Abstract: Film-induced tourism has been successful in many countries, particularly in the case of the Lord of the Rings tour in New Zealand, and the Daejanggeum tour in South Korea. Perceiving the success of these endeavors, the Thai government initiated the first planned and artificially generated ‘film-induced’ attraction in Thailand in the form of the Alexander the Great project. The project’s objective was to attract tourists and hence deliver diverse economic benefits to the region where the attraction was to be built. This study examines the economic competitive advantage of the project, applying the ‘value chain’ approach. The analysis demonstrates that the project yields a weak economic competitive advantage, resulting in a low number of visitors and low tourism income. This result should serve as a cautionary example, emphasizing the need to properly manage film-induced tourism projects, not only to ensure their own sustainability in the immediate local context, but also for the sake of broader regional tourism development.

Keywords: Alexander the Great, film-induced tourism, value chain, competitive advantage, Thailand

Introduction

Perceived as a fast-growing industry, tourism has long been established as a potential driver of regional development (Pike et al. 2006, p. 8). This is because the tourism industry can attract and deploy the necessary investments to develop a region that has been economically neglected. This can apply in particular to rural and isolated areas with attractive landscapes. In addition, business opportunities in tourism often require relatively modest investment (Jackson and Murphy 2006; Sharpley and Sharpley 1997, p. 22). When used to stimulate regional economic development in this way, tourism usually comprises various defined groups of independent firms, interacting in formal and informal networks across horizontal and vertical value chains (Scott et al.
The Thai government encourages tourism development by promoting each region as a tourist destination based upon its respective unique characteristics. Since 1997, Thailand has been referred to as a success story in tourism development and marketing, evidenced by an increasing number of tourists and tourism revenue (Opperman and Chon 1997; Noypayak 2001). Accordingly, tourism has been an important part of the national agenda to stimulate regional economic growth (National Tourism Development Plan 2012–2016). However, due to the country’s recent period of hardship resulting from domestic political instability together with a world economic recession, the government is looking for new opportunities to further promote regional tourism. One such endeavor is the support given to film-induced tourism, through the granting of permission to foreigners to produce films in Thailand. The Department of Tourism (DOT), via the Ministry of Tourism and Sport, has set in place proactive policies through which to organize the “Thailand International Film Destination Festival”, with the hope that the film and tourism industries will support and strengthen each other. Given Thailand’s notable diversity of natural landscapes and culturally distinctive man-made settings, the international film industry can utilize Thailand for location-filming, and at the same time stimulate regional economic spin-offs from the film production process in specific locations. The Thai government can also then benefit from the film upon its release, which can be used as a marketing channel to promote the film location as a tourist destination. Thus a new form of tourism promotion is initiated with an expectation of distributing tourism income directly to the locals in surrounding areas.

The main objective of this paper is to evaluate the extent to which the process of using a film location as a tourist attraction can drive development and provide income generation in the area, using the case of the Alexander the Great project as a case study. The subsidiary objectives enabling the delivery of the main objective of the paper are:

- to give an account of the Alexander the Great project, which is the first attraction established by the Thai government to promote film-induced tourism;
• to assess the competitive advantage potential of the Alexander the Great project as a way to enhance regional economic development by applying the value chain approach. This study has defined competitive advantage as the effort to gain a profitable and sustainable position above the average of other destinations located in the same vicinity.

The organization of the paper is as follows: I begin by explaining the underlying concepts of film-induced tourism, and the potential value of film as a vehicle for tourism-product placement in other countries. Then, I introduce the Alexander project, followed by an elaboration of the value chain approach, which I use as the primary model to study competitive advantage. I outline how this model was operationalized for this study’s purposes and how the research was conducted. Following this, I present the results of the study for each part of the value chain approach, and finally offer a general discussion of the findings, and some subsequent recommendations for future sustainable regional tourism development.

