Tourism in Vang Vieng

Strategy for

Staying Longer – Spending More

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Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
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<tr>
<td>AYAD</td>
<td>Australian Youth Ambassadors for Development</td>
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<tr>
<td>Lao PDR</td>
<td>Lao Peoples Democratic Republic</td>
</tr>
<tr>
<td>LNTA</td>
<td>Lao National Tourism Administration</td>
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<tr>
<td>STDTP</td>
<td>Sustainable Tourism Development Project</td>
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<tr>
<td>ToR</td>
<td>Terms of Reference</td>
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<tr>
<td>UNODC</td>
<td>United Nations Office on Drugs and Crime</td>
</tr>
<tr>
<td>VIDA</td>
<td>Volunteers for International Development from Australia</td>
</tr>
<tr>
<td>4WD</td>
<td>Four Wheel Drive</td>
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</tbody>
</table>

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1. Background and Introduction

With a 20% average annual growth in international arrivals between 1990 and 2008, and an income of over US$275 million in 2008, Lao PDR's tourism industry is one of two key pillars and drivers of the nation's economy. Building on the considerable success of donor interventions including the 2003-2007 ADB-LNTA Mekong Tourism Development Project – and by doing its best to pursue sustainable and responsible tourism policies and programmes – the Lao PDR is rapidly gaining ground as a successful and internationally renowned destination.

According to the 2004 National Ecotourism Strategy and 2006 Lao National Tourism Strategy, the nation’s tourism industry is based upon cultural assets such as the World Heritage sites of Luang Prabang and Vat Phou, the richest most intact ecosystems on the Indochina peninsular and the traditions and colour of its diverse ethnic groupings. With rapid tourism growth being highly concentrated and centred on a small number of increasingly popular destinations the 2009-2014 ADB-LNTA Sustainable Tourism Development Project (STDP) document notes that the management of tourism growth has become a key issue that challenges development of sustainable tourism and benefit distribution in Lao PDR.

Some of the challenges the Lao PDR faces in its rapidly growing tourism destinations are:

- natural and cultural heritage assets are threatened by inappropriate tourism use;
- quality standards and standards of hygiene, especially among small scale hospitality enterprises are low, making it difficult to attract higher spending tourists;
- public sector management capacities to plan, develop, market and manage the sustainable development of the tourism sector are weak;
- there is a lack of tourist information and support services; and,
- the development of small and medium tourism enterprises is impeded by lack of clear laws and regulations and financial and technical support.

To address these issues, the STDP has been designed to provide a range of planning and support activities to strengthen tourism management systems and processes in nine provinces of the Lao PDR. The project’s main goal is to:

“contribute towards the sustainable socioeconomic development of the Lao PDR focusing especially on poverty reduction.”

Vang Vieng and Vientiane Province are included in two components of the STDP. Firstly, Vang Vieng will benefit from infrastructure works to improve waste-water treatment to reduce pollutants flowing into and contaminating the Nam Xong. Secondly, three key strategic documents are being prepared: a) a town master plan for Vang Vieng and its environs; b) the subject, focus and objective of this report - a Strategy and Action Plan to Increase Tourist Spending and Length of Stay; and, c) a Vang Vieng Thematic Heritage Interpretation Plan\(^1\). To ensure consistency and compatibility between the three

\(^1\) The Terms of Reference for the three assignments is included as Appendix 1
reports – as well as synergy in their implementation – the reports have been prepared concurrently. The content and direction of the Thematic Interpretation Plan has been formulated from key conclusions of this report – and should be read in conjunction with this report.

2. Methodology

This report has been prepared with reference to a series of reports and publications listed in Appendix 1. Primary research and consultation began in Vientiane on 17th June 2009 with interviews and meetings with LNTA staff and the STDP consulting team. A half-day ‘briefing and introductory workshop’ was convened at the LNTA on 18th June, when members of the Hansen Consulting team and Lao government counterparts undertaking the Vang Vieng Town Master Plan met with the LNTA/STDP team for the first time. This was followed by a half-day introductory workshop in Vang Vieng on 19th June – and, between 19th June and 2nd July 2009. Extensive primary research and consultation with local stakeholders from the public and private sectors, representatives from the Vang Vieng community and with tourists themselves took place in Vang Vieng during June-August 2009.

Preliminary results and recommendations were presented to stakeholders at the district level on 2nd July and the centre level in Vientiane on 3rd July. Additional interviews with tour companies and other related agencies were completed in Vientiane between 3rd and 10th July, with one interview conducted in Bangkok with a regional tour operator on 13th July. A full list of agencies and individuals interviewed is provided in Appendix 2.

With reference to tourist interviews, two techniques were employed. Visitor surveys (questionnaires) were administered to a total of 100 international tourists in Vang Vieng by LNTA and District Tourism Office staff on the 27th and 28th June. A further 40 formal semi-structured tourist interviews were carried out by the report’s author, sometimes involving small groups of tourists. A summary of these interviews – in terms of nationalities and purpose of visit – is provided as Appendix 3. Additional analysis of these surveys and interviews is provided later in the report.

3. Tourism in Vang Vieng – Situational Analysis

Vang Vieng is a destination experiencing rapid tourism growth, and as this report makes clear, each of the STDP tourism management issues specified in the list of bullets in Section 1 are wholly relevant and applicable to Vang Vieng.

According to Chanthala (2001) and information provided by the District’s Information and Culture Office, Vang Vieng was first settled around 1353 as a staging post between Luang Prabang and Vientiane. Originally named Mouang Song after the body of the deceased King of Phai Naam was seen floating down the river, the town was re-named Vang Vieng during French colonial rule in the 1890s. Significant expansion of the town and its infrastructure occurred during the 1964-73 Indochina War when the US
developed an Air Force base and runway, the latter of which continues to be a key feature of the town. Vang Vieng's current tourism boom began in the mid 1990s and is attributed to its strategic location on road number 13 approximately half-distance between Vientiane and Luang Prabang – and the town’s high scenic value.

