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ARTICLE

THE CHARACTERISTICS OF INBOUND TOURISM IN MYANMAR

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ABSTRACT

Myanmar has beautiful natural landscapes, splendid historical and cultural landscapes and a variety of ethnic customs. These landscapes have become resource advantages in developing inbound tourism. The Myanmar government has attached great importance to the development of inbound tourism. Nowadays, inbound tourism has been an important part of the national economy. It has been an important way to earn foreign exchange. The Asian market has gradually become the main source market of Myanmar. Thailand, China, Japan, South Korea, India and other countries are the main source countries of Myanmar. However, the tourists flow of the main source countries varied greatly from year to year with light seasonality. Other characteristics of Myanmar inbound tourists were also analyzed.

KEYWORDS

Inbound tourism, tourism destination, myanmar.

Myanmar is China's important friendly neighbor. Both countries have established diplomatic relations since 70 years ago. At present, the One Belt and One Road initiative proposed by Chairman Xi of China has entered a comprehensive construction stage. Myanmar and China jointly make efforts to build the Sino-Myanmar community of fate under the One Belt and One Road initiative. They cooperated in economic reconstruction and cultural exchange. 2020 was designed as the year of China-Myanmar cultural tourism. Both countries will offer a lot of activities to enhance cooperation in culture, tourism and other fields^[1]. There were little researches on Tourism in Myanmar's domestic academic circle and in the international academic circle^[2-6]. The objective of this article was to study the development characteristics of Myanmar's inbound tourism. Hope the research results can provide scientific basis for strengthening the cultural tourism exchange and economic cooperation between Myanmar and China.

1. OVERVIEW OF TOURISM DEVELOPMENT IN MYANMAR

1.1 Introduction to Myanmar's tourism resources

Myanmar is located in the west of Indochina Peninsula, adjacent to China in the northeast, Thailand and Laos in the southeast, India and Bangladesh in the West and Andaman Sea in the south. It has a land area of 676600 square kilometers with a population of about 53.625 million. The per capita GDP of Myanmar was US \$1440.8 in 2018. Myanmar is a low-income developing country and a member of the association of Southeast Asian nations. Myanmar is dominated by agriculture, with a weak industrial and service industry foundation. In 2018, the proportion of the three major industrial structures was 24.6:32.1:43.2.

Myanmar is the most exotic tourist destination in Asia. It has rich and beautiful natural landscapes, long and splendid historical and cultural landscapes, as well as a variety of ethnic customs. Among the natural landscapes, the most famous ones are In Le Lake, Irrawaddy River, Ani he waterfall, etc. The cultural landscapes were most prominent in Buddhist cultural landscapes and colonial historical and cultural

landscapes. There are many pagoda buildings in Myanmar. There are more than 4000 pagodas in Bagan alone, and more than 2000 pagodas have a history of more than 700 years. They have become world cultural heritages. There are 135 ethnic groups in Myanmar. Each ethnic group has its own unique customs, culture and art, which has become important tourist attractions of Myanmar^[4].

1.2 Tourism development status in Myanmar

As early as the 1990s, Myanmar government began to attach importance to the development of inbound tourism, and issued the tourism law in 1990. In 1992, the Ministry of Hotel and Tourism was established, becoming the national administrative department in charge of tourism development affairs in Myanmar. The Myanmar government has signed bilateral tourism cooperation agreements with China, Cambodia, Singapore, Thailand and other countries to promote the development of its inbound tourism industry. The Myanmar's new government was established in 2011, which promoted inbound tourism development rapidly^[4]. Myanmar received 109,773 inbound tourists in 1995, while it received 3,549,428 inbound tourists in 2018. The average annual growth rate during 1995-2018 was 22.01%. In 2018, Myanmar's international tourism revenue was US \$1.651 billion, equivalent to 2.32% of Myanmar's GDP in 2018. Myanmar's inbound tourism market has reached very large scale, while the outbound tourism market is relatively small. In 2018, Myanmar's outbound tourists to ASEAN member countries reached 670,400. The domestic tourism market is also small, which is related to the overall level of Myanmar's domestic economy.

