

# Potential location for new resort investment in Thailand

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## 1. Introduction

Tourism is an economic contributor to Thailand (with more than 20% of Thailand's GDP), Travel restriction due to COVID-19 pandemic will for sure causes tremendous shrink in Thailand's GDP. But this situation will not stay forever. When the pandemic is over, lots of travelers will begin their journey to Thailand again. Therefore, this is a good opportunity to find an optimal location to start new resort in Thailand.

There are lots of traveling province in Thailand. Start from mountainous area in Northern part like Chaing mai, Chiang rai down to the Southern part where tons of beautiful tropical beach lay there (such as Koh samui : Surat Thani, Krabi, Phuket). So in beginning part of our project we'll try to figure out which province will be focused based on their traveling income per number of hotel rooms.

For focused province, we will try to detect locations that are not already crowded with resorts. We are also particularly interested in areas with filled with community and facilities. We would also prefer location as close to city center as possible, assuming that first two conditions are met.

We will use our data science powers to generate a few most promising neighborhoods based on this criteria. Advantages of each area will then be clearly expressed so that best possible final location can be chosen by stakeholders.

## 2. Data

Based on definition of our problem, factors that will influence our decision are:

- Traveling income per number of hotel rooms of each province
- Number of existing hotels in the neighborhood

- Number of and distance to resorts in the neighborhood, if any
- Distance of neighborhood from city center

We decided to use regularly spaced grid of locations, centered around city center, to define our neighborhoods.

Following data sources will be needed to extract/generate the required information:

- Travelling income and number of hotel rooms by province from **National Statistical Office of Thailand**
- Centers of candidate areas will be generated algorithmically and approximate addresses of centers of those areas will be obtained using **ARCGIS geocoding API**
- Number of hotels and their type and location in every neighborhood will be obtained using **Foursquare API**
- Coordinate of focused province city center will be obtained using **ARCGIS reverse geocoding API**

## 2.1. Data cleansing and features selection

Data downloaded from NSI were in form of excel spreadsheet which were merged together and they were in format that was not ready to be use so we decide to clean some section before proceed on further process.

