FACTORS INFLUENCING THE SUCCESS OF SUSTAINABLE TOURISM DEVELOPMENT IN LOCAL COMMUNITIES: A STRUCTURAL EQUATION MODEL

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ABSTRACT

The main objective of this article is to examine the factors influencing the success of tourism development in local communities in Thailand. The study uses the Structure-Conduct-Performance (S-C-P) framework to investigate how tourism success (Performance) at a local government level could be explained by Structure and Conduct. The study adapts the concept of the Travel and Tourism Competitiveness Index (TTCI) created by the World Economic Forum (WEF) to generate indicators for the three variables (Structure-Conduct-Performance) at a local government level. A structural equation model is used to analyze 256 primary data observations on 13 observed variables. The proposed model has one exogenous latent variable (Structure), two endogenous latent variables (Private investment and Conduct of local government) and two endogenous variables, which were the number and trend of visitors and the number of received awards.

The results indicate that local tourism attractions are the most important component of the Structure. For the Private investment, accommodations are the leading component. Organized tourism activities such as walking streets and festivals are important components of the Conduct of local governments, as well as a channel for tourism income generation. The results also indicate that attractions are the most important component influencing Private investment, especially, investment in accommodations, and local administrative organization (LAOs) efforts to promote tourism development. The study confirms that local governments in Thailand still play a relatively minor role in promoting tourism activities. Although they are primarily responsible for local tourism management, their performances are affected by underfunding and lack of well-trained tourism staff. Thus, the central government needs to provide more financial and technical supports so that local tourism resources can be sustainably utilized at the destination level.

Keywords: success of tourism development, sustainable, local communities, structural equation model.

INTRODUCTION

Tourism management in Thailand, including both supply and demand management, was traditionally more or less centralized by central government agencies such as the Tourism Authority of Thailand (TAT), the Ministry of Tourism and Sports, the Department of National Parks, Wildlife and Plant Conservation, the Fine Arts Department, etc. Decentralization to local governments begun in 1997 by transferring the responsibility for tourism management to those local administrative
organizations (LAOs) which have tourism attractions in their locality. Moreover, the national decentralization plan mandates TAT to delegate three areas of tourism activities to local governments, i.e. tourism planning, maintaining sustainable tourism, and public relations. According to decentralization and local government laws, the responsibility of natural resource tourism promotion is also given to the local governments. Therefore, in the future Local Administrative Organizations (LAOs) will have an important role to play in promoting tourism, especially in local areas where tourism attractions and their related activities exist.

Local tourism promotion not only brings financial benefits to the local communities concerned but also to the overall development of the country. Currently, LAOs tourism promotion is concerned with three major activities, i.e. maintenance and care of tourism attractions, provision of tourism infrastructure services, and marketing. Local tourism is expected to generate higher income and higher employment opportunities for the local communities. However, tourism development in a small community must be carried out carefully with consideration of its negative impact that might occur in the future, such as the impact on local environment as well as the local way of life and traditions.

The success of local tourism development and promotion requires cooperation from all the parties concerned. LAOs must recognize the importance of tourism promotion as well as guarantee a good management of their tourism resources. Cooperation and investment are also needed from the private sector in the development of related facilities such as accommodations and restaurants. Cooperation from the communities themselves in maintaining the attractiveness of their tourism attractions, whether they are natural resources or cultural, is also important. The sustainability of tourism development in any local community would therefore depend on the aesthetic potential of the resource base, the availability of local facilities, the strength of private sector in tourism industry, as well as the skill, knowledge, and the cooperation of its local administrative organization and its community as a whole. Indicators of success include the increasing numbers of tourists, social acceptability in various forms such as awards received, and becoming a learning center for other local communities.

Hence, this paper analyzes the roles and relationships of the different actors involved in tourism resource management. This study applied the concept of Structure-Conduct-Performance (S-C-P) paradigm (Mason, 1973) from industrial organization theory to evaluate the causal relationship of Structure, Conduct and Performance of local governments.

The results of the study indicated the size of the influence of the Conduct and Structure variables on the success of tourism development in a local community and could be used to identify weaknesses and strengths of a destination at a local level. It is also useful as a guideline to strengthen local tourism policy, planning of other public organizations, private sector investment and community participation for sustainable tourism development.

