

Entrepreneurship Assessment in the Tourism Industry in Chiang Mai, Thailand

By

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ABSTRACT

Entrepreneurship is a significant variable in the process of sustainable tourism. Provided with all necessary resources in settling businesses, it can not guarantee that entrepreneurs will succeed. The more entrepreneurial characteristics entrepreneurs possess the more successful and sustainable their businesses become. However, a search of previous studies on entrepreneurship in Thailand indicates that little empirical research has ever been conducted in assessing the entrepreneurship of Thai tourism business entrepreneurs. The purpose of this exploratory research is to assess the entrepreneurship of business owners in the tourism industry in Chiang Mai, Thailand. The data was gathered by the use of a new 13-item entrepreneurship assessment questionnaire developed from the literature review. The reliability coefficient values were between 0.79 to 0.91. The validity analysis of the instrument was through the expert group of professional members of Chiang Mai Tourism Business Association. Through the Oneway Anova analysis, there are some interesting significant differences in these 13 items comparing with the business success factors: profits, sales revenues and number of customers among these 6 entrepreneur sample groups. The findings will not only be of value to entrepreneurs, small, medium and micro enterprises in improving their entrepreneurship competences, but also to Chiang Mai's tourism industry in developing their entrepreneurs in the right actual needs. The new concise instrument used in this study has been proved useful and time-saving for further research in entrepreneurship assessment, in particular in tourism and hospitality businesses.

THE IMPORTANCE OF THE STUDY

Chiang Mai is one of the most famous cities for tourism in Thailand. It is known for its friendly and serene people and the cultural events such as the Songkran festival, the traditional Thai New Year. Each year the city hosts about 3 million tourists and one half of whom are international tourists. It is ranked the third after Bangkok and Phuket in terms of visitation number. The tourism industries in Chiang Mai are highly competitive. Aggressive price competition has made Chiang Mai one of the best *values for money* destinations. Fierce competition has led the industry into a low price trap. Despite the competition, efficiency is estimated at 45 percent. This could be due to the short tourism season, approximately 4-5 months a year, and the fact