ภาค	จังหวัด	รายการ	รายการย่อย	ประเภทผู้เยี่ยมชม	2552	2553	2554	2555	2556	2557	2558	2559	2560	2561		
ทั่วราชอาณาจักร	ทั่วราชอาณาจักร	จำนวนผู้เยี่ยมชม	รวม		124,869,207	156,437,103	174,118,377	198,987,506	217,112,440	227,654,055	249,074,211	265,387,106	289,823,283	303,019,212		
			ชาวไทย	97,998,957	122,522,114	133,177,728	150,509,362	161,724,688	170,248,107	185,110,333	198,787,598	217,996,565	227,774,133			
			ชาวต่างประเทศ	26,870,250	33,914,989	40,940,649	48,478,144	55,387,752	57,405,948	63,963,878	66,599,508	71,826,718	75,245,079			
			จำนวนนักท่องเที่ยว	รวม	77,235,686	96,933,869	111,574,991	128,115,561	141,849,857	147,408,632	159,191,352	168,971,647	184,094,768	192,474,950		
				ชาวไทย	54,698,887	68,463,373	75,698,416	86,413,453	94,130,688	98,902,213	106,841,284	114,552,814	125,471,265	130,867,897		
				ชาวต่างประเทศ	22,536,799	28,470,496	35,876,575	41,702,108	47,719,169	48,506,419	52,350,068	54,418,833	58,623,503	61,607,053		
			จำนวนนักท่องเที่ยว	รวม	47,633,521	59,503,234	62,543,386	70,871,945	75,262,583	80,245,423	89,882,859	96,415,459	105,728,515	110,544,262		
				ชาวไทย	43,300,070	54,058,741	57,479,312	64,095,909	67,594,000	71,345,894	78,269,049	84,234,784	92,525,300	96,906,236		
				ชาวต่างประเทศ	4,333,451	5,444,493	5,064,074	6,776,036	7,668,583	8,899,529	11,613,810	12,180,675	13,203,215	13,638,026		
			ระยะเวลาพักโดยเฉลี่ย (วัน)	รวม												
				ชาวไทย	3.17	3.11	3.23	3.26	3.20	3.13	3.10	3.15	3.11	3.07		
				ชาวต่างประเทศ	2.35	2.59	2.73	2.70	2.70	2.64	2.61	2.57	2.52	2.50		
		ค่าใช้จ่ายโดยเฉลี่ย (บาท/คน/วัน)	ค่าใช้จ่ายโดยเฉลี่ย (บาท/คน/วัน)	ผู้เยี่ยมชม	รวม		2,451.12	2,504.27	2,625.16	2,765.89	2,897.58	2,964.31	3,183.23	3,431.38	3,646.75	3,843.70
					ชาวไทย	1,540.63	1,740.38	1,831.53	1,960.25	2,053.52	2,116.62	2,248.72	2,329.96	2,421.30	2,526.30	
					ชาวต่างประเทศ	3,752.10	3,864.73	3,944.18	4,055.84	4,211.68	4,311.18	4,658.31	5,103.23	5,510.06	5,853.84	
				นักท่องเที่ยว	รวม	2,726.68	2,778.37	2,887.21	3,043.61	3,185.55	3,267.86	3,523.78	3,805.50	4,056.44	4,283.55	
					ชาวไทย	1,723.53	1,944.01	2,042.03	2,195.24	2,301.81	2,377.53	2,534.77	2,631.46	2,740.91	2,865.60	
					ชาวต่างประเทศ	3,839.25	3,966.80	4,022.06	4,152.20	4,314.32	4,428.25	4,808.71	5,262.22	5,683.80	6,038.82	
				นักท่องเที่ยว	รวม	1,035.43	1,114.94	1,116.66	1,131.29	1,163.67	1,218.78	1,313.46	1,368.45	1,431.14	1,490.32	
					ชาวไทย	997.08	1,072.91	1,075.80	1,093.99	1,119.97	1,161.76	1,229.58	1,276.23	1,329.04	1,380.76	
ชาวต่างประเทศ	1,418.62				1,532.21	1,580.45	1,484.02	1,548.85	1,675.96	1,878.65	2,006.19	2,146.59	2,268.72			
รายได้การท่องเที่ยว (ล้านบาท)	ผู้เยี่ยมชม				716,105.14	904,376.07	1,109,348.05	1,349,793.32	1,531,092.43	1,605,701.38	1,857,010.98	2,155,188.96	2,470,724.03	2,698,310.23		
	ชาวไทย			264,780.93	402,574.39	483,224.53	588,865.44	660,714.67	703,663.62	803,073.31	882,204.76	989,613.29	1,071,342.10			
	ชาวต่างประเทศ			451,324.21	501,801.68	626,123.52	760,927.88	870,377.76	902,037.76	1,053,937.67	1,272,984.20	1,481,110.74	1,626,968.13			
สถานประกอบการที่พัฒนา	สถานประกอบการที่พัฒนา			จำนวนห้อง	รวม	366,471	454,686	530,623	528,128	540,088	550,627	650,643	682,824	743,107	746,400	
					อัตราการเข้าพัก	36.77	39.52	43.84	48.69	56.30	58.06	65.12	66.99	70.58	71.16	
					จำนวนผู้เข้าพัก	53,385,230	67,103,929	86,240,602	101,171,395	117,351,337	123,021,835	136,006,051	145,179,569	159,479,565	166,706,140	
				จำนวนผู้เข้าพัก	ชาวไทย	33,388,571	41,555,467	52,108,757	62,423,288	71,691,922	76,427,598	85,508,120	92,715,544	102,918,219	107,483,918	
					ชาวต่างประเทศ	19,996,659	25,548,462	34,131,845	38,748,107	45,659,415	46,594,237	50,497,931	52,464,025	56,561,346	59,222,222	
					รวม	30,037,911	38,222,903	43,763,002	47,185,031	50,568,902	50,972,772	56,515,597	59,196,331	63,575,737	65,534,281	
กรุงเทพมหานคร	กรุงเทพมหานคร	จำนวนผู้เยี่ยมชม	รวม	19,951,430	26,861,095	28,867,346	30,269,692	31,988,047	32,830,273	35,645,681	38,507,058	41,121,871	41,682,963			
			ชาวต่างประเทศ	10,086,481	11,361,808	14,895,656	16,915,339	18,580,855	18,142,499	20,869,916	20,689,273	22,453,866	23,851,318			

Figure 1 Data table before processing

First of all, we decide to keep only data from most recent year (2561 or 2018). And select only information we need for analysis

	Province	Overnight_visitor	Nights	Travel_income	Rooms	Income/rooms/year	Province_eng
0	แม่ฮ่องสอน	1017154.0	2.23	5216.28	6156.0	0.847349	Mae Hong Son
1	แพร่	365047.0	1.89	1722.39	1714.0	1.004895	Phrae
2	เลย	1242447.0	2.26	4610.14	5933.0	0.777034	Loei
3	เพชรบูรณ์	2000241.0	2.30	7533.70	6332.0	1.189782	Phetchabun
4	เพชรบุรี	3895640.0	2.29	31574.46	11096.0	2.845571	Phetchaburi
5	เชียงใหม่	8360997.0	2.96	107625.32	36186.0	2.974225	Chiang Mai
6	เชียงราย	3142005.0	2.54	28617.71	17003.0	1.683098	Chiang Rai
7	อ่างทอง	183550.0	1.59	993.54	498.0	1.995060	Ang Thong
8	อุบลราชธานี	1428571.0	2.49	7999.25	4694.0	1.704144	Ubon Ratchathani
9	อุทัยธานี	375449.0	1.98	1397.39	2117.0	0.660080	Uthai Thani

Figure 2 Data table after processing

### 3. Exploratory Data Analysis

#### 3.1. Calculation of income/room/year for potential province selection

With our data we can calculate income per room per year by divide traveling income in 2018 by number of room available in 2018. As a result we'll know which province have potential for our investment in building new resort.