LITERATURE REVIEW

This section presents a literature review of two major issues, i.e. the role of LAOs in tourism development, and the assessments of tourism potential at the local level.

The Role of Local Administrative Organizations and Tourism Development in Thailand

The survey on dilapidated and degraded tourism attractions for the whole country during 1997-1999 conducted by the TAT found that 49 of a total of 179 sites were seriously dilapidated, and most of them were under the jurisdiction of local administrative organizations. This led to higher interests in studying the potential, role, problems and obstacles of the LAOs in tourism management in order to arrive at appropriate approaches to make local tourism development sustainable (Malila, 2003; Churugsa, 2005; Phanwilai, 2005).
Studies conducted in the past showed that some areas under the jurisdiction of LAOs did have potential to develop into attractive tourism destinations, but the tourism management potential of these LAOs was found to be only mediocre despite the expectation of their increased role (Phanwilai, 2005; Boonyarasai, 2005). The results of these studies were in accordance with the results of the study conducted on 144 LAOs in Chiang Rai by Uunvijit (2006) which showed that these LAOs had low potential for tourism management. Their potential was found to be only average in four dimensions: policy and strategy; vision of leaders; readiness of personnel to work for their community; and local people participation.

The factor which was identified as the critical obstacle to the success in tourism management was that the LAOs were assigned a vast number of responsibilities, but their power was limited. The Constitutional power given to the LAOs is broad and vague and is not yet supported by subordinate laws. The results of the study by Kaosa-ard et al. (2012) revealed that the laws on natural resources had been in use long before the birth of local administrative organizations and have not been revised. Therefore according to these laws, local governments hardly had any legal power to manage natural resources especially in national parks. Moreover, LAOs are given responsibility to protect natural resources and environment only on land, while the responsibility to protect marine resources was under the Department of Fisheries. Saowakoon et al. (2007) found that LAOs had been active in various development aspects, but the participation in tourism management was scarce due to the overlapping of legal jurisdictions between LAOs and central government agencies. Churugsa (2005) provided a case study in the Island of Tao. The Treasury Department was the owner of the land, while any construction on this island was controlled by the LAO. Investors need to seek permission from both agencies for a construction plan before it can be carried out. The study by Malila (2003) in Lobburi municipality also raise similar issues, as despite the fact that there were a number of tourist attractions which are national heritage in this municipality, the LAOs did not have any role in the management of them. Thus integration and coordination between related government agencies and LAOs in the management of tourism resources and local tourism development is a real challenge.

Although integration and coordination are expected to reduce the management problems in the long run, it is also likely that it would take some time as LAOs are relatively new entities for Thailand and therefore they are not widely accepted and recognized by other government agencies. Moreover, lack of proper understanding regarding the role of these organizations can still be found among their own leaders and staff members (Kaosa-ard et al, 2012). This may be attributable to the level of their education and work experiences relating to local administration. Some may not be even locals from the communities (Churugsa, 2005). Moreover, special trainings for local governments had been insufficient and sporadic.

The issues of problems discussed above may be regarded as less important than the insufficient budget (Churugsa, 2005; Adirekchotikul, 2007; Saowakoon et al., 2007). The revenue of LAOs is from subsidies and tax collection, but subsidies vary according to economic situation. The study by Patmasiriwat (2004) found that the budget allocation system used by the Budget Bureau was biased against particular regions and tend to support urban communities more than rural communities. Moreover, there was also a problem of unequal tax capacities and effort among local organizations at provincial, municipality, and sub-district levels (Patmasiriwat, 2012; Buddhawongsa, 2013). The budget of local governments is often small and has to be allocated among various economic, social and political purposes. In addition corruption was another issue that could not be overlooked and this could lead to incentives in investment in unworthy development projects rather than in conservation projects.

Participation of the community is no less important than other factors. Many studies suggested that people in the community wanted to be involved more in tourism operation planning (Khittasangka, 2005; Adirekchotikul, 2007). Nevertheless, several cases (Khittasangka, 2005) indicate that the LAOs and local people had no real knowledge about tourism development planning process and the plan was perceived to be theoretical rather than practical.
Community’s participation is one of the key factors that affect the success of local tourism development. According to the work of Adirekchotitikul (2007), tourism public relations of LAOs in the North Eastern region seemed to be relatively effective in drawing more tourists but generally LAO did not have a good and clear plan for public relations. Their personnel also lack the ability of media communication and media production. Although the LAO internet project encouraged each Lao to have its own public relation website, many of them were not actually operational and updated.

