

Competitiveness of sports resorts post-COVID-19

ABSTRACT

This study investigated the factors that can support the enhancement of competitiveness, in the fast-paced resilience of the tourism industry after COVID-19, for sports hotels in Phuket, Thailand. Through the analysis of the current situation and trends in sport tourism, it was found that digital marketing, human resource management, and sustainability management are crucial factors for sports hotels in Phuket to compete with other hotels in the industry, make sports resorts unique, increase customer satisfaction, and have a positive impact on the community. Suggestions for enhancing sports hotels' competitiveness and performance post-COVID-19 are also provided in this case study.

LEARNING OBJECTIVES

This case study aims to elaborate on the current situation of sport tourism after COVID-19 and to identify the key factors that enhance the competitiveness of sports resorts in Phuket post-COVID-19.

INTRODUCTION

Thailand is one of the world's top travel destinations. The number of foreign travelers visiting Thailand has grown continuously every year, and generates revenue for the country. According to the Bank of Thailand, the tourism industry generated 2 trillion Baht in revenue in 2019, accounting for 20% of the GDP, Gross Domestic Product (Surawattananon et al., 2021). It also generates opportunities for employment and business expansion. However, during the year 2020, the COVID-19 pandemic disrupted life in the country and across the globe. Restrictions to entry into Thailand and government-imposed quarantine policies had an immediate effect on the tourism industry. The number of visitors dropped and only began to recover in the first half of 2022, after the COVID-19 situation had improved (Surawattananon et al., 2021).

Thailand: Total Contribution of Travel & Tourism to GDP		
2019	2020	2021
20.30%	8.20%	5.80%
THB 3,458.0BN	THB 1,313.5BN	THB 946.2BN
	Change: -62.0%	Change: -28.0%
	Economy change: -6.2%	Economy change: +15%

Figure 1: Thailand's Total Contribution of Travel & Tourism to GDP

Source: World Travel and Tourism Council

Now, travel and tourism have returned to Thailand, and there are no more restrictions related to COVID-19. In the wake of the pandemic, people are more health and fitness conscious, and Thailand has become a popular destination for people traveling for sporting purposes.

Globally, Nationally, and Provincially, the Sport Tourism Industry is Booming

The World Tourism Organization points out that sports tourism is one of the fastest-growing segments in the tourism sector; more and more tourists are interested in sports activities during their trips, regardless of whether sports are the main objective of travel or not. Globally, the value of the sport tourism market in 2019 was capped at USD 562 billion, but is estimated to be increasing at a compound annual growth rate of 35.2%. In Thailand, the Tourism and Sports Ministry set a target of 40 billion baht in revenue from sports tourism in 2023 (Shoowong, 2022b). For example, in the Amazing Thailand Marathon Bangkok 2022, more than 21,000 participants generated more than 500 million baht in associated spending. According to the National Statistical Office, the number of international tourist arrivals to Thailand for the purpose of sports amounted to 45,339 in 2019, which was more than twice the 2018 total (NSO, 2019).

Phuket is a tropical island that is well-known among international tourists for leisure. To stimulate its tourism economy in a broader way, Phuket is promoting itself as Thailand's health and wellness hub, and showcasing itself as a world-class sports tourism destination (Shoowong, 2022a). For example, Phuket hosted the "Specialized Expo 2028" which featured the 2022 Spartan Asia Pacific Championship race that attracted almost 10,000 athletes and their supporters from 26 countries (The Nation, 2023).

Of course, the COVID-19 pandemic disrupted worldwide tourism development for three years (2020–2022) and has certainly altered expectations of the global tourism landscape and tourists' behavior in the future. One of the developing trends is that tourists are highly likely to shift from mass to niche travel, traveling in smaller groups and seeking more customized experiences (Surawattananon et al., 2021). Moreover, awareness of health and wellness is growing faster, and with upward trends in lifestyle sports. With sports tourism expenditures on the rise, sports tourism seems to offer a valuable niche market for the sustainable development of Thai tourism.

According to the United World Tourism Organization's tourism recovery tracker, although international tourist arrivals (-37%) and hotel occupancy rate (-5%) are still lower compared with 2019, the difference is diminishing, and travel sentiment (44%) is higher than it was in 2019 (UNWTO, N.D.). Global tourism is rebounding, and in 2022, a rapid recovery in Thailand was evident, as shown in Figure 2.