	Province_eng	Province	Overnight_visitor	Nights	Travel_income	Rooms	Income/room/year
75	Bangkok Metropolis	กรุงเทพมหานคร	35810567.0	3.87	1040509.51	152616.0	6.817827
40	Phuket	ภูเก็ต	12834961.0	4.18	449100.73	84707.0	5.301814
76	Krabi	กระบี่	4186576.0	4.41	115176.70	21853.0	5.270521
44	Phangnga	พังงา	1081049.0	5.27	52014.56	12356.0	4.209660
68	Chon Buri	ชลบุรี	14880369.0	3.40	264543.05	66532.0	3.976178
...	...	...	...	...	...	...	...

Figure 3 Data table sorted by income/room/year

For visualization, we decide to plot choropleth map centered on Thailand.

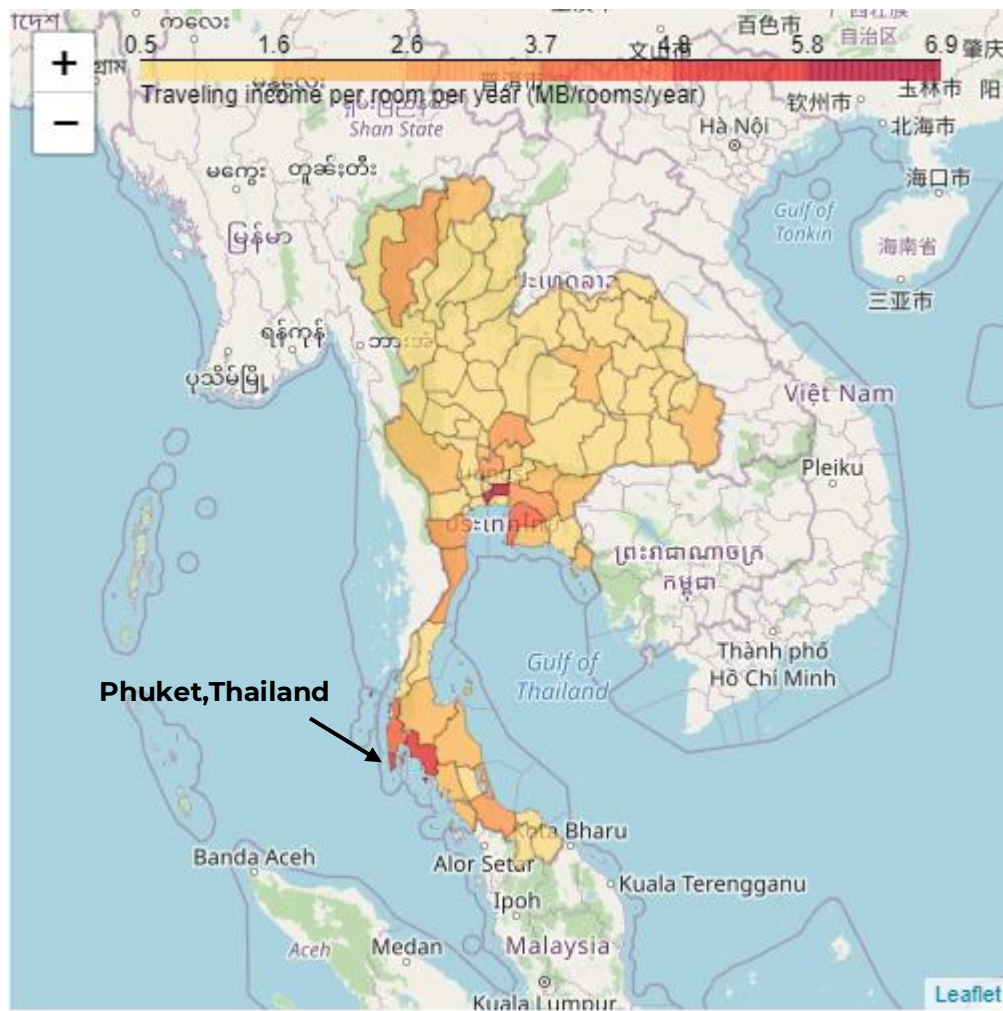


Figure 4 Choropleth map of Thailand

From above map, potential provinces are spread along southern part of Thailand. Apart from Bangkok, the most potential province we'll focus on our further study will be **Phuket**

### 3.2. Explore for neighborhood location

As we look deep into Phuket, we can get neighborhood information (Geographical coordinates) by passing data of borough and neighborhood and send request to ARCGIS geocoder API. As result we'll get Latitude and Longitude of each neighborhood as show in Figure 5.

