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**Analysing economic  
contribution of tourism:  
insights from selected  
Southeast Asian countries**

**1. Introduction**

Recently, the tourism industry has received attention across the world because of its contribution in stimulating consumption, promoting trade and international communication (Qian et al., 2018). Nowadays, the business volume of tourism is equals or more than the business volume of automobiles, food products and oil exports as it contributes 9 % of GDP; 1/11 direct, indirect and induced jobs; 6 % of the World's exports i.e. US\$ 1.4 trillion in exports; 30% of the service exports (Robaina-Alves et al., 2016). Hitchcock et al. (2009) submitted that tourism has wide social, cultural, economic, political and environmental implications. Tourism is considered as one of the fastest growing and industries (Shahzad et al., 2017), that can facilitate economic recovery and growth if the potentials are properly managed. Additionally, tourism is one of the largest and most dynamic sectors that have significant effects on earnings, employment, foreign exchange and economic growth. It is recognized as a major contributor to economic growth and development in an emerging market (Haller, 2012; Shahzad et al., 2017). Arguably,

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tourism impacts many aspects of society, the same can be said of Southeast Asia tourism industry. The tourism sector in Southeast Asia has developed rapidly in recent years due to the free-market-oriented economy and foreign exchange earnings capability of the sector. Indeed, Southeast Asia is becoming a force to reckon in tourism development and destination. The upward trend in tourism arrivals in Southeast Asia shows the increased significance of tourism in the region. International tourists have acknowledged the attractiveness of tourism experiences in Southeast Asia in terms of rich cultural heritage and natural environment. In fact, these countries clearly recognize that tourism can be part of their development strategies, especially from an economic perspective (Barker, 2013). Sustainable tourism development involves different participants who determine and are impacted by development agenda. Scholars have examined tourism in different contexts such as Australia, Taiwan (Kim and Chen, 2006), Spain (Balaguer and Cantavella-Jorda (2002), Italy (Massidda and Etzo 2012), (Oh, 2005) Korea. This study focuses on the contribution of tourism to Gross domestic products, employment, investment and visitor exports in five southeast Asian countries (Indonesia, Malaysia, Singapore, Thailand and Vietnam). These countries were categorized as Southeast Asia most tourist-friendly destinations (World economic forum, 2017). Thus, justifying their selection for this study. Tourism contribution to total GDP represent activities that deal with tourists such as hotels, travel agents airlines, restaurants and leisure industries. Total employment represents jobs created directly and indirectly in the travel and tourism sector. Investment includes capital investment spending directly related to travel and tourism such as new visitors' accommodation, passenger transport equipment, restaurants and leisure facilities for tourism use (WTTC, 2018). Visitor exports refer to spending within the country by international tourists for business and leisure trips excluding spending on education. Specifically, the study assessed and compared the economic contribution of tourism in five Southeast Asian countries. Second, proposed recommendations to managers and policymakers based on the evaluation of the subject.

## 2. Methodology

Secondary data was used in this paper which was collected from world travel and tourism council database for the study. A dataset covering 10 year period from (2008 -2017) for Indonesia, Malaysia, Singapore, Thailand, and Vietnam were analysed. Data for tourism contribution to the Gross domestic product, employment investment and visitor exports were collected from World travel