Vang Vieng is situated on the eastern side of the Nam Xong river. Immediately to the east beyond Road 13 lies a series of forested rolling hills – many of which are defined by swidden agriculture. To the west multiple limestone karsts dominate the skyline in dramatic fashion. It is this stunning scene – impressive mountainous, forested karsts, surrounded by rice paddies and traditional stilt houses beyond a tranquil flowing river – that has served as a backdrop and foundation for tourism growth. These captivating natural resources offer multiple opportunities for a diversity of soft and hard adventure and recreational activities. Put another way, and as illustrated in Plates 1-8, it is the destination’s natural rather than its cultural heritage that serves as the basis of its tourism product. At the same time, however, the value of the cultural landscape – with its rice paddies, traditional housing and roaming water buffaloes – should not be overlooked, and should be seen as integral component of the destination.

While the accuracy of Vang Vieng’s tourism data is questionable, there is little doubt tourist arrivals have grown rapidly in recent years. In 1996 Chanthala (2001) reports there were just 1,380 tourists to Vang Vieng. Three years later Chanthala reports arrivals had risen to 3,600. However, just two years later, the District Tourism Office reports there were 26,620 international arrivals and 22,292 domestic visitors. The number of domestic and international arrivals to Vang Vieng between 2001 and 2008 is illustrated in Figure 1. While there is insufficient data to depict arrivals during the initial take off period, these figures suggest tourist arrivals to Vang Vieng have doubled from less than 50,000 to over 100,000 in just seven years. It is interesting to note that the District’s 2002 figure is higher than the LNTA’s figure of 30,480 for the entire Province. In more recent years the LNTA’s figures for tourism to the Province far exceed those of Vang Vieng District – even when the District's domestic and international figures are combined.

In terms of accommodation, the rapid growth in arrivals has been matched by rapid growth in the supply of mainly guest houses. In 1996 Chanthala reports there was one hotel and twelve guest-houses in Vang Vieng. For 2009 the District Tourism Office reports there are 6 resorts, 2 hotels and 82 guest houses – a further 11 guest houses and 1 hotel are currently under construction. In addition the town has 67 restaurants, 17 bars and 2 entertainment / karaoke clubs – with a further 11 restaurants under construction.

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2 while Vang Vieng is situated approximately half-way between Luang Prabang and Vientiane, the mountainous landscapes to the north imply drive times to and from Luang Prabang are significantly longer than those to Vientiane

3 Chanthala, 2001. ”Land Use Planning along the Namxong River.”
Plate 1. Looking east across the Nam Xong

Plate 2. Looking south down the Nam Xong

Plate 3. Taller infrastructure beginning to impede town views of Pha Daeng

Plate 4. Looking north-east across the Nam Xong

Plate 5. The Nam Xong in Monsoon

Plate 6. Sunset on Pha Daeng

Plate 7. Looking east across the Nam Xong

Plate 8. Looking north from Tam Chang
3.1 The Tourist Market
Beyond the primary and secondary sources quoted in the Appendices, there is limited data available to analyse the tourist market in terms of nationalities, types or purpose of visit. Based upon an assessment of information collected during the assignment, Table 1 sets out main tourist types and makes basic assumptions associated with these markets – and is followed by summary explanations of these different groups.

Table 1 The Tourist Market

<table>
<thead>
<tr>
<th>Market</th>
<th>Vang Vieng is a…</th>
<th>Average Length of Stay</th>
<th>Average Spend per day</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thai</td>
<td>Transit point</td>
<td>1 night</td>
<td>$30-50</td>
</tr>
<tr>
<td>Wider international:</td>
<td>Destination</td>
<td>3-4 nights</td>
<td>$20</td>
</tr>
<tr>
<td>Budget-tubing</td>
<td>Transit point</td>
<td>2-4 nights (plus)</td>
<td>$20-60</td>
</tr>
<tr>
<td>Backpacker – mid to flash</td>
<td>Transit point</td>
<td>1-3 nights</td>
<td>$40-60</td>
</tr>
<tr>
<td>FIT &amp; Tour Group</td>
<td>Destinations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic</td>
<td>Destinations</td>
<td>1-2 nights</td>
<td>$10-20</td>
</tr>
<tr>
<td>Expatriate</td>
<td>Destinations</td>
<td>1-3 nights</td>
<td>$30-60</td>
</tr>
</tbody>
</table>

According to tour operator, hotel and guest house interviews the Thai market is basically a transit market with tourists stopping in Vang Vieng for one night as part of small and large coach tours en-route from Thailand via Vientiane to Luang Prabang and
return. Groups mostly stop one night either on the way to Luang Prabang, or on their return.

The wider international market can be broken down into three sub-categories.

**Budget-tubing**, which centres upon a fast expanding market of approximately 18-25 year olds who have heard about Vang Vieng from fellow travellers or through websites\(^4\). In general terms these travellers are seeking: a low-budget experience; a short-stay in Laos; social interaction with like-minded travellers; a party atmosphere; staged adventure on the river; and, alcohol and drugs. Many of these tourist types that were interviewed are oblivious to, or uncaring about, the types of social, economic and environmental impact they are associated with. The majority are visiting Laos for the first time and have no interest or intention to visit other parts of the country – hence Vang Vieng is a destination point and reason for their travel to Laos. Significant numbers travel from the ‘party island’ scene in Thailand and are en-route to either Cambodia or Chang Mai. The average spend per day figure in Table 1 is based upon average responses to the formal questionnaire survey and responses to the formal structured interviews.

**Backpacker – mid to flash\(^5\)**, typifies older and / or more experienced independent travellers seeking: more expensive accommodation and restaurants than budget travellers; a broader experience than just tubing, ‘river mayhem’ and partying; and, cross-cultural interaction with Lao people and its ethnic groups. The great majority of these types of tourists are in Laos for 2-3 weeks. They have read or heard about Vang Vieng from guidebooks, websites and fellow travellers – and view Vang Vieng as a transit and stop-over point en-route to Luang Prabang, Xieng Khouang or Vientiane. The majority of tourists in this group will typically stay for 2-4 nights, although some stay considerably longer to enjoy Vang Vieng’s natural resources and charm - or to work in the bars associated with the river and party scene. The average daily spend figure is based upon responses to the formal structured interviews.

**FIT and Tour Group**, describes tourists who have come to Vang Vieng as part of a trip organised through a travel agent. For the purpose of this report, this market embraces: ‘walk-ins’ who have booked tours with a Lao tour operator; small groups that have booked a personalised tour with a Lao or foreign travel agent; and, tourists who have purchased an organised tour from a Lao or foreign travel agent. These groups typically stay in Vang Vieng for a single night while travelling between Luang Prabang, Xieng Khouang and / or Vientiane – or up to three nights if they have pre-purchased activities such as kayaking, trekking or mountain-biking. The average daily spend figure is based upon the formal structured interviews and activity tour prices offered by tour companies.