It can be concluded that most studies in Thailand were related to the role and ability of LAO to manage tourism as a component of local tourism potential. However, there has been no research investigating the relationship of other components and/or factors that enhance local potential for sustainable tourism development.

Assessment of Tourism Potential at the Local Level in Thailand

There are several ways to assess tourism potential in a local community such as the potential assessment of ecotourism destinations or tourism activities. Several methods have been used in Thailand for such purpose: analysis of interviews or tourists surveys, participant observation, SWOT analysis, etc. Some examples are the assessment of sports tourism potentiality in Chiang Mai (Kanchanakiti, 2002) and the assessment of the potential for agro-tourism development in the village around Huai Hong Khrai Royal Development Study Center (Homnan, 2004).

Successful communities tended to have high potential in physical structures especially tourism attractions both natural resources and local culture and the availability of basic infrastructure to accommodate tourists. Besides those factors, participation of local people in the community and whether or not tourism is the occupation of the majority of the people in the community were the other two factors influencing the successful management of tourism (Prabpriree, 2005; Boonnetr, 2004). Interestingly, good environmental conservation and active local participation in tourism management did not guarantee that the community would be successful if it still had low potential for offering appropriate services to tourists which was regarded as a key to the management success (Waritt, 2002).

Successful communities tended to be villages with a common culture where the management was not mainly run by LAOs. On the other hand, most of communities which were hardly successful faced similar problems in terms of top-down management by the central government, government agencies and leader groups. Such communities managed tourism resources by focusing too much on the demand of tourists. In addition, unequal tourism benefit distribution within the community was also a critical obstacle to successful local tourism development (Kaosa-ard et al., 2005, Untong et al., 2006).

It can be concluded from the previous studies that problems of tourism destination varied with the location. Major problems include insufficient infrastructure and difficult access to attractions. Moreover LAOs were not authorized to allocate the use natural resources. Unequally distributed benefits had often broken unity within the community. In addition, some local people may want to be involved only in certain steps of local community tourism such as a step of tourism operation (Limrattannapan, 2004). However, in order to develop community tourism successfully, local communities should carry out some preparations such as management planning, tourism program setting, advertising planning, preparing for service availability and setting up a committee for community tourism development (Santasombat, 2001). Most of the potential evaluations at a local community level that have been conducted focused at destination or community level not at a local government level. Assessment at the local government is important because local governments have budgets and can carry out public policies that could influence tourism sustainability.
RESEARCH METHODOLOGY

Conceptual Framework and Model

The main objective of this is to examine the factors influencing the success of tourism development in local communities in Thailand. The study employs the Structure-Conduct-Performance (S-C-P) framework originally proposed by Mason (1939). The research question is how tourism success (Performance) at a local government level could be explained by the Structure and Conduct of the destination. The study adapted the concept of the Travel and Tourism Competiveness Index (TTCI) created by the World Economic Forum (WEF) to generate indicators for the three variables (Structure-Conduct-Performance) at a local government level.

The Structure variable reflects tourism potential which includes 1) attractions, 2) physical environment, 3) policy and legal infrastructure, and 4) amenities. The Conduct variable comprises two groups, first the local governments and community efforts and second private investment in accommodations, restaurants and night entertainments. The first is represented by four indicators which are: 1) the availability of a tourism plan, 2) budget allocation for tourism development, 3) activities, and 4) community participation. The Performance variable was measured by the tourism outcome, including the number of visitors, recent trend of arrivals and tourism related awards.

The success of local sustainable tourism development may be a result of a strong structure or the conduct of private sector and operation of LAOs that supported and promoted local tourism development. The success is reflected through tourism performance in different ways, such as an increase in the number and / or trends of visitors or tourists, the tourism related award, and so on. It is assumed that tourism success is related with local communities, private sector or local government ability or expertise in promoting or supporting local tourism depending on their vision, experience and knowledge.