	Postal Code	Borough	Neighborhood	Latitude	Longitude
0	83000	Mueang Phuket	Mueang Phuket	7.889464	98.385307
1	83000	Mueang Phuket	Tambon Talat Nuea	7.883148	98.390848
2	83000	Mueang Phuket	Tambon Talat Yai	7.884807	98.390801
3	83100	Rawai	Karon	7.816509	98.299824
4	83100	Rawai	Rawai	7.770598	98.318517
5	83100	Rawai	Tambon Rawai	7.781444	98.311044
6	83110	Thalang	Choeng Thale	7.988448	98.313159
7	83110	Thalang	Tambon Mai Khao	8.031753	98.333984
8	83110	Thalang	Tambon Pa Klok	8.065902	98.391303
9	83110	Thalang	Tambon Sa Khu	8.081167	98.296167
10	83110	Thalang	Tambon Si Sunthon	8.007116	98.350904
11	83110	Thalang	Tambon Thep Krasatti	8.022879	98.349048
12	83120	Kathu	Kathu	7.908981	98.333378
13	83120	Kathu	Tambon Kamala	7.945379	98.287437
14	83120	Kathu	Tambon Patong	7.903790	98.311680
15	83130	Chalong	Tambon Chalong	7.832567	98.345170
16	83140	Tambon Sa Khu	Tambon Sa Khu	8.071626	98.296361
17	83150	Patong	Kathu	7.898355	98.304875

Figure 5 Geographical location of neighborhoods in Phuket

### 3.3. Searching for candidate neighborhood

As we know geographical location of each neighborhood we can pass this information to Foursquare API. We look forward to get back information about various venues in each neighborhood so we can further analyze which neighborhoods are good for our investment of new resort.

	Neighborhood	Neighborhood Latitude	Neighborhood Longitude	Venue	Venue Latitude	Venue Longitude	Venue Category
0	Mueang Phuket	7.889464	98.385307	Brown Café	7.889526	98.386904	Coffee Shop
1	Mueang Phuket	7.889464	98.385307	ขนมจีนแม่ต๋ิง	7.888837	98.385238	Thai Restaurant
2	Mueang Phuket	7.889464	98.385307	ราชรส ดิมซ่า	7.891041	98.385968	Dim Sum Restaurant
3	Mueang Phuket	7.889464	98.385307	FACTORY CAFE	7.888467	98.384845	Café
4	Mueang Phuket	7.889464	98.385307	Beautyland	7.888774	98.384239	Cosmetics Shop

Figure 6 Venue list

We put further effort on grouping venue to each neighborhood and find out top 10 most common venues for each neighborhood.

Neighborhood	1st Most Common Venue	2nd Most Common Venue	3rd Most Common Venue	4th Most Common Venue	5th Most Common Venue	6th Most Common Venue	7th Most Common Venue	8th Most Common Venue	9th Most Common Venue	10th Most Common Venue
0 Choeng Thale	Art Museum	Spa	Noodle House	Food & Drink Shop	Bookstore	Dessert Shop	Indonesian Restaurant	Athletics & Sports	Gym / Fitness Center	Greek Restaurant
1 Karon	Hookah Bar	Resort	Market	Spa	Ice Cream Shop	Burger Joint	History Museum	Yoga Studio	Indonesian Restaurant	Massage Studio
2 Kathu	Thai Restaurant	Hookah Bar	Resort	Restaurant	Australian Restaurant	Comfort Food Restaurant	Farm	Zoo	Burger Joint	Diner
3 Mueang Phuket	Thai Restaurant	Cocktail Bar	Art Museum	Burger Joint	Hookah Bar	Food Truck	Cosmetics Shop	Café	Chinese Restaurant	Gym Pool
4 Rawai	Resort	Restaurant	Thai Restaurant	Burger Joint	Steakhouse	Comfort Food Restaurant	Italian Restaurant	Salad Place	Diner	Seafood Restaurant
5 Tambon Chalong	Cocktail Bar	Sandwich Place	BBQ Joint	Indonesian Restaurant	Monument / Landmark	Comfort Food Restaurant	Bed & Breakfast	Art Museum	Steakhouse	Thai Restaurant
6 Tambon Kamala	Comfort Food Restaurant	Thai Restaurant	Gym / Fitness Center	Resort	Spa	Restaurant	Soup Place	Eastern European Restaurant	Convenience Store	Cosmetics Shop
7 Tambon Mai Khao	Art Museum	Yoga Studio	Thai Restaurant	Resort	Paper / Office Supplies Store	Flea Market	Farm	Cosmetics Shop	Dessert Shop	Dim Sum Restaurant
8 Tambon Patong	Hookah Bar	Thai Restaurant	Resort	Comfort Food Restaurant	Indonesian Restaurant	Greek Restaurant	Market	Beach	Farm	Dessert Shop
9 Tambon Rawai	Hookah Bar	Resort	Food Truck	Restaurant	Mediterranean Restaurant	Hotel	Thai Restaurant	Bakery	Park	Sandwich Place

Figure 7 Top 10 venue in each neighborhood

### 3.4. Clustering neighborhood

First of all, to determine optimal cluster number, we run through elbow method and find out that “6” is optimum number of cluster. Then we cluster our neighborhoods in to 6 cluster as follow.