**Film-induced tourism**

Film-induced tourism, also called film tourism or movie tourism, is broadly defined as tourist activity stimulated by viewing a film location onscreen, or by the viewing of any moving image, encompassing film, television, video, DVD, Blu-Ray, and other digital media (Hudson and Ritchie 2006a; Connell 2012; Evan 1997). According to Connell (2012), from demand and supply perspectives, the scope of film tourism activities can be divided into 10 types as follows:

1. Visits to “real film shooting” locations presented in a specific film production;
2. Visits to “substitute” locations, in other words, studio sets;
3. Visits to specific film/TV theme parks and attraction (e.g. *Daejangeum* Theme Park);
4. Visits to themed attractions with a film theme (e.g. Disney World or Universal Studios);
5. Visits to locations where film is taking place;
6. Visits to a location marketed through film connection (e.g. Braveheart Country);
7. Participation in organized tour of film locations (e.g. *Lord of the Rings*, New Zealand);
8. Participation in organized tours of film celebrity homes/haunts (e.g. Beverly Hills);
9. Visits to film festivals (e.g. Cannes);
10. Visits to destinations for film premiers and award ceremonies.

Film-induced tourism is a niche activity connected with a few specific destinations associated with films or themes related to film. When looked at from a marketing strategy point of view, film can be a helpful instrument in which Destination Management Organizations (DMOs) at national, regional and local levels can promote and establish lesser known destinations. Film can shape viewers’ perceptions of places (e.g. film landscapes), film experiences (e.g. memories associated with actors, events, theme, storylines, and settings), feelings, emotion, and attitudes toward destinations (Schama 1996; Iwashita 2008).

It is likely that the success of films benefits film locations, and hence the successful promotion of tourist destinations, evidenced by the greater number of tourist arrivals to such destinations. Destination image perception is a large part of the motivation to visit a particular place, as argued by Kim and Richardson (2003). They found in their study that most of their respondents who had specifically chosen to visit the city of Vienna had done so based on seeing films about or set in Vienna. As such, film is a powerful travel stimulus that enhances the tourist motivation to visit a destination (Gartner 1989; Echtner and Ritchie 1991). Film can therefore be an essential part of destination marketing strategy (Chon 1990). Hudson and Ritchie (2006a) illustrate the impact of film in drawing tourists to film locations as shown in Table 1.
Table 1. Impact of films on visitor numbers at designated locations

<table>
<thead>
<tr>
<th>Film</th>
<th>Location</th>
<th>Impact of visitor numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Braveheart (1995)</td>
<td>Wallace Monument, Scotland</td>
<td>300% increase a year after release</td>
</tr>
<tr>
<td>Captain Corelli’s Mandolin (2001)</td>
<td>Cephalonia, Greece</td>
<td>50% increase</td>
</tr>
<tr>
<td>Field of Dreams (1989)</td>
<td>Iowa, USA</td>
<td>35,000 visits in 1991 and steady increase every year</td>
</tr>
<tr>
<td>Four Wedding and a funeral (1994)</td>
<td>The Crown Hotel, Amersham, England</td>
<td>Fully booked for at least 3 years</td>
</tr>
<tr>
<td>Harry Potter (8 episodes from 2001 – 2011)</td>
<td>Various locations in UK</td>
<td>Increase of 50% or more in all filmed locations</td>
</tr>
<tr>
<td>Notting Hill (1999)</td>
<td>Kenwood House, England</td>
<td>10% increase in one month</td>
</tr>
<tr>
<td>Pride and Prejudice (1995)</td>
<td>Lyme Park, England</td>
<td>150% increase</td>
</tr>
<tr>
<td>Sense and Sensibility (1995)</td>
<td>Saltram House, England</td>
<td>39% increase</td>
</tr>
<tr>
<td>The Beach (2000)</td>
<td>Thailand</td>
<td>22% increase in youth market in 2000</td>
</tr>
<tr>
<td>Troy (2004)</td>
<td>Canakkale, Turkey</td>
<td>73% increase</td>
</tr>
</tbody>
</table>

Source: Hudson and Ritchie, 2006a

Several successful cases of tourism development based on film locations are noted in the global context, including countries such as the UK, USA, Australia, Korea, and New Zealand. According to O’Connor et al. (2008), in the UK, many screened locations from films like Harry Potter (2001), The Da Vinci Code (2006), Pride and Prejudice (2003), Notting Hill (1999), The Full Monty (1997), and Braveheart (1995) have attracted international tourists, a trend confirmed by a study of Japanese tourists’ increasing interest in visiting the UK (Iwashita 2008). The locations for these films have featured in the UK’s ‘Visit Britain’ marketing campaign since the 1990s (Connell 2012).