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\(^4\) Especially You Tube – see for example [http://www.youtube.com/watch?v=aUPaotVeyIA\&feature=related](http://www.youtube.com/watch?v=aUPaotVeyIA&feature=related) and [http://www.youtube.com/watch?v=6KSv8SxKeBM\&feature=related](http://www.youtube.com/watch?v=6KSv8SxKeBM&feature=related) which includes images of near accidents

\(^5\) The expression flash-packer describes backpackers who can spend frugally but may also choose to stay in 3-5 star accommodation when it suits. They are generally experienced travellers who may carry mobile phones, expensive cameras and possibly lap-top computers.
Domestic tourists are an important and rapidly expanding market for Vang Vieng. The category includes: people in transit between the major towns; a substantial weekend market with friends and families getting out of Vientiane for a few days; and, a smaller number of incentive and workshop groups on company / development agency business. For language barrier reasons, very few of this category were interviewed – but observations suggest a good number come to Vang Vieng to enjoy the river-based restaurants and to watch or participate in a variety of river activities. The average daily spend figure is based upon interviews with different stakeholders and assumptions made as regards accommodation fees and local restaurant prices. Where young children are part of family groups it is likely the average spend will fall as accommodation and meals are shared.

Very few Expatriate tourists were interviewed or observed during the field visit. However, interviews with expatriates in Vientiane and Luang Prabang, and accommodation providers in Vang Vieng confirm this sector is a significant market (particularly in terms of its potential spending power) especially during non-monsoon periods. Couples and families regularly visit Vang Vieng to get away from Vientiane for the weekend and to enjoy the scenery, riverside restaurants as well as soft and hard adventure activities. The average daily spend figure is based upon discussions with expatriates and personal experience of spending many weekends in Vang Vieng.

3.2 Tourism Products
As mentioned in Section 3.1, a significant number of tourists to Vang Vieng are drawn at least in part by the opportunity to relax and enjoy the town’s impressive scenery as well as food and drinks in riverside bars and restaurants. Beyond these sedentary ‘products’ a number of activities really define Vang Vieng as a tourist destination. The following sections briefly describe these activities, how they are sold or operated in Vang Vieng and any issues associated with their provision.

Tubing
Tubing has become a hallmark of Vang Vieng and involves floating down the Nam Xong on inflated lorry-tyre inner-tubes. The Vang Vieng local community have organised themselves into a cooperative business association to sell tubing as an activity (see Plates 9-12 for images and terms of renting). Some 1,555 participating households are divided into 10 village units, with each village unit taking its turn on a ten-day rotation to rent inner-tubes to the tourists. After local taxes and operating costs are deducted, tubing reportedly delivers between Kip 50,000 and Kip 200,000 per month to each of the participating households.

While the cooperative system for renting tubes is perceived to be an excellent way of distributing benefits, a number of issues have emerged to undermine the effectiveness and efficiency of the system. These include:

- many tourists have stopped renting tubes, preferring instead to buy rubber rings or make the river journey without an inner tube;
- the arguably high deposit system is breaking down with many tourists reporting tubes are unscrupulously taken from them during the river journey;
- many tourists complain they are fined for taking tubes back after the 6pm deadline; and,
- there is no explanation of the cooperative benefit sharing system to tourists which, if it were in place, might encourage fewer tourists to cheat the system.

River swings and mayhem
Born out of tubing as an activity, and encouraging ‘tubers’ to stop for food and drink and to jump into the river, there are currently 12-13 bars offering a mix of jumping points, swings, zip-wires and recently a concrete slide into the river. These entertainments are arguably the principle attraction for the fast growing Budget-tubing market. Most activities are included free when tourists stop for drinks, alcohol, food and drugs along a 2km stretch of the Nam Xong.

As depicted in Plates 13-18 and many You Tube videos such as those highlighted in footnote 4 on page 9, issues associated with these activities include:

- loud music disturbing nearby residents;
- serious safety issues, which have resulted in deaths, serious and mild injuries\(^6\) - when hitting the water, it is common practice for people jumping and falling from swings to miss people floating underneath in tubes by a matter of centimetres;
- obnoxious behaviour, including the writing of obscene slogans on torsos;
- tourists becoming intoxicated on drink and drugs and incapable of looking after themselves in a water-based and potentially dangerous environment (which was experienced first hand during the field mission);
- rubbish and litter problems; and,
- parading around Vang Vieng town in bikinis and swim shorts while drunk and disorderly when the river-bars close.

Kayaking
Some 13 registered companies (with a total of 174 boats) offer kayaking on the Nam Xong and nearby rivers. Trips vary in length from half a day to several days – and for beginners to advanced. While a small number of tourists recounted stories where they had minor safety concerns about the activity, there do not appear to be any especially worrying issues associated with kayaking as no serious accidents or injuries were reported. Some tour operators, however, suggested more should be done to better prepare and train local staff in kayaking skills.

Rafting
Three tour companies have their own rafts and offer trips of varying duration (half to two days) on the Nam Xong. No management issues were reported in relation to this activity.

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\(^6\) According to police records, 4 people have died in tubing and river-mayhem activities in the last three years. An attempt was made to collect records of injuries from the Vang Vieng hospital, but no information was forthcoming. It was reported that many people head straight to Vientiane after serious cuts and other injuries.
Plate 9. Tubing signage

Plate 10. Tubing distribution point

Plate 11. Tubing contract sheet

Plate 12. Tubing on the Nam Xong

Plate 12. Tourists with rubber ring purchases
Plate 13. The body paint trend

Plate 14. Domestic tourist falls from slide

Plate 15. Swings are getting higher....

Plate 16. Lewd & offensive statements are common on men and women

Plate 17. The party scene

Plate 18. Tourists stay on longer to work in the bars - and are recruited as 'bar managers'
Caving
The District Tourism Office reports there are 33 caves in close proximity to Vang Vieng, 20 of which are currently open to tourists and 17 of which have a ticket systems in operation. Each of the open caves is managed by investors or nearby communities who are responsible for site management. In practice just one of the caves, Tham Chang which currently charges Kip15,000 per international tourist, Kip 10,000 per domestic tourist and received some 16,524 international visitors in 2008, has had any significant infrastructure to greatly improve access, lighting and safety. There is no record of entry fees or visitation levels to any of the caves on file at the District Tourism Office.