Therefore, the conceptual framework used in the study was that the tourism destination structure (Structure) was an important factor that had a direct influence on the investment of the private sector (Private investment) and the operations of LAOs (Conduct) to promote and support sustainable tourism. The outcome or success of private investment efforts is measured by the number of tourist arrivals and trend whereas the outcome of local government effort is reflected by tourism awards or related awards such as awards on natural resources and environmental protection. The Structure also had an indirect influence on the Performance through the private investment and the operations of LAOs as shown in Figure 1.

![Figure 1](image.png)

Figure 1. The conceptual model of factors influencing the success of sustainable tourism development in local communities
From above model, six hypotheses can be derived:

Hypothesis 1: Structure has a direct effect on private investment.
Hypothesis 2: Structure has a direct effect on conduct of local governments.
Hypothesis 3: Structure has a direct effect on number and trend of visitors.
Hypothesis 4: Structure has a direct effect on awards received.
Hypothesis 5: Private investment has a direct effect on number and trend of visitors.
Hypothesis 6: Conduct of local governments has a direct effect on awards received.

Data Used in the Study

The data were collected in 2011 from a large-scale questionnaire mailed to 1,889 local governments in Thailand which are responsible for managing tourist attractions. Two hundred and fifty-six questionnaires (13.5%) were returned.

The questionnaire was composed of 4 sections which include (1) general information of LAOs, (2) tourism-related physical structure (attraction diversification, industry capability, infrastructure, security and accessibility to main destinations), (3) tourism operation and (4) operation performance.

The indicators determining the success of tourism sustainable development can be grouped into 4 factors which were: Structure (4 indicators), Private investment (3 indicators), Conduct of local governments (4 indicators) and Performance (2 indicators). Since the indicators were evaluated in different units of measurement, the data were converted into scales normalized to be between 1 to 7, with the following formula: normalized scale = \[6\times(\text{non-normalized scale} - \text{minimum})/(\text{maximum} - \text{minimum})+1\].

Variables of the Model

Based on Figure 1, the model comprises 13 observable variables, with 3 latent variables, of which Structure was exogenous and Private investment, Conduct of local governments were endogenous latent variables; the number and trend of visitors and awards received were endogenous observable variables (Table 1).

<table>
<thead>
<tr>
<th>Latent variables</th>
<th>Observable variables</th>
<th>Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exogenous variables</td>
<td>Policy &amp; municipal law</td>
<td>Assess with the survey questions and set the rating criteria before normalized to the score 1-7.</td>
</tr>
<tr>
<td>Structure</td>
<td>Environment</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Attractions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Amenities</td>
<td></td>
</tr>
<tr>
<td>Endogenous variables</td>
<td>Accommodations</td>
<td></td>
</tr>
<tr>
<td>Private investment</td>
<td>Restaurants</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Night entertains</td>
<td></td>
</tr>
<tr>
<td>Conduct of local governments</td>
<td>Tourism plan</td>
<td>Assess with the survey questions and set the rating criteria before normalized to the score 1-7.</td>
</tr>
<tr>
<td></td>
<td>Budget for tourism development</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Activities</td>
<td></td>
</tr>
<tr>
<td></td>
<td>People’s participation</td>
<td></td>
</tr>
<tr>
<td>Number and trend of visitors</td>
<td>Number and trend of visitors</td>
<td></td>
</tr>
<tr>
<td>Awards received</td>
<td>Awards (tourism, environmental and governance)</td>
<td></td>
</tr>
</tbody>
</table>
RESULTS OF THE STUDY

A structural equation model (SEM) is used to deal with the model of factors influencing the success of sustainable tourism development in local communities. This method needs a check of the assumptions of sufficiency of sample size, construct validity, construct reliability, and multivariate normality of the data and internal consistency, with Cronbach’s Alpha value greater than 0.70 so that the set of observed variables used for factor extraction is appropriate for specifying latent variables with acceptable confidence level.

The results showed that the number of observable samples was slightly less than the minimum number of samples (With 13 observed variables and 3 latent variables (the minimum sample size should be 263 samples). The test results of construct validity and construct reliability including Cronbach’s alpha suggested that only the structure variable did not satisfied the conditions. This implied that in the future, the variables set measuring structure has to be improved in order to increase the level of confidence.