In Australia, the films *Crocodile Dundee* (1986), *Crocodile Dundee II* (1988) *Mad Max* (1979), *Babe* (1995), and *The Man from Snowy River* (1982) have widened Australia’s recognition at the world level as a tourist destination. The same is true in South Korea where *Daejanggeum* (2003), a popular TV series, draws large numbers of Asian tourists, particularly Thai, Chinese, Taiwanese, and Japanese to visit its Theme Park (Kim 2012). Kim et al. (2009) indicate the role of the film *Winter Sonata* (2002) in the stimulation of Korean regional tourism (see also Shim [2007] for the rise of Korean Wave in Asia).

An outstanding recent example is New Zealand, where the country’s natural landscapes have formed the backdrop for many Hollywood blockbusters such as the *Lord of the Rings* trilogy (2001-2003), *The Last Samurai* (2003) *Whale Rider* (2002), *The Piano* (1993), and *Perfect Strangers* (1995) (see Connell 2012; Leotta 2011; Roesch 2009). Tourism associated with the *Lord of the Rings* trilogy presents a very fine example of how the New Zealand government has strategically incorporated film into tourism marketing strategies (Morgan et al. 2002, 2003; Piggott et al. 2004; O’Connor et al. 2008). These strategies were carefully planned to include pre-release visits of travel-journalists to locations in New Zealand (O’Connor et al. 2008; Croy 2010), a public media campaign upon the release of *Lord of the Rings*, and a website linking the film to its associated locations (Croy 2010). The result has been a cost-effective marketing tool to create the first form of ‘global branding’ for destinations in New Zealand (Piggott et al. 2004). All of these cases demonstrate the potential of ‘film-induced tourism’ to give a destination competitive advantage through the generation of marketing strategies and ‘destination branding’.
The value chain approach

The value chain, developed in the 1980’s by Porter, is one of the well-known competitive strategy approaches in the study of business (see Porter 1985, 1990). It emphasizes the proper coordination of activities within and outside of a firm or organization to create value for clients. According to Porter (1990: 40-41), the ultimate value, termed ‘margin’, of the value chain is determined by the number of clients willing to buy the end products. The margin refers to a profit that ensues in the event that total value exceeds the collective cost of performing activities. Therefore, the arrangement of the value chain is a possible source of competitive advantage at the firm level. The value chain (Figure 1) is divided into two types: primary activities and support activities.

- **Primary activities** involve the ongoing production, marketing, and delivery of products or services that deliver value directed to clients.

- **Support activities** encompass the firm’s infrastructure (e.g. finance and management), human resource management, technology development, and procurement.

Both types of activities are closely related because primary activities employ all support activities to generate value. For example, both production and marketing units utilize purchased materials, human resources, technology, finance, and general management. Every activity in a firm that interacts with another affects the productivity and cost of each part as well as the whole. To gain competitive advantage, Porter (1990) suggests that a firm must optimize trade-offs in performing different activities by increasing coordination. For example, the hotel sector needs to optimize the trade-offs between service levels and costs. In order to do this it must, for example, facilitate effective cooperation between the housekeeping unit and the procurement unit to allow on-time delivery of cleaning supplies (to guarantee a clean environment for customers) and at the same time reduce inventory stocks (to reduce costs).
Although this model’s original application was in a different industry, it may be cogently applied to tourism because the latter can be regarded as a chain of activities arranged systematically and strategically to create economic value. Tourism’s nature is both competitive and cooperative. At the destination level, it is competitive, competing with other destinations to entice visitors, but at the same time, it needs cooperation between the relevant agents and stakeholders.