Several tourists interviewed reported visiting one or more caves. Many enjoyed the experience, but reported some disappointment or frustration at the lack of access, signage or information as to what they might expect from their visit. Most reported concerns related to slippery surfaces, poor lighting and not knowing where or how far to go once in the cave.

Trekking
Only one tourist interviewed during the mission had been on an organised trek. Other tourists had been for short walks on the western-side of the Nam Xong. Some guest-house owners reported they took tourists on day walks or gave them a rough idea where they might go.

In general and following interviews with tour companies, it is concluded that tour companies offer good trekking products for tourists wishing to pay for an organised trek – but there is a lack of information and signage allowing tourists to enjoy self-guided walking tours close to Van Vieng.

Mountain-Biking
A good number of shops around Vang Vieng offer bicycles and mountain-bikes for rent and a small number of tour companies offer organised mountain-bike trips. As with trekking, tour company owners and employees felt more could be done to further establish mountain-biking as a tourist activity – by extending the range of routes offered through organised tours and developing signage and information to allow for self-guided routes.

Motorbike renting
A good number of shops around Vang Vieng offer motorbikes of varying engine size for rent. A popular route is to ride bikes out to Tham Phoukhom – some shops provide renters with a basic map of the town, or sell a “Hobo” map (see www.hobomaps.com/vvmain.htm) of the area, which at 25,000 Kip is deemed prohibitively expensive by many budget tourists. A small number of interviewees noted that tourists who do not know how to drive a motorbike are still able to rent one, and some injure themselves because of this.

Rock-climbing
There are two outlets – Green Discovery and Adam’s Climbing School – offering rock-climbing excursions to some 98 climbing routes on 8 crags around Vang Vieng. Many of these routes have been developed in the last few years by climbing enthusiasts from
Australia and Europe, who have developed strong friendships with Green Discovery and Adam’s Climbing School staff. Interviews and written reports suggest the rock-climbing around Vang Vieng is of a better standard than in Krabi, which is a popular climbing destination and enjoys considerable notoriety in the region. Interviews concluded more could be done to improve access to the crags and routes, train local guides and publicise climbing in the area.

In summary, Table 2 below lists the 9 different activities listed above and assesses each of them according to four criteria, namely:

**Access** – is the activity physically accessible and straight-forward for tourists to get to?

**Information** – is there sufficient information available to inform tourists where and how to engage in the activity?

**Safety** – is the activity safe to enjoy, or do further guidelines, regulatory measures or safety measures need to be considered?

**Guiding** – are local guides suitably trained, sufficiently competent and appropriately employed to develop and promote the activity?

### Table 2: Tourist Products and Areas Where Management Support is Required

<table>
<thead>
<tr>
<th>Activity</th>
<th>Access</th>
<th>Information</th>
<th>Safety</th>
<th>Guiding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tubing</td>
<td>Y</td>
<td>?</td>
<td>?</td>
<td>N/A</td>
</tr>
<tr>
<td>River swings &amp; mayhem</td>
<td>Y</td>
<td>?</td>
<td>?</td>
<td>?</td>
</tr>
<tr>
<td>Kayaking</td>
<td>Y</td>
<td>Y</td>
<td>?</td>
<td>Y</td>
</tr>
<tr>
<td>Rafting</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>Caving</td>
<td>?</td>
<td>?</td>
<td>?</td>
<td>?</td>
</tr>
<tr>
<td>Trekking</td>
<td>?</td>
<td>?</td>
<td>?</td>
<td>?</td>
</tr>
<tr>
<td>Mountain-bike / cycling</td>
<td>?</td>
<td>?</td>
<td>?</td>
<td>?</td>
</tr>
<tr>
<td>Motor-bike (renting)</td>
<td>?</td>
<td>?</td>
<td>?</td>
<td>N/A</td>
</tr>
<tr>
<td>Climbing</td>
<td>?</td>
<td>?</td>
<td>Y</td>
<td>Y</td>
</tr>
</tbody>
</table>

Where the activity and criteria are sufficiently covered the letter “Y” appears in the table. Where further or additional management oversight is required to enable more tourists to enjoy the activity, or to improve the safety, image and overall marketing of the product a “?” is inserted in relevant box. In other words, it is suggested if STDP support were to be targeted towards these management areas, it is reasonable to
assume a greater number of tourists would spend time and money on these products – thereby increasing tourist spending and / or duration of stay. It is important to note that this assessment is subjective – and opinions may vary as to the correctness of the judgement made. Judgements are based upon observations and careful consideration of detailed discussions with tour operators, tourists and other interviewees listed in Appendix 3. These judgements were confirmed and supported at the district and centre-level workshops on 2nd & 3rd July.

4. Staying Longer – Spending More

4.1 Objectives
The fundamental objective of this report is to recommend options and strategies to encourage tourists to stay longer in Vang Vieng and to spend more money during their stay. This objective is viewed as beneficial for a number of reasons, including those outlined below.

a) Growth in the Thai/transit market is lowering the average length of stay whereas this market segment might be encouraged to expand, stay longer and spend more.

b) Vang Vieng has emerged and been developed as a low-budget backpacker destination and there are arguments (linked to different market segments) to suggest a significant component of the overall market is likely to spend more if greater product differentiation, quality and pricing were present.

c) A quick read through the Vang Vieng section in the Lonely Planet guidebook and conversations with tourists and others interviewees confirm that Vang Vieng is associated with young backpackers that have an appetite for tubing, partying, the Friends TV series, alcohol and drugs. There is a very real danger that continued expansion of this market will discourage other market segments from visiting Vang Vieng or, where they do stay, to keep their length of stay to a minimum. As confirmed in the accompanying Thematic Interpretation Plan, this is regrettable as Vang Vieng’s stunning scenery and overall potential as a destination confirms the destination also appeals to a much broader and often higher spending market.

d) Although the fast-growing budget-tubing market is a low-spend segment, more could be done to encourage individual tourists within this market to spend more.