Postal Code	Borough	Neighborhood	Latitude	Longitude	Cluster Labels	1st Most Common Venue	2nd Most Common Venue	3rd Most Common Venue	4th Most Common Venue	5th Most Common Venue	6th Most Common Venue	7th Most Common Venue	8th Most Common Venue	9th Most Common Venue	10th Most Common Venue
0 83000	Mueang Phuket	Mueang Phuket	7.889464	98.385307	0	Thai Restaurant	Cocktail Bar	Art Museum	Burger Joint	Hookah Bar	Food Truck	Cosmetics Shop	Café	Chinese Restaurant	Gym Pool
4 83000	Mueang Phuket	Tambon Talat Nuea	7.883148	98.390848	0	Thai Restaurant	Burger Joint	Cocktail Bar	Bakery	Café	Chinese Restaurant	Hookah Bar	Bed & Breakfast	Noodle House	Bookstore
5 83000	Mueang Phuket	Tambon Talat Yai	7.884807	98.390801	0	Thai Restaurant	Cocktail Bar	Burger Joint	Bakery	Café	Food Truck	Chinese Restaurant	Hookah Bar	Dim Sum Restaurant	Bed & Breakfast
7 83100	Rawai	Karon	7.816509	98.299824	3	Hookah Bar	Resort	Market	Spa	Ice Cream Shop	Burger Joint	History Museum	Yoga Studio	Indonesian Restaurant	Massage Studio
8 83100	Rawai	Rawai	7.770598	98.318517	5	Resort	Restaurant	Thai Restaurant	Burger Joint	Steakhouse	Comfort Food Restaurant	Italian Restaurant	Salad Place	Diner	Seafood Restaurant
10 83100	Rawai	Tambon Rawai	7.781444	98.311044	5	Hookah Bar	Resort	Food Truck	Restaurant	Mediterranean Restaurant	Hotel	Thai Restaurant	Bakery	Park	Sandwich Place
11 83110	Thalang	Choeng Thale	7.988448	98.313159	0	Art Museum	Spa	Noodle House	Food & Drink Shop	Bookstore	Dessert Shop	Indonesian Restaurant	Athletics & Sports	Gym / Fitness Center	Greek Restaurant
13 83110	Thalang	Tambon Mai Khao	8.031753	98.333984	4	Art Museum	Yoga Studio	Thai Restaurant	Resort	Paper / Office Supplies Store	Flea Market	Farm	Cosmetics Shop	Dessert Shop	Dim Sum Restaurant
15 83110	Thalang	Tambon Sa Khu	8.081167	98.296167	1	Resort	Coffee Shop	Comfort Food Restaurant	Eastern European Restaurant	Cosmetics Shop	Dessert Shop	Dim Sum Restaurant	Diner	Farm	Flea Market
16 83110	Thalang	Tambon Si Sunthon	8.007116	98.350904	2	Thai Restaurant	Steakhouse	Bakery	Zoo	Food & Drink Shop	Cosmetics Shop	Dessert Shop	Dim Sum Restaurant	Diner	Eastern European Restaurant

Figure 8 Cluster of neighborhood in Phuket

## 4.Result and Discussion

To help us visualize characteristic of each cluster, we take top 3 venues in each cluster and accumulate their frequency as show in figure 9

Among 6 neighborhood cluster in Phuket, Cluster number 3 is the most suitable for our investment in new resort for following reason

- Moderate amount of restaurants in the area compare to other clusters
- Cluster 3 has market which other clusters don't have.
- Phuket is multicultural province fill with foreign travelers, cluster 3 have high number of bars which provide vibrance to its neighborhood
- Advantage of geographical location, with reference to figure 10, cluster 3 located near Phuket city center and near the most famous tropical beach (Patong beach)