In applying the value chain in film-induced tourism, we assume that the Alexander the Great project is contributing to regional tourism development and hence income generation for locals. Therefore, this study intends to assess to what extent this development process works is working. Firstly, we need to operationalize the theoretical value chain model into a set of practical indicators for the specific context of the case study (Table 2).
**Table 2.** Elements of the value chain model in assessing regional tourism development in this study

<table>
<thead>
<tr>
<th>The Value Chain</th>
<th>Objective of the theoretical content</th>
<th>Practical indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Primary activities</strong></td>
<td>Checking whether the attraction creates experience values for tourists through performing these activities</td>
<td></td>
</tr>
<tr>
<td>1.1 Inbound logistics</td>
<td>Inbound logistics concern efficient incoming material and storage</td>
<td>The extent to which props or items of the exhibitions are delivered efficiently</td>
</tr>
<tr>
<td>1.2 Operations</td>
<td>Operations concern ongoing production</td>
<td>To what extent the exhibition is presented professionally, the maintenance system of physical space, service quality of staff acting as tour guides in the park, narratives and storytelling matters</td>
</tr>
<tr>
<td>1.3 Outbound logistics</td>
<td>Outbound logistics concern warehousing and delivery</td>
<td>The availability and quality of parking lots, a local souvenir shop, good quality food and drink outlets, and other tourism facilities</td>
</tr>
<tr>
<td>1.4 Marketing and sales</td>
<td>Marketing and sales concern sale forces, promotion, advertising</td>
<td>The presence of marketing activities, and marketing research to stimulate repurchase of tourists</td>
</tr>
<tr>
<td>1.5 Customer services</td>
<td>Customer services concern after-sales services of the product</td>
<td>The availability of tourism inquiry services, feedback response or quick response to tourists’ requests</td>
</tr>
<tr>
<td><strong>2. Support activities</strong></td>
<td>Looking into whether these activities support primary activities</td>
<td>The presence of supporting practices to enhance the quality of primary activities for creating tourist experience values</td>
</tr>
<tr>
<td>Section</td>
<td>Description</td>
<td>Source</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>-----------------------------------------------------------------------------</td>
<td>--------------------------------------------------</td>
</tr>
<tr>
<td>2.1 Firm infrastructure</td>
<td>Management, information system, and accounting system to support administration.</td>
<td></td>
</tr>
<tr>
<td>2.2 Human resource management</td>
<td>The presence of human resource planning, recruitment, and selection, human resource development, performance appraisal, job promotion, compensation and benefits.</td>
<td>The presence of market research to help DMO in upgrading tourism quality.</td>
</tr>
<tr>
<td>2.3 Technology development</td>
<td>The presence of market research to help DMO in upgrading tourism quality.</td>
<td></td>
</tr>
<tr>
<td>2.4 Procurement</td>
<td>The extent to which procurement of DMO is systematic and efficient.</td>
<td></td>
</tr>
</tbody>
</table>

**Methodology**

In order to collect data on the present status of the Alexander the Great project we carried out in-depth interviews with the key local authorities, created a focus group, and undertook detailed observations. As Beeton (2000, p. 129) argues, there is no one tailor-made research method for a board-ranged field study of film-induced tourism. We thus applied various research methods together to comprehensively understand the development process of film-induced tourism in Ubon Ratchathani through our case study. The field research was undertaken during September – November 2015 in order to comprehend how the local government manages the transferred resources from the DOT efficiently and effectively. In a certain sense, the research was akin to a one-year performance evaluation of the project’s operation.
In-depth interviews were carried out with key local authorities including 1) the Mayor of Thachang, who was acting as a director of the Alexander the Great project and 2) a head officer of Thachang municipality who acted as manager of the project. These were conducted to gain an understanding of how the local government managed the project in order to achieve sustainable tourism development. The interviews lasted a minimum of two hours, and were recorded and transcribed to enable local authorities to examine their internal validity. The focus group was composed of five staff members, including tour guides and ticketing staff, together with the mayor and the manager, to ensure the accuracy of information and the external validity of the work, through questions related to their views on the way the project has been operated. Observations were also carried out in order to confirm the data gleaned from the interviews. After gaining permission from the mayor, the author shadowed certain staff members on five separate occasions (half a day each time) to see how the operating process in the project was routinely undertaken. These included the welcoming stage, the tour provision stage, and the post-tour provision stage. During this observation, informal conversations with the manager or staff took place on a few occasions. Results from the observation, both formal and informal, were recorded in fieldwork notes. The quantitative margin evaluation is based on the accounts of the theme park and municipality.