e) There is some evidence in the tourism literature to suggest the low-budget backpacker market is relatively fickle and associated with changing trends that could lead to Vang Vieng being seen as out of fashion and no longer a hip and trendy destination to visit7. Other evidence, from markets and destinations such as the full-

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7 One concern that might trigger a downturn in arrivals is an accidental river death (possibly drug related) of a young backpacker that attracts focused attention from a concerned parent, who tries to find out exactly what happened to their son or daughter. Such a parent could attract a media storm that might readily highlight: the mayhem of activities along the river; past deaths and accidents; a lack of sufficient action by authorities to make the experience safer; and, also expose drink and drug-related stories to profile Vang Vieng in a very bad light. Such a scenario could trigger a significant downturn in arrivals and remove Vang Vieng from its status as ‘must visit’ destination on the South-East Asia backpacker circuit.
moon party in Hat Rin Koh Pha-nag, Thailand counter this position and confirm that by focusing on this market segment growth and development can be achieved over several decades. The social and environmental cost of this development does however need to be carefully considered by national and especially local stakeholders – and informed choices need to be made. The point being that to avoid negative consequences associated with a significant decline in this market, it would be wise for Vang Vieng to position itself as a destination of considerable appeal to other market segments.

In addition to the above concerns, it must be noted that the longer tourists stay in Vang Vieng, the greater the overall tourist spend in area and the greater the income and revenue received by the households and communities of the area. The question must be asked, however, if the overall goal should be to encourage all tourists to stay longer and spend more. Even if low-budget travellers could be encouraged to spend more, for example, is this really a market that should be encouraged to stay longer? While it makes sense to encourage all tourists to spend more, presumably the priority should be to encourage higher rather than lower spending tourists to stay longer. This is especially true when considering the projected growth in tourist arrivals.

Figure 2 illustrates the projected growth in domestic, international and overall tourist arrivals to Vang Vieng to 2020. Based upon growth rates in these sectors between 2001 and 2008, an average annual growth rate of 10.2% for the domestic market and 10.4% for the international market was used to elaborate growth trends\(^8\). These annual

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\(^8\) Average annual growth was calculated by removing the single highest and lowest average growth figures, which illustrated unusual or extreme annual trends, adding the six remaining annual growth figures and dividing the total by six.
growth figures are slightly lower than those used in the ADB’s STDP project formulation documentation. Based upon these growth rates a three-fold increase in the domestic and international markets is projected. This represents a huge increase and, should the trend prove to be accurate over the next 2-4 years, has substantial implications for Vang Vieng as a town and tourist destination. Depending upon the type of accommodation the town would like to promote this level of growth might suggest, for example, that there needs to be a three-fold increase in the number of guest-houses and restaurants over the next ten years, which has significant implications that have been taken on board in the Vang Vieng Town Master Plan. Faced with the prospect of such substantial growth, the question should be asked if there really is a need to encourage tourists to stay longer, as this will result in a need for greater levels of associated infrastructure including guest-houses, hotels, resorts, restaurants, tour operators, supermarkets, and internet shops etc...

Projecting tourist growth trends is a difficult and often inaccurate business. The trends in Figure 2, for example, do not take into consideration any downturn or fallout that is likely to result from the current global economic crisis. In the first three months of 2009, for example, LNTA figures suggest European arrivals to Laos are 7% lower than the same period last year. Neither do the projections in Figure 2 consider the possible impact of Vang Vieng losing its appeal and popular position on the South-East Asia back-packer circuit – or any downturn or levelling off in arrivals that might be associated with overcrowding or the destination reaching its physical or physiological carrying capacity for developing and promoting tubing, kayaking or cheap restaurants.

Considering these issues and possible scenarios the following strategy is recommended to encourage tourists to stay longer and spend more.

4.2 Strategy
As hinted in sections 3.2 and 4.1 above, it is suggested the most logical starting points to increase length of stay and tourist spend in Vang Vieng are to focus upon: a) product development; and, b) differentiation between market segments to develop products and services targeted towards higher-spending tourists. In tandem with the accompanying “Thematic Interpretation” report, the “Staying Longer – Spending More” strategy aims to:

- Brand and build the profile of Vang Vieng as an adventure tourism destination;
- Improve the quality and standard of tourism products and activities to: a) attract a greater diversity of tourists; and, b) encourage greater numbers of existing tourists to engage in a wider variety of activities (and therefore stay longer);
- Address safety and image issues related to the “river swings and mayhem” product and activities with a view to reducing the exceptionally high growth of this activity which many informed observers argue is “out of control”;
- Develop and promote products and services, especially restaurants, to appeal to a wider market range of tourists, specifically higher-spending tourists; and,
Encourage domestic and expatriate markets to increase the frequency of their visits Vang Vieng.

To achieve these aims the sections below set out recommendations according to key areas of tourist spending, namely: accommodation; restaurants; handicrafts; and, activities (products).

4.2.1 Accommodation
As noted, Vang Vieng offers a range of accommodation targeted towards different markets which in 2009 includes 6 resorts, 2 hotels and 82 guest houses – a further 11 guest houses and 1 hotel are currently under construction. The price range of different rooms varies from around US$3 for an non-air-conditioned double or twin room in a guest-house in the middle of the town, to US$75 for an air-conditioned, riverside family room with spectacular views of the limestone karsts. The diversity of rooms is considerable and set to diversify further as accommodation entrepreneurs and businesses refine their products towards key market segments. It is suggested that this is a process well underway that requires limited assistance from the STDP. There are however two areas where STDP support might be applied.

Recommendation
A key area in the accommodation sector where STDP assistance might be targeted is towards staff-training, specifically improved hygiene, hospitality and service provision skills. This training is required to address hygiene and hospitality short-comings across all accommodation sectors – and to improve labour market skills throughout Vang Vieng. It is recommended training is targeted, grouping guest-houses and hotels / resorts according to size and market orientation. Low-end guest-house owners and managers of small hotels, for example, constitute two different target audiences with different training needs. If possible, a training needs assessment should be undertaken by a recognised training provider to determine target audiences, training needs and progression of learning. It is recommended more than one training be undertaken over the life of the STDP as a single training is unlikely to result in any significant change in service provision and standards.