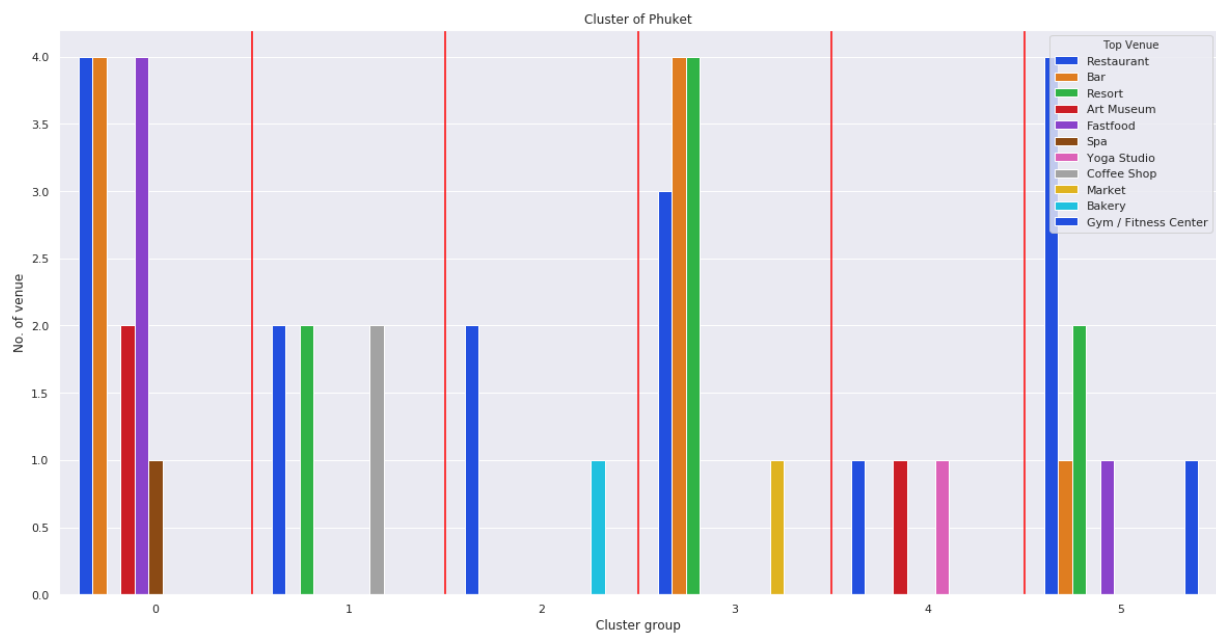


Figure 9 Characteristic of each cluster



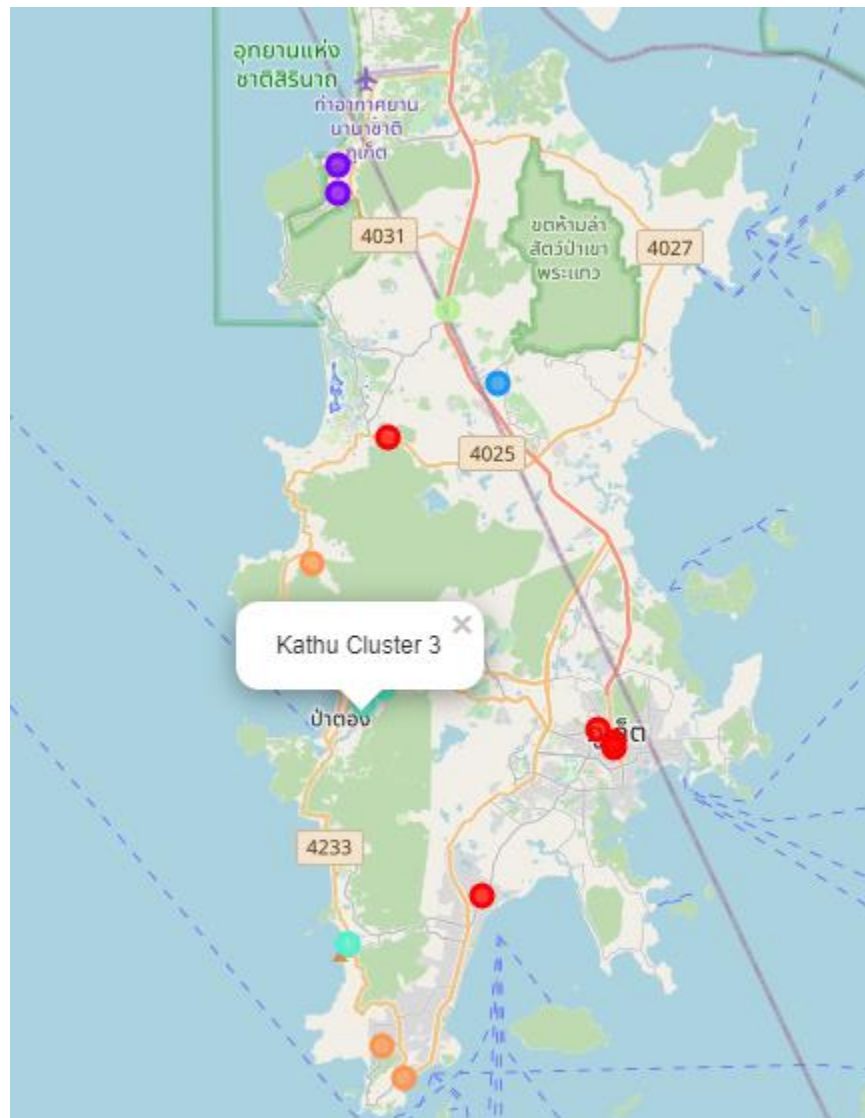


Figure 10 Cluster distribution in Phuket

One major drawback of cluster 3 is it fills with lots of hotels and resorts as show in figure 11, However if we look into heat map of number of resort in cluster 3 (figure 12) we'll found that there is still some room for settlement of new resort in south of Patong beach and north of Patong beach.