The Alexander the Great project

Film-induced tourism is naturally most successful with higher budget, blockbuster film releases. James Bond 007: The Man with the Golden Gun (1974) and Alexander the Great (2004) are good examples of films that meet the DOT’s criteria based on their international box office sales.² The DOT began the development of attractions based on these two films in late 2013. The location for the James Bond attractions were in Phangnga province, located in the southern part of Thailand where parts of the film were shot, whilst the Alexander the Great attraction was located in Ubon Ratchathani province, located in the Northeast region. Both sites were handed over to the local government to manage. The respective attractions were inaugurated with a grand opening ceremony on the same day, 20\textsuperscript{th} November 2014, by the Minister of Tourism and Sport through a live satellite broadcast. At this time the James Bond attraction opened only for special groups like school classes and government officials, and only by appointment, whereas the Alexander the Great project opened universally.
Alexander the Great was one of several Hollywood historical epics made during 2000 – 2004 period, directed by the high-profile Hollywood auteur Oliver Stone and starring Colin Farrell and Angelina Jolie. It is based on the life of the titular historical Macedonian king. It was released in 2004 and earned $167.3 million worldwide at the box office (Cartledge and Greenland 2010, p. 4). The film employs all the formal trappings of an epic, including dramatic location settings, large-scale battle scenes and period costume. One of the film locations was the Pha-Taem National Park, chosen to represent the Beas River in India where Alexander’s troops famously mutinied, refusing to engage in further campaigns after eight years of fighting. Pha-Taem National Park is located Thailand’s eastern-most territory connecting with the Mekong River, forming the border between Thailand and the Laos PDR.

However, because of National Park regulations, the Alexander tourist attraction was not built inside the park, but at a site on Highway 231 next to Moon River in Thachang sub-district, which the DOT considered appropriate and more easily accessible. The attraction, built with a construction budget of 61 million baht (approximately US$1.8m) on 6 rai (about 2.4 acres) of land, features an exhibition of movie sets and props corresponding to those used in the film, historical information on Alexander the Great, a 4D mini-theater, and an exhibition on the history of international film shoots in Thailand (Bangkok Post, March 26, 2015). The Thai actor Bin Bunluerit played the role of King Porus in the film, a historical Hindu monarch who fought against Alexander the Great. For this reason, the park includes a statue of King Porus on an elephant fighting a horse-mounted Alexander.

After the grand opening, the project proved popular with both the public and the media because of its perceived novelty in terms of innovative cultural tourism products. As a brand new tourist attraction in Ubon Ratchathani, with a very modest entrance fee of 20 baht for adults and 10 baht for children, the project drew a large number of visitors. The local government, the Thachang municipality in particular, took the opportunity to promote local agricultural products and handicraft souvenirs in the vicinity of the attraction. This resulted in a positive economic impact for locals. At the same time local people are proud that their district is becoming recognized as a world-class movie location, even though the film was actually shot in Pha-Taem National Park. The results, then, of this regional tourism development initiative seem impressive. Sasisupa Sungvaribud, a film business promotion adviser to the DOT, said;
Apart from sustainable tourism and education, another aim of this project is to spark inspiration in the visitors...the young visitors not only get to learn about one of the greatest men in world history and understand many aspects of filmmaking, but also feel proud to know that Thailand appears in such a world-class production and that Thai people played various roles in its creation. (Mekloy 2015, Bangkok Post, Accessed 26 March, 2015)

The Alexander the Great project is, however, still only in the inception stage of regional tourism development. There is still a long way to go before the project can be deemed a sustainable and competitive regional tourism site. The local government, acting as DMO, are still very much under pressure to harness the attraction in such ways as to generate sustainable income for the local communities.

Study results

The results of applying the value chain to the Alexander the Great project are presented as follows:

Primary activities

Inbound logistics

‘Inbound logistics’ concerns the efficient acquisition of materials or items for exhibition in the park. In this case, there is no regular supply flow because the attraction is based on a permanent exhibition. The items themselves, such as ancient weapons, figures of Greek soldiers, Greek kitchen implements, the throne of Alexander the Great, etc. were all originally purpose-built and delivered by the DOT to the local government.