Recommendation
Although only a small number of Vang Vieng’s guest-houses, hotels and resorts were visited during the assignment, there was no evidence that any accommodation providers are engaged in ‘caring for the environment’ programmes. There is no reason why all accommodation providers should not be promoting policies and working practices to improve their environmental performance. Measures could be taken to reduce energy consumption and waste – including:

- where guests stay for more than one night – use bed-sheets and towels for multiple nights to reduce water consumption and use of detergents;
- linking air-conditioners and lighting to room-keys to ensure they are switched off when guests are away from their rooms;
- reducing consumption of plastic-bottled water;
• recycling and reducing waste, especially where sites are discharging waste into the Nam Xong; and,
• where possible, sourcing energy supplies from renewable sources such as solar power.

It is recommended an audit be undertaken of all accommodation providers in Vang Vieng to: assess current practices and problems; highlight areas where straight-forward wins and gains can be easily achieved; and, set out a basic strategy to **start a ‘Caring for Vang Vieng’s Environment’ programme**. It is argued a well-prepared programme will enable participating providers to charge a higher fee for their services – so increasing the average daily spend. It is further recommended consideration be given to linking this initiative with efforts to: source more (preferably organic) meat, fish and vegetables from local sources; increase the profile of income distribution system set up by the Tubing Association; promote pro-poor tourism; and, improve the level of responsibility and respect many young tourists have for Vang Vieng (through their dress, for example). This might be achieved by expanding such an initiative or theme to “Caring for Vang Vieng’s Environment and Community”. This particular recommendation is taken up elsewhere in the report and also in the accompanying Thematic Interpretation report.

### 4.2.2 Restaurants
There are a total of 67 restaurants in Vang Vieng with another 11 under construction. The majority of these are targeted towards the low-spend market, provide cheap food and, as illustrated in Plates 19-24, feature the same design, layout, décor, food menus and even TV-video programmes. A second grouping of restaurants is geared specifically towards the domestic market with some offering translated menus for foreign visitors. There are very few restaurants outside these two categories. It is recommended STDP support be geared towards working with the Restaurant Association to: a) improving hospitality, hygiene and culinary skills in general; and, b) provide the knowledge and skills that would allow selected entrepreneurs to develop alternative restaurant styles and themes to provide greater diversity and choice of eating. With some 67 restaurants in total, which must embrace around four to five times as many restaurant staff and employees, careful thought needs to be given as how such training can be delivered to achieve the greatest results. It would be difficult to deliver training to all employees in the sector. Three key recommendations are made.

**Recommendation**
The STDP should work with the Restaurant Association to design and implement an **hospitality, hygiene and culinary skills training programme** geared towards restaurant owners and managers. At the outset a training needs assessment should be undertaken to design a programme, to be implemented in stages, with opportunities for feedback and discussion to ensure each stage is of maximum relevance and impact. Instruction should extend to cover how the training received will be passed over to restaurant staff and employees.
Restaurants decorated by Beer Lao flags with TVs and same table style are common place.

Different bars – same TV shows, menus and inappropriate behaviours.

A refreshing change – ‘Restaurant Luang Prabang Bakery’ offers a change of presentation and decor.

**Recommendation**

The STDP should work with the Restaurant Association to carefully select a small group of entrepreneurs and restaurant owners (perhaps five to ten in total) with a genuine commitment to develop an alternative selection of restaurants. An interview and selection process might be developed to ensure the best candidates with the right mix of aptitude and commitment are selected for training. The STDP should then work with this group to provide business skills training and mentoring in key areas of business operation including menu design and content, restaurant design, furnishing,
character and decoration. A more advanced hospitality, hygiene and culinary skills should also need to be taught. Ideally the mentoring programme should be carried forward on an on-going basis over a 2-3 year period to support each business in the preparation and implementation of a business plan.

Recommendation
Linked to the “Caring for Vang Vieng’s Environment and Community” initiative, undertake a detailed base-line study to assess: a) what vegetables, fruits, grains, meat and fish are sourced from local farmers to map out where gaps and bottlenecks in local supply-chains exist throughout the year; b) what organisations and associations are present that the STDP might work with to strengthen local supply chains that are poor; and, c) set out a proposed action plan to strengthen local supply chains that are pro-poor and increase the percentage of locally sourced, organic food. Ideally the study should also examine the volume and extent to which food-stuffs are organically produced – to determine if it is feasible to promote a campaign along the lines of “all ingredients used in this restaurant are sourced from organic farms within a 15km radius of Vang Vieng”. Critically, as programme interventions in this area may be complex and time-consuming, the study should look for other donor and development agencies that the STDP might partner with to implement any recommendations put forward in the base-line report. It is possible that a lack of potential partners could limit or undermine STDP achievements in this area.

Plate 25. Standard issue – Vang Vieng souvenirs

4.2.3 Souvenirs
Perhaps because of its market emphasis on low-budget tourism, Vang Vieng offers little in the way of tourist-oriented souvenirs and handicrafts. The most obvious example of any sort of souvenir are the “Tubing” t-shirts and vests on sale in many shops in a variety of colours as depicted in Plate 25. A very small number of shops sell handicrafts that have been locally produced including textiles, carvings and some bamboo or rattan woven items. According to the District Industry and Trade Office around 80% of handicrafts are locally produced, with Ban Phonsung being the main village producing a variety of quality textiles with natural dyes. Other villages, mostly Hmong, producing cotton-based items including woven emblems, bags, scarves, placemats and towels include Ban Phoudindeng, Ban Phatau, Ban Phatau, Ban Phonkeo and Ban Nam Mon Nua. Villages producing basket weaving include Ban Houay Ngao, Ban Phonpheng and Ban Phongkham. To increase spending on souvenirs the following recommendations are made.

Recommendation
Due to the high quality of its textiles – as well as its location and close proximity to Vang Vieng – it is recommended Ban Phonsung be promoted as a handicraft village and be incorporated in a local mountain-bike, cycle-ride, trekking or motor-bike circuit. This
will involve locating Ban Phonsung on any associated maps that are produced and installing signage on local paths and roads. A survey of the village and visit by a handicraft consultant should be undertaken to assess opportunities to present the village and its textile trade to tourists. If interest in this new product is high, consideration should be given to **develop a local handicraft circuit embracing other villages** identified above. Ideally each village included in the circuit should produce a different type of handicraft – hence the tour would showcase a variety of products and artisan skills.