The multivariate normality test (the last row of Table 2) revealed that the data did not meet the condition of multivariate normality. This implied that the maximum likelihood estimation (MLE) cannot be used to estimate the coefficients in our model. Therefore, to obtain reliable coefficients, this study had to apply the maximum likelihood estimation with robust standard errors (MLR) to estimate the coefficients. This study assumed that the structural equation model had linear form and did not violate any assumption of regression analysis.

Table 2. The results of construct validity and construct reliability

<table>
<thead>
<tr>
<th>Latent variables</th>
<th>Number of observable variables</th>
<th>Cronbach’s alpha</th>
<th>Construct validity</th>
<th>Construct reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Structure</td>
<td>4</td>
<td>0.502</td>
<td>$\chi^2 = 10.953$</td>
<td>0.521</td>
</tr>
<tr>
<td>Private investment</td>
<td>3</td>
<td>0.637</td>
<td>$\chi^2 = 0.000$</td>
<td>0.653</td>
</tr>
<tr>
<td>Conduct of local governments</td>
<td>4</td>
<td>0.708</td>
<td>$\chi^2 = 0.938$</td>
<td>0.765</td>
</tr>
</tbody>
</table>

Multivariate normality test

- Mardia Skewness $\chi^2 = 25.840$ [P-value = 0.00]  
- Mardia Kurtosis $\chi^2 = 215.860$ [P-value = 0.00]  
- Henze-zirkler $\chi^2 = 1.090$ [P-value = 0.00]  
- Doornik-Hansen $\chi^2 = 609.334$ [P-value = 0.00]

Source: Author’s calculation.

The model was adjusted by adding the correlation between the measurement errors of each component construction. This had been done to ensure that the represented model derived the data from LAOs survey. Table 3 presented the most commonly used goodness of fit statistics. Chen and Chen (2010) provided a good description of these statistics. The main statistics was the Chi-square test which measures the distance between the sample covariance matrix and the fitted covariance matrix. It should be noted that a small Chi-square corresponds to a good fit (not significant) and a large Chi-square to a bad fit of the estimation (significant) (Jöreskog and Sörbom, 1996).

Table 3. Goodness of fit statistics

<table>
<thead>
<tr>
<th>Goodness of fit statistics</th>
<th>Conditions</th>
<th>Values</th>
<th>Acceptable</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. $\chi^2$</td>
<td>Low $\chi^2$ and not Sig.</td>
<td>66.294 [P-value = 0.126]</td>
<td>✔</td>
</tr>
<tr>
<td>2. RMSEA</td>
<td>≤ 0.05</td>
<td>0.029</td>
<td>✔</td>
</tr>
<tr>
<td>3. SRMR</td>
<td>≤ 0.05</td>
<td>0.040</td>
<td>✔</td>
</tr>
<tr>
<td>4. Comparative Fit Index (CFI)</td>
<td>≥ 0.95</td>
<td>0.983</td>
<td>✔</td>
</tr>
<tr>
<td>5. Tucker Lewis Index (TLI)</td>
<td>≥ 0.95</td>
<td>0.976</td>
<td>✔</td>
</tr>
</tbody>
</table>

Note: $\chi^2$ = Chi-square, RMSEA = root mean square error of approximation, SRMR = standardized root mean square residual and scaling correction factor = 1.013.

Source: Author’s calculation.
Figure 2 presented the standardized coefficients of the final model. The value between observable variables (rectangle) and latent variables (circle) is the standardized factor loading scores. The higher factor loading score implies that this variable is more important. The value between latent variables was a standardized coefficient of the structural equation model that represents the direct effect.

Note: * = statistically significant at 95% level of confidence.
Source: Author’s calculation.

Figure 2. Standardized coefficients of the factors influencing the success of sustainable tourism development in local community model

The results of hypothesis testing at the confidence level of 95% revealed that Structure directly affected Private investment, Conduct of local government and the Number and trend of visitors. Structure also had an indirect positive effect on the Number and trend of visitors via Private investment and had an indirect positive effect on the Received awards via Conduct of local governments.

The results of this study suggested that the operation of LAOs had little influence on the number and trend of visitors. They also failed to attract a private sector to invest in tourism development in the local communities. This result was consistent with the perspective of local people that LAOs had a minor role in supporting local tourism development when compared to private investments or cooperation of the private sector which were the main factor influencing local tourism development (Untong et al., 2010; Untong and Kaosa-ard, 2012).