One example that relates potentially to inefficient inbound logistics in the park, is the way in which the local government responded to dealing with exhibition items that were damaged by Russian tourists during May 2015. Learning of the incident, the local government requested that the DOT deal with the maintenance process, indicating its dependent character. They also discharged the offending tourists without prosecution or asking for acceptance of responsibility in financial terms, and then closed the park for a month in
order to repair the damaged items. During this period, the local government did not formally notify tourists of the reason or duration of the park’s closure. This then resulted in misunderstanding that the attraction was permanently closed, and the number of tourists decreased sharply.

**Operation**

The project depends on professional operation in delivering an impressive and memorable ‘experience’ for tourists. As in, say, Disneyland’s visitors expecting a ‘Disney’ theme, tourists come to the Alexander the Great park expecting an experience with an ancient Greek theme. However, except for the permanent exhibitions, nothing in or around the attraction is in keeping with the Greek theme. Rather, the theme seems to relate more to the local lifestyle of northeast Thailand.

Once inside the entrance gate, local Thai songs and folk music are played loudly throughout the park. Moving on further through the exhibition halls, staff appear in casual dress as opposed to uniforms, have megaphones in their hands and greet tourists with spontaneous, unstructured conversations. In addition, based on our observations, staff were generally inattentive and behaved unprofessionally. To give one example of this, staff were seen ignoring tourists waiting to enter the park, to concentrate instead on playing a game of football amongst themselves. Furthermore, ticketing staff were observed playing with mobile phones rather than attending to visitors. Cleaning staff left brushes and rubbish bins sitting randomly in the main exhibition hall, and a technician was observed engaged in a sloppy and unsightly wiring job which he left hanging from a tree. Such undisciplined staff behavior and maintenance is certainly degrading to the tourist experience.

The tour guides occupy a key role in shaping the visitor’s experience in the park. We observed the tour guides to be poorly trained and unknowledgeable. No narrative script had been prepared for them to follow. Rather than orally presenting Alexander the Great’s story to engage tourist interest and communicate knowledge of ancient Greek culture, tour guides merely led groups from one exhibition to the next, suggesting that they watch the 4D-mini theatre which they were responsible for operating. According to our interview data, none of the operational staff and only some management staff had actually seen Alexander the Great, or had any knowledge of the historical
Alexander. As a result, the tourist experience is severely impoverished. We heard phrases from tourists such as “there is nothing at Alexander the Great Park”, “it is only inanimate props and displays, it’s such a lifeless park” and “there are no activities here, nothing could draw me back to visit the park”. Tourists tended to spend half an hour or so at the park before leaving for other destinations, resulting in the high possibility of spending less time overall in the region.

As for the maintenance systems, whilst there are no ‘Do and Don’t’ signs to indicate appropriate behaviour for visitors, there are ‘Do Not Touch’ signs next to some of the exhibits. However, these signs are in Thai language only, and we suggest this may have contributed to why Russian tourists caused damage to exhibition items. In addition, all staff have low skills in English, which makes it difficult for them to communicate with foreign tourists.

**Outbound logistics**

Outbound logistics are investigated here in terms of the quality and quantity of tourism facilities (e.g. parking spaces, local souvenir shops, and food and drink services) in the park. The findings confirm that the facilities at the park need improvement. To begin with the parking area, the local government had no solid plan for its location and maintenance. Tourists were unsure exactly where to park their cars because there were no signposts indicating the parking area. Many chose to park as close as possible to the exhibition halls, leading to disorganized and chaotically parked vehicles.

The souvenir shop in the park had been designed and constructed with an ancient Greek theme, but was closed due to lack of business. Only one shop selling refreshments was still in operation, although its hours of business were irregular. There were no alternatives for visitors requiring food or drink.

In the beginning the local government encouraged locals to sell their products in the shops at the park without any associated charge. Upon realizing the costs to bear against income derived from a very low entrance fee, the local government started to look for other sources of income generation. One of the solutions suggested was to negotiate a ‘pitch fee’ with the sellers. The negotiation process started at the end of January 2015 and the result was that the sellers have been required to pay 10 – 30 baht daily, depending on the size
of their stalls or shops, and to share the electricity cost previously borne by the local government. This has caused dissatisfaction amongst the sellers because they have low negotiation power and at the same time their benefits diminish because of the fluctuation of tourist flows. When the park was closed in May 2015 for maintenance reasons, all of them readily made the decision to leave the park. In regard to this situation, a management staff member commented;

“…they (villagers) always claim that they are part of this land (the park) but they are not. They only think to make profit for themselves, without thinking to share any expense with the government…”

We observe that part of the reason why local sellers choose to earn their living at other places is the lack of local participation in the development process itself, and associated low levels of cooperation among stakeholders in the region.