**Recommendation**

**Vang Vieng should establish a night-market**, which should be open every night of the week. The physical location of the night-market is identified in the Town Master Plan as running east from the District Governors Office. During market times the street should be closed to traffic, including motorcycles, for the duration of the market. The concept is for the night-market not to focus solely upon local handicrafts, but to also embrace different foods, drinks and local music – so encouraging tourists to linger and become a focus for activity for a number of hours of entertainment.

**Recommendation**

As noted, a key recommendation is to **brand and position Vang Vieng as an adventure tourism destination with stunning scenery**. It is recommended a logo be developed to embrace and symbolise this new brand. Thought should be given as to how this logo – or even a variety of colourful designs depicting Vang Vieng’s key characteristics – could be incorporated onto t-shirts, shirts, blouses and sarongs. It is suggested a range of more inspiring and imaginatively decorated clothing will result in higher sales and higher local profits on these items. With regard to sarongs, it is recommended these items be made available, starting at a relatively cheap price, at the point of distribution for Tubing, in the bars and restaurants along the river and also at the key points where tourists leave the river to return to the town. Where possible reference should also be made – at tourist information points, in brochures, leaflets and guidebooks – to the availability of these sarongs, and that they have been produced to help ensure tourists cover their legs and bodies when returning from the river and walking through the town.

4.2.4 Activities

As illustrated in Table 2 there are many areas where assistance is needed to develop and promote activity-related tourism products. It is recommended this form of support be a pivotal focus for STDP intervention in Vang Vieng. The following paragraphs set out a series of recommendations intended to strengthen and improve the accessibility, information, market image and safety of tourism activities. These recommendations relate to existing and proposed activities. They should be read in conjunction with related recommendations set out in the Thematic Interpretation Report. Inevitably there is some over-lap between the recommendations contained in the two reports as, for example, improving activity-related information extends into thematic interpretation. In most cases interventions are made to encourage greater tourist participation and spending on these activities – as well as to encourage more tourist nights spent in Vang Vieng to enjoy the range of activities on offer. The exception to this relates to the ‘River Swings and Mayhem’ activity where safety and image issues are of greater concern than increasing spending and absolute numbers.
Recommendations – Tubing

- Consider relocating the tubing distribution ‘shops’ to the main access points to the river. It is recommended that all tourists who want access to the ‘River Swings and Mayhem’ activities and tubing be charged for either a) entry onto the river, or b) entry onto the river and hiring a tube. Entry onto the river might be a minimal fee. The expected significant increase in revenue collected by the Tubing Association should be spent upon cleaning riverside areas and improving safety and information.
- The deposit system should be discussed in detail with the Tubing Association to explore options for reducing the theft of inner tubes and making it easier for tourists to return their tubes without being fined.
- Review options for enforcing the ban on using locally purchased rubber rings on the Nam Xong as alternative option to renting inner tubes.
- The cooperative system for sharing the income between Vang Vieng households should be explained to tourists. The best way to do this is via posters, guidebooks and / or a brochure handed to tubing groups (rather than each individual) that also explains safety and first aid issues.

Recommendations – River Swings and Mayhem

- It is critically important that this activity be contained in the current area and not be allowed to expand up river.
- Guidelines and hours for playing loud music should be reviewed and enforced to prevent disturbance to residents and other businesses.
- As noted in the tubing recommendations, it is suggested all tourists entering this river activity area be charged an entry fee – the restaurants and bars engaged in this activity should work with the Tubing Association to develop and enforce an entry fee system and improve safety issues.
- Tourists that become drunk and incapacitated should be escorted from the river to their accommodation or to a point of safety away from the river.
- Guidelines to encourage tourists to behave responsibly and respectfully during and after this activity should be distributed through a number of mediums, including a tourism information office, guidebooks, signage at bars and restaurants, and on captions painted or printed on the inner tubes.

Recommendations – Kayaking & Rafting

Kayaking and rafting are probably two activities requiring little if any support. Discussions with tour companies and interviews with tourists that have participated in these activities suggest the main area where support is needed is in improving safety and guiding skills. Hence it is recommended the STDP consider options and opportunities to improve the skills and competencies of kayaking and rafting guides.

Recommendations – Caving

Given the high number of caves in close proximity to Vang Vieng town, the relatively high-level of tourist interest in visiting them – and the limited access, information, safety and guiding issues raised in Table 2 – caving is a key area where product development support is required. Recommended interventions include the following.
• Survey the caves to rank and prioritise the sites of greatest tourism potential and make detailed recommendations for improving access, safety, information and guiding issues at priority sites. Based on the survey report, produce a work-plan to develop a “cave circuit” embracing caves of high tourist value. The work-plan might include, for example, production of a cave map\(^9\) to illustrate the circuit and provide essential information, actions to improve signage to the cave circuit and support to specific caves to create model sites for others to follow.

• Form a partnership with a caving body or association to assist and advise on a practical work programme to improve accessibility, safety, guiding and information issues.

• Recruit an AYAD (Australian Youth Ambassador for Development) experienced in caving to assist with a practical work programme to improve accessibility, safety, guiding and information issues (see related recommendations below).

• Compiling district level information to record visitor usage of the caves

**Recommendations – Trekking and Self-guided Walking Excursions**

No recommendations are made to improve trekking products offered by tour companies as existing customers appear to be satisfied with these products – and an STDP trekking survey carried out in May 2009 produced no strong recommendations to develop any specific treks. By way of contrast it is recommended that self-guided walking tours to scenic sites close to Vang Vieng be developed and promoted. Options here include walks to:

- vantage points on top of (or close to the top of) Pha Daeng;
- circuits and paths to caves at the base of Pha Daeng including the small hill in the fields to the front of Pha Daeng;
- the vantage point above Ban Phone Ngeun School; and,
- Nam Teun waterfall and vantage point above Ban Pakor (close to main bend in Nam Xong level with the new bus station).

Each of the above routes are already used to some extent, or have been surveyed by local people. The key suggestion is to promote the routes, paths and circuits in a local map circulated free of charge – and to design and install signage around the routes to allow tourists to guide themselves around the routes and pathways. The concept of tourists doing self-guided tours is probably somewhat alien to local people. Some sources suggest local people currently charge tourists for walking across fields, which is likely to discourage this activity. It is emphasised that self-guided walking tours are free of cost and common practice in most countries and are widely appreciated to encourage tourists to stay longer at a destination. Moreover opportunities can usually be found for local entrepreneurs to establish small businesses selling food and drinks at suitable sites close to walking routes. An AYAD could be recruited to assist with the implementation of activities related to this recommendation.