2. THE POSITION OF MYANMAR'S INBOUND TOURISM IN THE NATIONAL ECONOMY

2.1 Myanmar's inbound tourism industry has become an important way to earn foreign exchange

Myanmar's international tourism revenue had a tendency of growth. The

international tourism revenue was \$164 million in 2006 and increased to \$1,651 million in 2018, with an average annual growth rate of 25.44% during this period. From 2006 to 2018, only 2008, 2017 and 2018 had negative growth, with growth rates of -9.34%, -10.38% and -16.15% respectively (Table 1). The proportion of Burma’s international tourism revenue in total exports remained 3%-4% before 2011. Since 2012, the proportion has been increasing to 18.56% in 2015 and 2016,

while it has declined in 2017 and 2018. Generally speaking, the annual growth rate of Myanmar’s international tourism income (25.44%) is higher than the annual growth rate of total exports (15.22%). The proportion of international tourism income in total exports showed an increasing trend, indicating that inbound tourism industry has become an important way to earn foreign exchange.

Table 1: Myanmar’s international tourism revenue and the proportion of it in total exports.

Year	International tourism revenue (US\$ million)	Growth rate (%)	Total exports (US\$ million)	The proportion of international tourism revenue in total exports (%)
2006	164.00	/	3123.80	4.67
2007	182.00	10.98	3514.80	3.07
2008	165.00	-9.34	5933.40	2.49
2009	196.00	18.79	6620.60	3.09
2010	254.00	29.59	6341.50	3.34
2011	319.00	25.59	7599.50	3.93
2012	534.00	67.40	8119.20	6.38
2013	926.00	73.41	8374.80	8.24
2014	1789.00	93.20	11232.90	16.22
2015	2122.00	18.61	11030.60	18.56
2016	2197.15	3.54	11432.30	18.56
2017	1969.00	-10.38	11836.60	14.19
2018	1651.00	-16.15	13878.00	9.91

(source: <https://www.ceicdata.com/zh-hans/laos/tourism-statistics>, and ASEAN Statistical Yearbook 2012, 2019)

2.2 The position of Myanmar’s inbound tourism in the national economy

The proportion of Myanmar’s international tourism revenue in GDP was 1.13% in 2006, and then it remained below 1% from 2007 to 2012. In

2013, the proportion reached the maximum of 3.56%. After 2013, the proportion declined slightly, but it was still higher than the level before 2012, and remained above 2% (Table 2). Generally speaking, Myanmar’s inbound tourism has become more important in the national economy, but there is still a long way to become a pillar industry.

Table 2: Myanmar’s international tourism revenue and the proportion of it in GDP.

Year	International tourism revenue (US\$ million)	GDP (US\$ million)	The proportion of Myanmar’s international tourism revenue in GDP (%)
2006	164.00	14503.00	1.13
2007	182.00	20182.00	0.90
2008	165.00	31863.00	0.52
2009	196.00	36906.00	0.53
2010	254.00	49541.00	0.51
2011	319.00	59977.00	0.53
2012	534.00	59938.00	0.89
2013	926.00	60270.00	1.54
2014	1789.00	65446.00	2.73
2015	2122.00	59687.00	3.56
2016	2197.15	63256.00	3.47
2017	1969.00	66719.00	2.95
2018	1651.00	71215.00	2.32

(source: <https://www.ceicdata.com/zh-hans/laos/tourism-statistics>, and ASEAN Statistical Yearbook 2012, 2019)

3. SPATIAL AND TEMPORAL CHARACTERISTICS OF MYANMAR'S INBOUND TOURISM MARKET

3.1 Spatial characteristics of Myanmar inbound tourism market

From 2006 to 2018, the number of inbound tourists in Myanmar continued to grow, from 652,914 in 2006 to 3,549,428 in 2018, with an average annual growth rate of 17.90%. The Asian market accounted for 24.67% of the total inbound tourists of Myanmar in 2006. The European Union market accounted for 11.28%, the Oceania market accounted for 1.15%, the North American market accounted for 3.38%, and other countries and regions accounted for 59.52% in 2006. The inbound

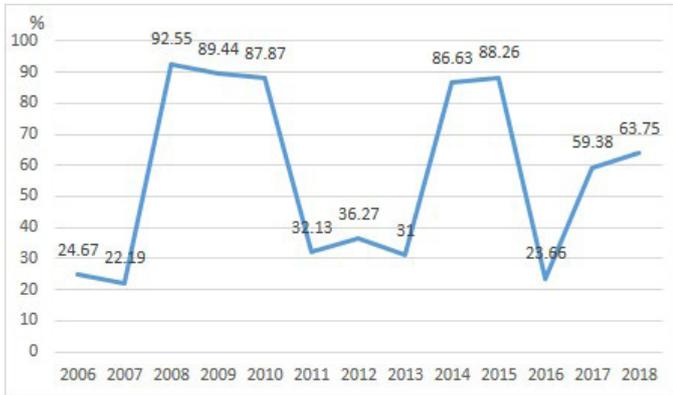


Figure 1: Share of Asian inbound tourism market in Myanmar.