**Marketing and sales**

We also examined the project’s own marketing activities and efforts to stimulate the repurchase of tourists. Traditional marketing activities had been undertaken, such as public relations through online media (e.g. the Facebook pages of Thatching municipality and of the Alexander the Great project itself) and non-online media (television, radio, *Up Upon* magazine, and a billboard). The latter media channels were only used when offered and were not approached in a proactive manner. These marketing activities are implemented half-heartedly because, based on the interview data, the local government focuses on students in Ubon Ratchathani and provinces nearby as the main target market. These efforts can be perceived as not only weak and passive, but also short-term strategic thinking that will bring about low competitive advantage in long-term competition with other destinations. Furthermore, marketing research to stimulate repeat attendance by students and other types of tourists, and to develop the image of the park, has not yet been considered.
Customer services

There are a small number of customer services in the form of an advance ticket-ordering service available only for tour groups, which rather limits itself from marketing channel development. Although a customer enquiry service is available, it is unsystematic, with most of its responses likely to be ad hoc rather than well planned and organized. The same applies to the site’s ‘quick response’ system for tourists’ requests, which covers first aid etc.

Supporting activities

Firm infrastructure

The findings show that the project’s management, and its information and accounting systems are of limited dynamic and based on a bureaucratic administrative style. For example, the level of rank in the local government defines the level of authority both in the organization itself and in the park. Having the public administrative style as a guiding principle, the management staff, delegated from the local government, operate and manage the park in a ‘preventive’ or negative way, taking into account the government rules and regulations. This bureaucratic restriction prevents the park from being innovative through entrepreneurial business management.

The park’s accounting system consists of a simple income and expenditure account that forms the basis for monitoring performance. A profit and loss statement will be produced only if specifically requested by the mayor. Most of the time, management staff ‘feel’ the park’s performance through financial liquidity; if there is cash in hand, it is perceived to be profit (revenue exceeds expenditure). This current accounting system fails to identify the direct and indirect costs of the park as well as accrued revenue and accrued expense. As a result, the management team has no financial statements with which it can make future projections. A professional, dedicated accounting system is crucially needed for long-term planning. In addition to accounting, the executive decision-making processes, information systems and general management are all simplistic and based on the short term. A respondent from management level said; “...the day-to-day here is so difficult, because we have no experience with managing a theme park...”
Human resource management

At the park’s opening, there were 15 members of staff employed who had originally worked for the local government, but later some of them were asked to work at the municipality. Presently (February 2016), there is a total of eight staff, including five tour guides, one technician, one ticketing staff, and one manager. Since all are employed by the local government, they get a salary based on the government sector standard. Working in the park is a special task to which they are assigned, requiring them to work daily from 9.00 to 17.00 on both weekdays and weekends. This is more than a regular employee of the municipality. The extra work should generate extra income as well, but because of the yearly budget rigidity, they receive no extra money from the local government. When extra work is not equal to extra pay, the staff have low motivation to work and this is why their work is second-rate (as is eminently observable from the operations section of the results). Other than these staff, the local government temporarily hires two security guards and one housekeeper who are local villagers working in the park as well. These villagers are paid daily, based on the minimum wage rate (300 baht a day). We conclude that the local government has ad hoc human resource management rather than strategic focused HRM, because there is no process of manpower planning, recruitment and selection, training, performance appraisal, nor benefits.

Technology development

Basic technological devices such as telephone and internet are used in operating the park, but there is no program of technology development, or intention to undertake any such program.