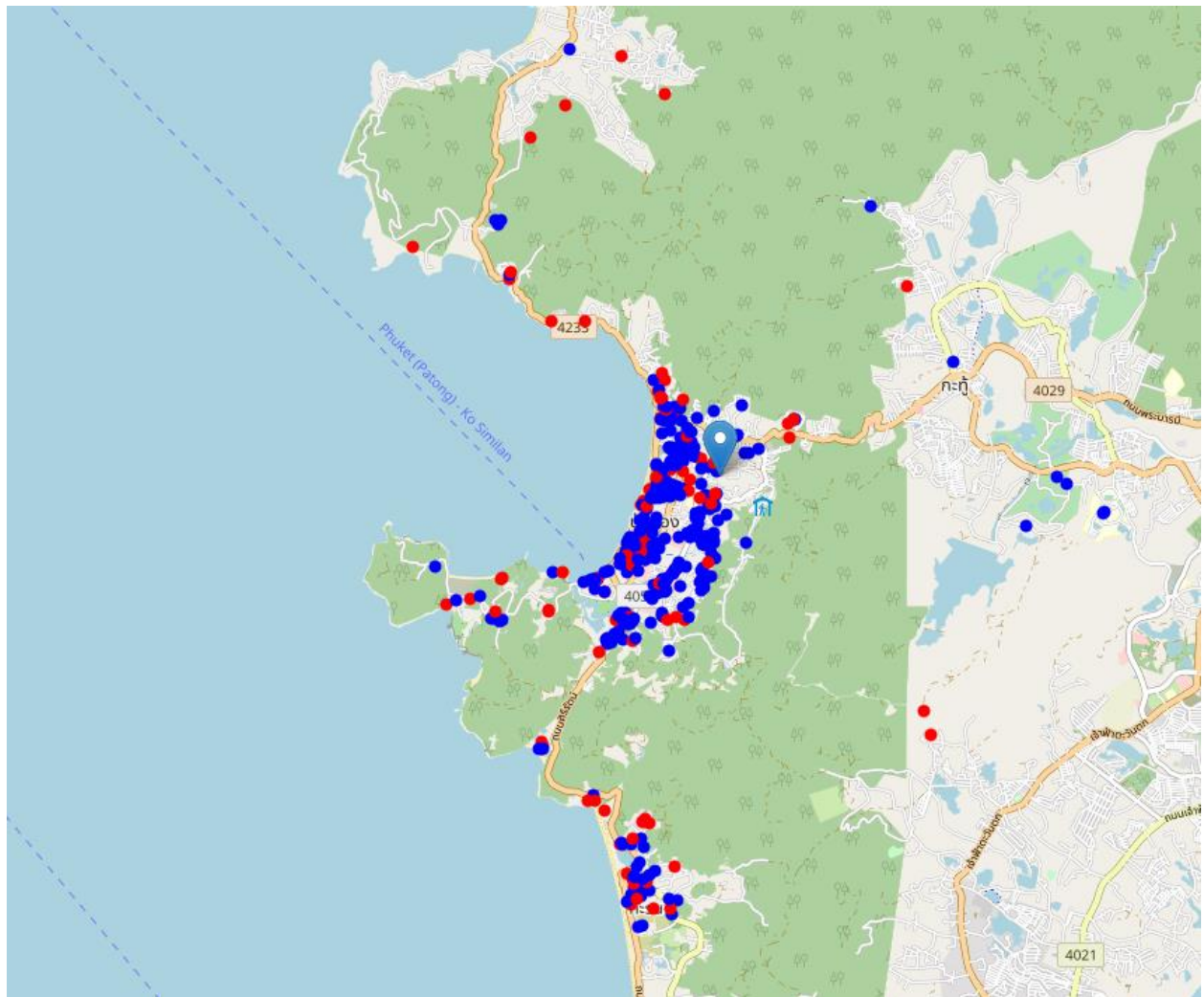
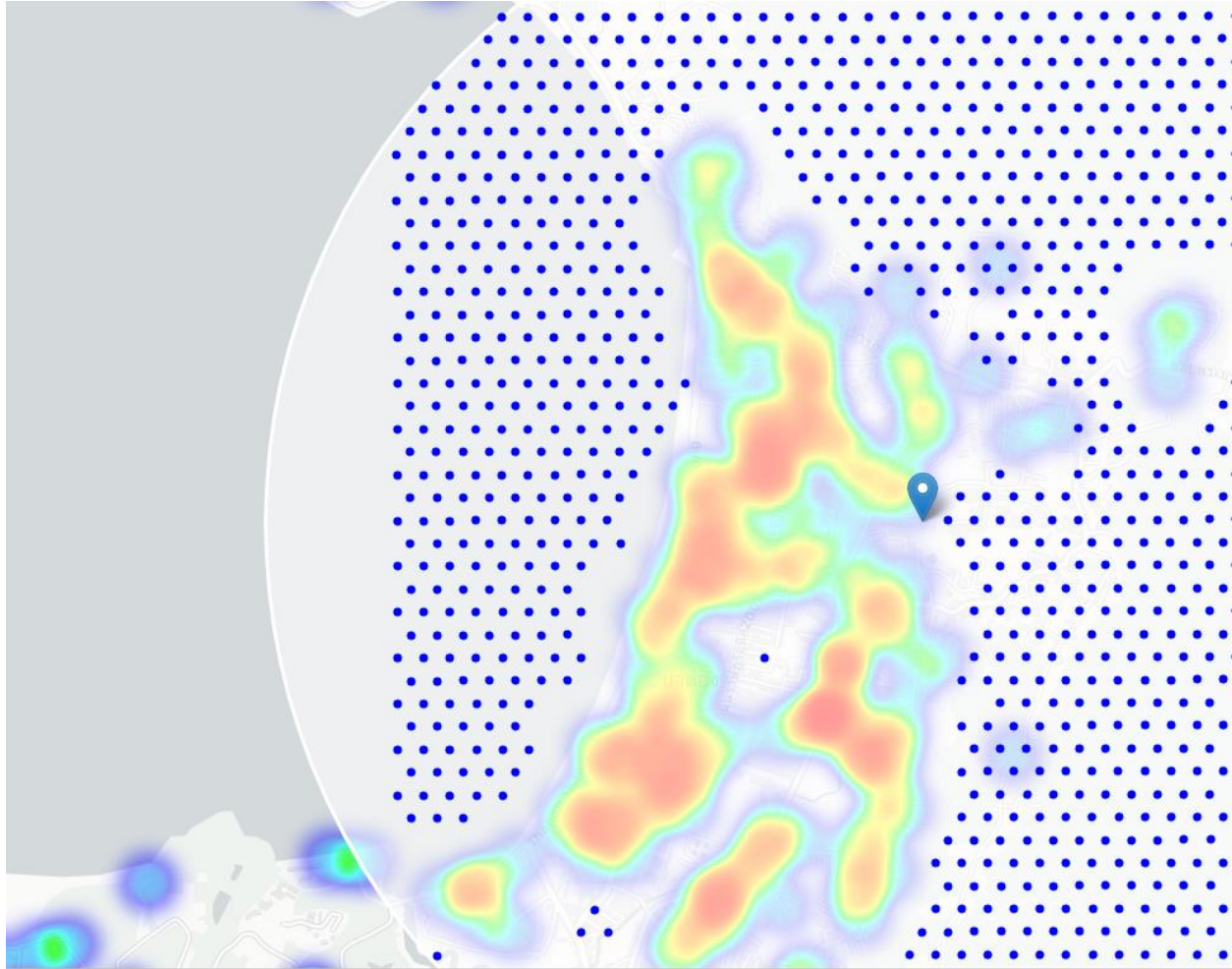