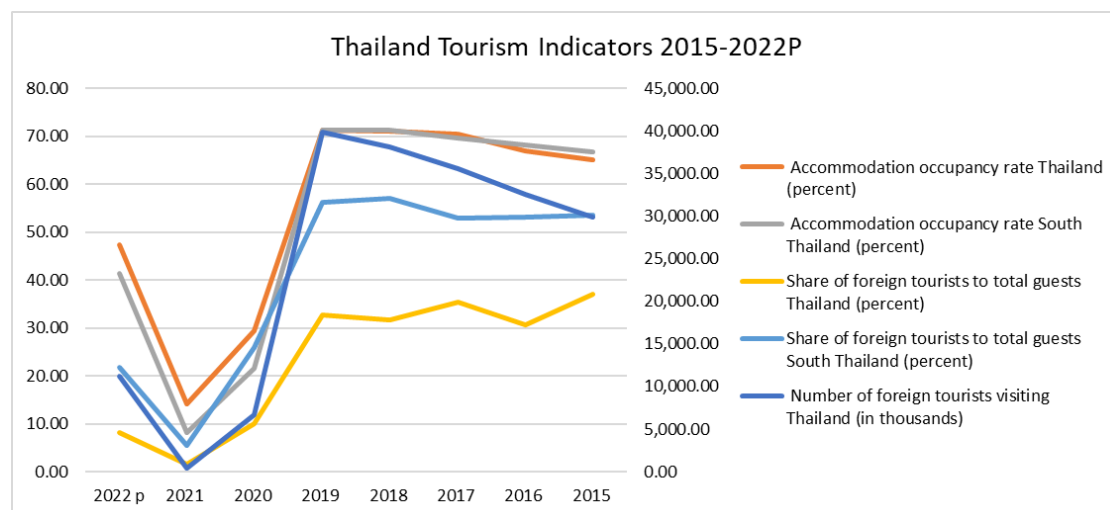


Figure 2: Thailand Tourism Indications 2015-2022

Source Bank of Thailand

The question of how to enhance a sports hotel's competitiveness and performance in light of the fast-paced resilience of the tourism industry in the wake of the COVID-19 pandemic, together with highlighting supportive policies for sports tourism development, is a significant question for study. This case study is aimed at exploring factors that can support enhanced competitiveness of sports hotels in Thailand.

Competitiveness of Phuket's Sports Resorts

Research has shown that people's awareness of health and fitness has improved in the wake of the fight against COVID-19, encouraging them to place more emphasis on exercise and have greater motivation to participate in sports tourism activities. Phuket is a world-renowned tropical destination that has diverse and amazing tourism resources. Apart from its natural island and beach, impressive culture, Buddhist temples, and local southern cuisine. Phuket is also home to many sports such as golf, Muay-Thai, yoga, diving, and other water sports. In addition, Phuket hosts several international sporting events, including the Ironman Triathlon, the Asia Beach Games, and the annual Phuket Marathon. The case study survey showed that the image of Phuket as a sports tourism destination can greatly influence the decision-making, experience, and evaluation of sports travelers. When these tourists are better educated and have a higher desire than their basic physiological needs, they are likely to be willing to pay more for sports tourism. In other words, sports resorts in Phuket can make a greater contribution by improving the quality and experience of sports tourism to meet customers' increasing demand for health and fitness, which benefits the development of sports hotels in Phuket.

The pandemic has not only changed people's lifestyles but has also led to a shift to digital marketing to reach customers who cannot travel. Digital marketing has become an indispensable tool for Phuket hotels to attract customers and promote sports resorts' unique

selling points, such as a healthy lifestyle. Through social media, content marketing, influencer marketing, virtual tours, and events, hotels can connect with potential customers and showcase their unique selling points. For example, Thanyapura Health and Sports Resort in Phuket is good at swimming and tennis training; Oceanic Sportel offers professional tennis training; and Anantara provides Muay Thai training (Thanyapura, 2023).

Human Resource Management (HRM) is a large department that contributes greatly to corporate success as it affects the organization's performance. The management of a sports resort must develop a well-thought-out management strategy that includes maintaining a high level of productivity, quality, innovation, and employee retention, foregoing the cost of unnecessary time and resources used for recruiting and training new employees, fully investing, instead, in the service area to achieve customer satisfaction and loyalty.

Furthermore, sustainable development is a crucial issue at present. People have become more environmentally conscious, and they are more likely to consider sustainability of products and services in their purchasing decisions. Therefore, implementing sustainability management would be beneficial for a sports hotel, as it not only differentiates the venue from ordinary hotels but also has a positive impact on the community and increases customer satisfaction.

CONCLUSION

Sports tourism is a rapidly growing segment of the tourism sector. Phuket is promoting itself as a health and wellness hub and a world-class sports tourism destination. The COVID-19 pandemic badly disrupted tourism development globally, but tourists are now shifting from mass to niche travel and seeking more customized experiences. Awareness of health and wellness is increasing, hand in hand with the trend toward a sportier lifestyle. In combining sport and travel, sports tourism offers a valuable niche market for the sustainable development of Thai tourism.

Sports hotels can enhance their competitiveness and performance in the fast-paced resilience of the tourism industry in the wake of the COVID-19 pandemic by improving the quality and experience of sports tourism to meet customers' increasing demand for health and fitness. Digital marketing has become an indispensable tool for Phuket hotels to promote their services and attract customers. Human resource management and sustainability management are also crucial factors that sports hotels can rely on to differentiate themselves from ordinary hotels, increase customer satisfaction, and have a positive impact on the community.

Suggestions for enhancing sports hotels' competitiveness and performance in the fast-paced resilience of the tourism industry after COVID-19 include:

1. Implement sustainable practices to protect the environment and build customer satisfaction. These practices include being energy- and water-efficient, as well as reducing, reusing, and recycling disposal waste. Doing so will have a positive impact on the community and help to build customer loyalty.
2. Be well-prepared to be responsive to customer concerns raised by the pandemic: COVID-19 affected hospitality in many ways, but sports resorts can maintain their services with all necessary infrastructure, and sufficient and well-trained staff. By doing so, they can minimize unnecessary time and resources put into recruiting and training new hires, and instead be totally invested in enhancing service to gain customer satisfaction and loyalty.
3. Leverage digital marketing: With the shift to digital marketing due to the pandemic, sports hotels can use social media, content marketing, influencer marketing, and virtual tours to promote their services and connect with potential customers. They can showcase their unique selling points, such as specialized training programs or facilities, to attract more customers.
4. Develop a well-thought-out HRM strategy: Human resource management plays a significant role in the performance of a company. Sports hotels should focus on maintaining a high level of productivity, quality, innovation, and employee retention, and invest in the service area to achieve customer satisfaction and loyalty.
5. Collaborate with local stakeholders: Collaboration with local stakeholders, such as sports associations, event organizers, and tourism boards, can help sports hotels leverage the destination's potential and create unique offerings. This can include organizing sports events, offering joint packages, and promoting the destination as a sports tourism hub.

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