Procurement

Procurement here means the extent to which suppliers to the project deliver goods and services rapidly, efficiently and in a cost-effective manner. The local government purchases office supplies, fertilizers, etc. from contracted local shops that have been established suppliers to the local government for a many years. The procurement is thus based on connections rather than cost effectiveness.
Margin evaluation

According to Porter (1990, p. 40-41), the competitive advantage of a park depends on the extent to which primary activities coordinate with supporting activities to create tourist values and thus the park margins. However, based on the findings in this research, both primary and supporting activities are performed inefficiently, with an improvised and limited management strategy. As a consequence, the performance of the park this far shows a decreased income but with increasing costs (Figure 2). It should also be borne in mind that the expenses in the first 4 to 5 months were virtually nil because the local government received the initial operating budget from the DOT.

Figure 2. Income/expenditure profile of the Alexander the Great project. Source: Adapted from the local government account.

Discussion, conclusion, and recommendations

By using Porter’s value chain model (1985) as a strategic tool to assess the competitive advantage of the Alexander the Great project in Ubon Ratchathani, it was found that the overall competitive advantage of the park is low. The tourist product being offered; the experience of the park itself; is poorly designed and operated, resulting in decreasing visitor numbers and revenues. This affects the sustainability of not only the park itself but also broader regional tourism development.
The value chain identifies value in the Alexander the Great project through the linkage of both primary activities and support activities. Primary activities are directly involved in adding ‘experience value’ for tourists during their visit, and supporting activities enhance the quality of primary activities. Both primary and support activities need efficient integration to strengthen each other in helping reduce costs and increase profit (Porter 1985). However, neither of these types of activity are being performed well in the Alexander the Great park because staff are constrained by a bureaucratic administrative style which leads them to be passive and unproductive. Tourists come to visit the park, which is marketed solely through the Alexander the Great connection, because they want to see, feel, and emotionally experience ancient Greek culture as it appears in the film, and the excitement associated with film stars and big budget Hollywood movie production. As detailed above, tourist experiences are falling far short of expectations, and this has naturally resulted in dwindling visitor numbers.

To summarize categorically, our application of the value chain approach to evaluate the project’s performance has found that the project is in its present condition unable to provide competitive economic advantage for the entity itself, or meet the goal of wider regional development, because sustainability of the region’s tourism is based, at least in part, on the sustainability of the Alexander the Great project. We also conclude that the project could have succeeded or at least performed better given some or all of the following: better initial design, creation of a viable strategic plan, effective operational planning and efficient delivery.

Finally, based on this study, we make some suggestions aimed at the improvement of the Alexander the Great project;

1. We recommend changing the administrative system from its present bureaucratic style to a more entrepreneurial style. This is because the management style shapes both primary activities and support activities in creating the tourist ‘experience value’ in the park. Under an entrepreneurial style, operators may better realize what tourists want to buy and experience, and also run the project competitively and in a more cost-effective fashion.

2. Secondly, we recommend changing the image and model of the Alexander the Great park from a low cost model to a unique (or differentiated)
model, in order to increase competitive advantage. According to Porter (1980, p. 39), competitive advantage derives from three possible factors: differentiation, cost leadership, and focus. Differentiation can be achieved by creating something unique. Cost leadership can be undertaken by minimizing costs based on mass production, and strict control of the costs of business functions. Focus can be achieved via either cost leadership, or product differentiation from a particular buyer group or geographical market. In the case of the Alexander the Great project, a differentiation strategy should be implemented because the park is a completely new attraction in which unique value can be created and enhanced. Tourists are willing to pay a premium price only if the park offers them a better experience than other destinations, as in the successful cases of Daejangguem park and Disney World, where higher prices can be justified because tourists appreciate what they perceive to be special and unique experiences. We also recommend that the local government, as DMO, takes a long-term perspective by learning from other successful cases of film-induced tourism development in other countries.

3. Lastly, we recommend the development of local partnership. Since the Alexander the Great park is intended to be used as a strategic means to develop the region, both local people (private sector) and the government (public sector) should work together to achieve the desired positive economic impacts and sustainable regional development. Local people can work selling food and drink, as well as souvenirs (which should be appropriate to the project) by which tourists can remember the destination. When they can generate income directly or indirectly from the park, the local government can levy income tax. It is a win-win strategy that local government should be seeking to develop.

Notes

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1. DMOs are organizations at any level which are responsible for the marketing of an identifiable destination. This therefore excludes separate government departments responsible for planning and policy (Pike 2004, pp. 14).

**References**