tourism market was diverse in 2006. However, it has changed a lot during 2006-2018. In 2018, the Asian market accounted for 63.75% of the total inbound tourists of Myanmar, the EU market accounted for 5.06%, the Oceania market accounted for 0.91%, the North America market accounted for 2.21% and other countries and regions market accounted for 28.07% in 2018. The Asian market has gradually become the main tourist source market of Myanmar, but its share fluctuates greatly. From 2008 to 2010, 2014 to 2015, the share of Asian market is as high as over 86%, while from 2006 to 2007, 2011 to 2013, and 2016, the share of Asian market is relatively low (Figure 1). It showed that Myanmar's inbound tourism market fluctuated greatly.

The key origin countries of Myanmar's inbound tourism kept relatively steady. They were Thailand, China (mainland), Japan, South Korea, the United States and India. Among them, Thailand and China were the most important tourist origin countries of Myanmar. The proportion of inbound tourists from both countries has changed greatly, while the proportion of inbound tourists from Japan, South Korea and America was relatively stable. From 2006 to 2018, arrivals from Thailand, China and India have greatly increased. In 2006, Thai tourists accounted for 4.65% of the total inbound tourists of Myanmar, which increased to 48.44% in 2018. The highest proportion was 66.97% in 2008. In 2006, Chinese tourists accounted for 3.81% of the total inbound tourists of Myanmar, which increased to 27.14% in 2018. The highest proportion was 44.92% in 2015. Indian tourists accounted for 1.15% of Myanmar's total inbound tourists in 2006, which increased to 2.89% in 2018 (Table 3). In 2018, Myanmar received 1,719,400 Thai tourists, 963,200 Chinese tourists, 104,400 Japanese tourists, 102,700 Indian tourist and 71,200 South Korean tourists. The arrivals from the above countries accounted for 83.42% of Myanmar's total inbound tourists in 2018.

Table 3: Top5 origin countries of Myanmar.

Year	Origin countries and their proportion in total inbound tourists
2006	Thailand (4.65%) China (3.81%) Japan (2.90%) South Korea (2.79%) United States (2.76%)
2010	Thailand (59.76%) China (14.36%) South Korea (2.39%) United States (2.09%) Japan (2.04%)
2015	China (44.92%) Thailand (34.27%) Japan (1.93%) United States (1.49%) South Korea (1.36%)
2018	Thailand (48.44%) China (27.14%) Japan (2.94%) India (2.89%) South Korea (2.01%)

(source: according to www.aseanstats.org statistics data and calculation)

3.2 TEMPORAL CHARACTERISTICS OF MYANMAR INBOUND TOURISM MARKET

3.2.1 The inter-annual changes of Myanmar's inbound tourism market

The inter-annual concentration index represents the degree of stability or variation of an inbound tourism market in Myanmar in a certain period, and the equation used was:

$$Y = \sqrt{\frac{\sum_{i=1}^n (x_i - \bar{x})^2}{n}} \tag{1}$$

Where Y is the inter-annual concentration index; x_i is the proportion of tourists in year i to the total number of tourists in the evaluating period from the same market; \bar{x} is the proportion of average number of tourists to total number of tourists in the evaluating period from the same market and n is the number of years^[7]. A relatively small Y value indicates that the travel market is stable over time, while a relatively high Y value indicates that it fluctuates over time.

The inter-annual concentration index of Myanmar's key origin markets was calculated by using formula (1). From 2006 to 2018, the inter-annual concentration index of China, India and Thailand were large, which meant visitors from three origin countries varying greatly over time. The inter-annual concentration index of China was 10.57. It was highest. The inter-annual concentration index of India is 7.75, and the inter-annual concentration index of Thailand is 7.26. However, the inter-annual concentration index of Japan, South Korea and the United States

were relatively small, which meant visitors from them to Myanmar relatively stable (Figure 2).