Figure 11 Hotels and Resorts distribution in cluster 3 : blue dots represent 'Hotel' while red dots represent 'Resort'



*Figure 12 Heatmap of resort in cluster 3: blue dot represent potential location for new resort investment*

## 5. Conclusion

Purpose of this project was to identify suitable location in Thailand in order to aid stakeholders in narrowing down the search for optimal location for a new resort. By calculating traveling income per available room (money making potential) of each province and with help from resort and hotel density distribution from Foursquare data we have first identified general boroughs that justify further analysis (Kathu and Patong), and then generated extensive collection of locations which satisfy some basic requirements regarding existing nearby resort. Clustering of those locations was then performed in order to create major zones of interest (containing greatest number of potential locations) and addresses of those zone centers were created to be used as starting points for final exploration by stakeholders.

Final decision on optimal resort location will be made by stakeholders based on specific characteristics of neighborhoods and locations in every recommended zone, taking into consideration additional factors like attractiveness of each location, levels of noise / proximity to major roads, real estate availability, prices, social and economic dynamics of every neighborhood etc.

## 6.Special thank to

- National Statistical Office of Thailand :  
<http://statbbi.nso.go.th/staticreport/page/sector/en/17.aspx>
- ARCGIS API : <https://developers.arcgis.com/python/guide/>
- Foursquare API : <https://developer.foursquare.com/>
- Thailand GeoJSON file creator :  
<https://github.com/apisit/thailand.json/blob/master/thailandWithName.json>
- List of postal code and neighborhood of Phuket : <https://postal-codes.cybo.com/thailand/>