiveness and reliability	
Availability	
Balance in what the package offers - many types of activities	
Destination	
Hotels and services	

Rank in order of importance only 1, 2 and 3

Location	
Accessibility/Transportation and airlines	
Means of inner-city transportation	
Commission	
Interesting product / package	
Critters/Animals (Not for hunting)	
Culture/history/the "Authentic way of life"	
Length of tour package	
Mountains and scenery	
Must be mainstream - not adventure tourism	
Online bookings	
not too specific-variety in the package	
Number of possible excursions at location	
Quality (including guides)	
Quick response for tour operator	
Reliability	
Seriousness of provider	
Short day packages	
Tailor made packages	
Understand any specialist needs	
Other: _____	

20. Which of the features cited above are then either missing or being a strength for Savannakhet province? *(it doesn't matter if you sell or not packages to Savannakhet)*

Features	Missing / Weakness	Strength	Don't know
Cost / value for money/price			
Demand / inquiries /product appeal			
Exclusiveness and reliability			

Availability			
Balance in what the package offers - many types of activities			
Destination			
Hotels and services			
Location			
Accessibility/Transportation and airlines			
Means of inner-city transportation			
Commission			
Interesting product / package			
Critters/Animals (Not for hunting)			
Culture/history/the "Authentic way of life"			
Length of tour package			
Mountains and scenery			
Must be mainstream - not adventure tourism			
Online bookings			
not too specific-variety in the package			
Number of possible excursions at location			
Quality			
Quick response for tour operator			
Reliability			
Seriousness of provider			
Short day packages			
Tailor made packages			
Understand any specialist needs			
Other: _____			

For the Tour Operators which are not selling Savannakhet, please go to question 24.

21.For each of the following activities, please tell us if you offer a tour package that includes this activity for Savannakhet or/and for some other destination?

	For Savannakhet	For other destinations
Summer outdoor sports such as canoeing, or kayaking		
Summer outdoor recreation such as camping, horseback riding, or hiking		
National park		
Fishing or hunting		
Golf		
Swimming		
Sporting events		
Heritage and culture such as historical sites, museums, or art galleries		
Theatre, performing arts, or dinner theatre		
Culinary, fine dining, or wine tasting		
Festivals or special events		
Wildlife viewing such as bird watching, monkeys, snakes...		
Sightseeing, driving tours, or touring		
Shopping		
Health and spa packages		
Built attractions such as amusement parks, gardens, or zoo		
Casinos or gambling		
Dining out, bars, nightlife or entertainment		
Others _____		

22.Do you offer any other types of Savannakhet tour package?
 Yes No No answer

If yes, please specify: _____

23.When thinking of all the tour packages you sell and the compensation you receive from each, how do Savannakhet tour packages compare? Do you receive more compensation for Savannakhet packages, about the same level of compensation, or less compensation?

- More About the same Less don't know/refused

24.When thinking about Savannakhet tour packages, what is missing from the current range of tourism products offered (give only two examples)?

1. _____ 2. _____

25.See below a list of factors that can influence your ability to sell tour packages. For each factor, please tell us if Savannakhet tour packages are better than most, about the same as others, or are more difficult to sell than others:

	Better than most	About the same	Less appealing	Don't know / refused
The overall cost of tour packages				
The perceived value for money				
Accommodation costs in general				
The availability of quality accommodations				
Cost of air transportation to Savannakhet				
Availability of flights to Savannakhet				
Transportation costs while in Savannakhet				
Transportation quality while in Savannakhet				
The level of interest the package generates				

Savannakhet' s weather				
The Lao exchange rate				
Airport taxes				
The cost of meals and dining out in Savannakhet				
How "exotic" the package is				
Border crossing concerns when entering Savannakhet				
Border crossing concerns when leaving Savannakhet				

26. Now, please see a short list of attributes that relate to the physical packages and marketing materials. For each one, please tell me if Savannakhet tour packages are better than most, about the same as others, or less appealing than others:

	Better than most	About the same	Less appealing	Don't know / refused
Providing comprehensive information				
Organization and layout				
Being attractive and "eye-catching"				

27. From your perspective, how can Savannakhet province encourage you to simply sell or to sell more Savannakhet products?

Suggestions to encourage tourism in Savannakhet province	Rank
Advertising	
Better and more intensive cooperation	
Develop own identity	
Do promotions, more advertising and consumer awareness	
More organized packages (hotel, transportation, guide)	
Information trips, more concerted action in marketing, presentation and publication.	
Invite one of us over so we can experience the culture.	
Upgrade of the city centre	
Marketing efforts (Window displays and decorations), advertising in newspapers.	
More and up-to-date pictures.	
More and up-to date marketing and participation in Tourism shows.	
More awareness of what there is to do and see.	
More financial support for advertising in daily newspapers	
More info about Savannakhet needs to be provided to the tour operator	
More flights from Vietnam or Thailand	
To increase awareness through newspaper ads, financial support of the tour operators	
Other suggestions to change this? _____	

Rank in order of importance only 1, 2 and 3

28. Would you be willing to sell or sell more Savannakhet province?
 Yes No don't know

29. If yes, which potential market segments could be targeted?

29.1. by nationality : _____ (give two)

29.2. by age bracket:

- 20-25 25-30 30-35 35-40 40-45 45-50
- 50-60 >60

29.3. by budget per day:

- <US\$ 20 US\$ 20-30 US\$ 30-40 US\$ 40-50 US\$
- 50-100 >US\$100

Thank you