The result of estimated factors loading scores with MLR showed that attractions and facilities were the main components of Structure (0.558), accommodation and nightlife were the two important components of Private investment (0.983 and 0.949 respectively), and event activities were the key component of Conduct of local government (0.845). This implied that attractions and facilities were the basic infrastructure for tourism. Accommodation and nightlife represented a private investment in tourism while tourism event activities represented the operations of local governments to support or promote local tourism.
The estimated standardized coefficients with MLR showed that Structure had a highest total effect on Conduct of local government (0.872), followed by the Awards received (0.478) and Private investment was the least influenced by Structure (0.331). The effect of Structure on the Number of visitors was only 0.375 which was smaller than the total effect of Structure on the operations of local governments 2.3 times. Interestingly, the direct effect of Structure on Conduct of local governments was 2.6 times of that on Private investment.

Table 4. The effect and squared multiple correlations ($R^2$) of the Structure variable.

<table>
<thead>
<tr>
<th>Endogenous variables</th>
<th>The effect of the Structure variable</th>
<th>Squared multiple correlation ($R^2$)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Direct effect</td>
<td>Indirect effect</td>
</tr>
<tr>
<td>Private investment</td>
<td>0.331$^*$</td>
<td>-</td>
</tr>
<tr>
<td>Conduct of local government</td>
<td>0.872$^*$</td>
<td>-</td>
</tr>
<tr>
<td>Number and trend of visitors</td>
<td>0.295$^*$</td>
<td>0.080$^*$</td>
</tr>
<tr>
<td>Awards received</td>
<td>-0.113</td>
<td>0.591$^*$</td>
</tr>
</tbody>
</table>

Note: * = statistically significant at 95% level of confidence.
Source: Author’s calculation.

Considering the performance of local tourism promotion in the past from the Number and trend of visitors and the Received award, it was found that an increase in the number and trend of visitors had been influenced by the components of Structure (0.375) which was 1.5 times of the investment of the private sector (0.242). The number of awards received was influenced by the operations of LAOs (0.678) which was higher than by Structure (0.478). This result reflected that infrastructure related to tourism such as environment, attractions, facilities, etc., was the main factor influencing the number and trend of visitors directly and indirectly through Private investment. Moreover, Conduct of local Governments related to tourism such as local tourism development plans, budget allocation for tourism promotion, event supporting local tourism was the major factor increasing the chance of award winning.

The squared multiple correlations ($R^2$) are shown in the last column of Table 4, Structure had the highest prediction performance of governments’ conduct which was accounted for 76 percent of the total variation. This number was twice of the second highest prediction performance, the received award (about 34 percent). However, Structure and Private investment can predict only 19 percent and 11 percent of the variation in the number and trend of visitors, respectively.

CONCLUSION

The main objective of this article is to study the influence of the conduct and structure on the success of tourism development in a local community. The study integrates the concepts of the Travel and Tourism Competiveness Index (TTCI) created by the World Economic Forum (WEF) and adapted them to local government level to apply the Structure-Conduct-Performance (S-C-P) framework. A structural equation model (SEM) is estimated on the proposed conceptual model of the factors influencing the success of sustainable tourism development in local communities. The results of the study can be used as the information for policy makers to increase the support of local government in tourism resources conservation and to promote sustainable local tourism development in the future.

The study confirmed that local tourism attractions were the most important component of Structure. For Private investment, accommodation was the leading component. Activities such as walking streets and festivals were also important components of Conduct of local governments, as well as a channel for tourism income generation.

Structure was a fundamentally significant factor for tourism development, having both a direct impact on visitor numbers and an indirect impact on performance through Private investment. Good Structure provides direct incentives for both Private investment and Conduct of local government. Private investment had a direct positive effect on an increase in the number of tourists. Conduct local government on the other hand affected awards received but does not affect the number of visitors. Thus, local governments had a relatively small role in attracting visitors and increasing trend.
The results suggest that local governments in Thailand currently have a minor role in tourism development, insufficient for promoting sustainable development. Nor is it sufficient to increase visitor numbers or private investment. However, local governments are primarily responsible for local tourism management, which suffer from underfunding and lack of well-trained staff. Thus, the central government in Thailand needs to provide more financial and technical support so that local tourism resources can be sustainably utilized.

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