

“Redefine Thailand's medical and wellness industries”

By **Mrs. Srisuda Wanapinyosak, Deputy Governor, Tourism Authority of Thailand**
Mr. Tassapon Bijleveld, Executive Chairman, Asia Aviation
Mrs. Artirat Charukitpipat, Chief Executive Officer, Bumrungrad Hospital
Ms. Suphajee Suthumpun, Chief Executive Officer, Dusit Thani

Q1. What are your baseline assumptions as to when foreign tourists could meaningfully return to Thailand? Any chance of interim arrangement (e.g. travel bubbles) before we have an effective vaccine?

1) Mrs. Srisuda (TAT)

- **Only 6 million tourists came to Thailand, and 65% decreased in tourism revenue YTD and for the best scenario, we can hope the annual tourism revenue will be around 50% of previous year.** The government plans to re-open Phuket first, the biggest problem is that tourists have to quarantine for 14 days, this pilot program will be ready sometime in Oct 2020.

2) Mr. Tassapon (AAV)

- The worse crisis that AAV faced in 14 years, only 25 aircrafts are operating including 10% tourists and 90% government agencies. More importantly, the spending in tourism sector came from foreigners. He still not let any of employees go without the reasons. He said his company is **ready to operate the flight to any cities at this time, the travel bubble has its potential but no one guarantee that there is no 2nd wave.**

3) Mrs. Artirat (BH)

- SARS and MERS were happen before in healthcare sectors, but COVID-19 affect more due to wider spread and no vaccine yet. The medical tourism is highly impact because no one travels aboard and harms BH profit. **Doctors hope to cover the telemedicine to replace in the value chain. The cost of medical equipment was getting more expensive due to lack of supply.**

4) Ms. Suphajee (Dusit)

- Hotel business got impact very badly across the region since late of March 2020. No one wants to travel anymore to keep social distance until lock down was lift up in the end of June. **However the occupancy rate is around 40-50%. The company need to make sure that liquidity level is well controlled.**

Q2. How do you think global tourism landscape would change after Covid? How should Thailand position its tourism strategy in the new normal (until Covid-19 is over and capacity is limited) and post Covid periods? Can we leverage from our success in controlling the outbreak?

1) Mrs. Srisuda (TAT)

- **Pattern about tourism will change. Group travelling will decline, and they will spend less money and also cautious more about hygienic issue.** TAT engage so called “BEST” strategy B=booking in advance, E=environmental, S=safety and T=technology
- TAT hope that “เราเที่ยวด้วยกัน” campaign will attract about 2 million domestic tourists.
- TAT positioning Thailand as Resort of the world in term of medical and wellness. Government focus on telemedicine for oversea Thai, online health market place, global health insurance.

2) Mr. Tassapon (AAV)

- **Our economy depends on foreign tourists**, because they stay longer and spend more money than Thai tourists. It will take about 2 years to get into the normal.
- **After the vaccine is launched, the economy will get back to pre-COVID level in 6 months. The tourism industry will change from quantity to quality.**

3) Mrs. Artirat (BH)

- Patients are afraid to come to the hospital, so the new normal for **healthcare was disrupted by technology ex. Telemedicine, robotic surgery, genetic testing and other IOTs in order to improve efficiency.** Healthcare will move to customers' home, which means the new competitors ex. pharmaceutical in telemedicine.
- **Do not let COVID stop our growth**, especially healthcare management. Although 2nd quarter P&L is not good, but see strong recovery in 3rd quarter. We have good quality doctors comparing to others. And she believes that the economy will pick up within 3rd quarter next year.

4) Ms. Suphajee (Dusit)

- **New landscape of hospitality businesses;** 1) more consolidation (M&A) to solve for the liquidity issue 2) diversify portfolio e.g. leased, owned, and managed model (rethink about balancing fixed and variable cost) 3) More partnership across industries e.g. airline, hospital 4) New hygiene and safety measure 5) more technology driven (touchless contact) 6) Sustainability 7) Wellness and historic health experience.
- **Success of how we manage the COVID-19 lead to new campaign for tourism in Thailand that we provide safeness traveling** with top notch healthcare system (easy to access, great one-on-one wellness). And we can promote other selling point like food and culture, make them stay longer and spend more.