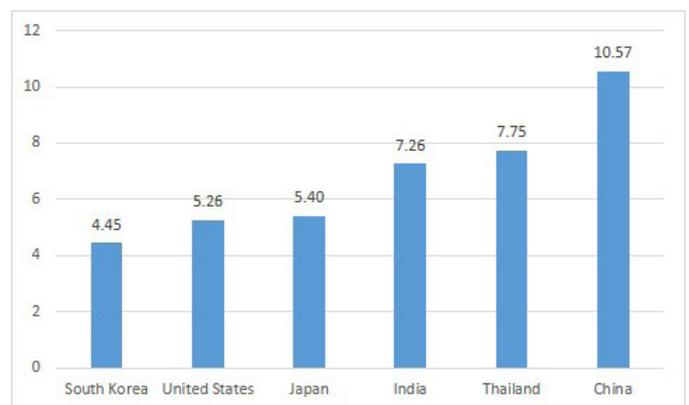


Figure 2: The inter-annual concentration index of Myanmar's key origin markets.

3.2.2 The seasonal changes in Myanmar's inbound tourism market

The seasonal intensity index was used to assess the seasonal changes of Myanmar's inbound tourism market. It can be calculated according to the equation:

$$R = \sqrt{\frac{\sum_{i=1}^{12} (x_i - 8.33)^2}{12}} \tag{2}$$

where R is the seasonal intensity index of the origin market in a destination, and x_i is the proportion of arrivals in month i relative to the whole year. A value of R close to 0 indicates an even distribution of visitors in a year, while a high value of R indicates that seasonality effects are evident, with both a peak and a slack season^[7].

The seasonal intensity indexes of origin countries, Thailand, China, Japan, South Korea, the United States and India in 2018 and 2019

were calculated by using formula (2). The seasonal intensity indexes of Myanmar were 1.12 in 2018, and 0.81 in 2019, which meant the distribution of arrivals both years were relatively uniform (Table 4). However, the seasonal intensity indexes of Myanmar's main origin countries were much larger in 2018 and 2019 than those of the whole inbound tourism market. It showed that the seasonality was obvious among the key origin markets, while it was balanced by other inbound markets.

Table 4: The seasonal intensity index of the key origin markets in Myanmar.

Year	Thailand	China	Japan	South Korea	United States	India
2018	1.35	1.80	1.38	2.85	2.57	0.68
2019	4.17	4.72	4.34	4.05	3.59	4.47

4. OTHER CHARACTERISTICS OF MYANMAR'S INBOUND TOURISM INDUSTRY^[8]

4.1 Demographic characteristics of Myanmar inbound tourists

54% of the inbound tourists in Myanmar were male and 46% were female in 2018. As to age group, 3% of the inbound tourists were under 20 years old, 63% of the inbound tourists were 21-50 years old, and 34% of the inbound tourists were over 51 years old. Most of inbound tourists were young and middle-aged. According to type of inbound tourists, 40% of them were for sightseeing, 18% of them were for business, and 42% of them were for other purposes.

4.2 Other characteristics of Myanmar's inbound tourism

Border tourists accounted for a large proportion of Myanmar's inbound tourists. In 2006, the number of border tourists in Myanmar was 366,547, accounting for 58.18% of the total number of inbound tourists in that year. In 2018, the number of border tourists increased to 2,153,330, accounting for 60.63% of the total number of inbound tourists in that year. The highest proportion of border tourists was 73.56% (2008). In general, the number of border tourists from the eastern border > the southeast border > the northeast border. Influenced by the large number of border tourists, the per capita travel cost of Myanmar inbound tourists was relatively low. The per capita travel cost from 2006 to 2009 was about \$95, it was about \$144 from 2010 to 2017. It increased to \$465 in 2018.

Tamue or Muse or Recalder point was the main entry point for inbound tourists. In 2018, the number of inbound tourists from this port reached 60.63%, followed by Yangon point with 32.63%. The third entry point was Mandalay with 4.78%. In terms of the way of entry, 95.54% of the inbound tourists entered Myanmar by air, 3.79% by land, only 0.67% by land. The way of entry by air was absolutely dominant. In 2018, there were 20,007 flights in Myanmar, with a seat capacity of 3,501,023, which can basically meet the needs of inbound tourists.

Myanmar's government has paid great attention to the development of inbound tourism industry. The position of inbound tourism raised in the national economy. The inbound tourist market has reached a large scale. However, the foreign exchange earning function of Myanmar's inbound tourism was still insufficient. More researches should put on the

inbound tourism and tourists consumption characteristics of Myanmar. The development path of Myanmar's inbound tourism is similar to that of China. Myanmar should learn the experience and mode of China's inbound tourism development and promote its inbound tourism healthily. In addition, Myanmar has great potential in inbound tourism development with rich tourism resources. This article can provide scientific basis for China's tourism authorities and tourism enterprises to cooperate with Myanmar.

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