**Recommendations – Mountain-bike and Cycle Routes**

Vang Vieng offers great opportunities to develop mountain-biking and cycle routes from easy to extremely challenging routes. Examples include the route to Poukham Cave and the more extensive circuit beyond Phoukham cave identified in the Hobo Map.

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\(^9\) The Vang Vieng Hobo Map ([www.hobomaps.com/vvmain.htm](http://www.hobomaps.com/vvmain.htm)) illustrates the locations of 28 of the caves.
embracing Ban Naxom, Ban Nadee Ban Phonxang and Ban Namoung. According to local tour companies excellent opportunities also exist in the hills to the east of Vang Vieng town. It is recommended STDP engage with local tour companies and other key stakeholders to develop a series of mountain-bike and cycle routes of varying lengths – suitable for a variety of tourists from low to high fitness levels. As with most other activities, a free map should be developed depicting the various routes and providing a range of detailed information for tourists. Signage should also be developed around the routes to allow for self-guided tours. As noted above, circuits should embrace handicraft villages. Tourism awareness raising activities should be undertaken in villages along the cycle routes to enable local people to gain maximum benefit from visiting tourists and encourage the creation of small business opportunities providing food, drinks and home-stay accommodation. An AYAD could be recruited to assist with practical implementation of activities related to this recommendation.

Recommendations – Motorbike Renting
The same basic recommendations as for mountain-biking and cycling apply to motorbike renting. In brief, circuits should be developed and promoted to encourage tourists to rent motorbikes to enjoy countryside circuits along recommended routes where tourists can enjoy high quality scenery, handicraft villages and stop for food and drinks in local restaurants. Maps, signage and tourism awareness raising activities in local villages are key actions to develop and promote this activity.

Recommendations – Rock-climbing
Given the high quality climbing available there should be a major effort to promote rock-climbing in Vang Vieng.

• Surveys should be undertaken to improve access to sites10.
• Further discussions with Green Discovery and Adam’s Climbing School are needed to a) identify actions and activities required to further develop and promote rock-climbing, and b) gather information and produce a small promotional booklet and map describing local climbing routes and information useful to tourists.
• A video could be produced featuring local climbers and tourists in action on local routes.
• An international climbing competition should be organised by the STDP in 2011 or 2012.
• An AYAD with climbing experience should be recruited to: assist with the implementation of activities to develop and promote rock-climbing in Vang Vieng; network with climbing enthusiasts around the world and encourage them to visit and assist with climbing development and promotion in Vang Vieng; and, help organise and promote the international climbing competition.

Recommendations – Waterfall Excursion
The District Tourism Office noted that Keang Nyui waterfall at Ban Duong, some 5-6km from Vang Vieng, is especially beautiful and comparable with Kwangsi waterfall in Luang Prabang. The site is accessible by road to within 1km of the falls. A planned

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10 This is important not just to gain access to the sites, but also allow smooth and speedy retreat from the sites in case of accidents.
survey of the site during the field visit was cancelled due to bad weather conditions and some ‘security issues’ – although it was not clear what the security issues were. If the waterfall is comparable to Kwangsi – and it is accessible and only 5-6km from the town, the site may well have significant tourism potential. It is recommended a survey of the site and a review of security issues is undertaken without delay. The site survey should evaluate the tourism potential of the area and, if appropriate, set out an action plan to develop and promote tourism at the site. Recommendations for promoting local entrepreneurial activity in terms of food, drinks and handicrafts should be included in the report.

Recommendations – Horse-riding
The owners of the Elephant Crossing Hotel have a number of horses in Vang Vieng and reported an interest to start horse-riding as an activity – but also noted they lacked access to experts who could train staff and horses to commence the activity. It is suggested that the feasibility of horse-riding as a tourist activity during the non-monsoon seasons be evaluated by a suitable expert11 and, if it is determined to be feasible, an AYAD with horsemanship skills be included in an AYAD programme for Vang Vieng.

Recommendations – Adventure Race / Triathlon
In addition to the international rock-climbing competition recommended above, it is also recommended a Vang Vieng international adventure race / triathlon be staged the year after the climbing competition in 2013 or 201412. The race might be a combination of running, kayaking and mountain-biking. Both international events should be widely promoted – with an awards ceremony and short film of the event(s) becoming part of the annual Ecotourism Forum organised by the LNTA. It is envisaged these events would attract significant numbers of Thai tourists, so expanding the appeal of Vang Vieng to the regional market.

Recommendations – Off-Road Driving
A survey of potential off-road-routes for 4WD vehicles should be undertaken in the countryside around Vang Vieng. It is suggested this activity would appeal to the domestic, expatriate and Thai markets. If feasible maps, signage and information brochures should be produced to promote this activity in Vientiane and to Thai-based tour operators.

Recommendations – Ballooning, Hang-gliding and Paragliding / Paraponting
Vang Vieng is arguably a great location for these air-born sports the first two of which can be sold to tourists as adventure activities. An effort should be made to attract investors and enthusiasts keen to test and pioneer these activities in Vang Vieng.

Recommendations – Temple Tours
A number of interesting temples and pilgrimage sites are located short distances from the main road between Vientiane and Vang Vieng. Some of these sites are likely to be of special interest to the domestic and Thai markets. Improved signage to direct tourists to

11 Such an expert could probably be sourced in Vientiane
12 It is recommended the company Asia Pacific Adventure be contacted for further advice and recommendations, and possibly to help organise the event – see www.asiapacificadventure.com
these sites should be installed – with the sites promoted through domestic and Thailand-based tour operators.

**Recommendations – Music or Food Festival**
A “Miss Pi Mai Lao” beauty contest has become a regular feature of the Lao New Year in Vang Vieng. It is recommended a Music or Food Festival also be started as an annual event. It is suggested a Folk Music Festival might be most appropriate – and support should be extended to a local musician with the skills, network and aptitude to set out a basic plan for organising such an event.

**Recommendations – AYAD & VIDA Programme**
A number of recommendations above suggest the placement of an Australian Youth Ambassador\(^\text{13}\) could contribute to the overall design and implementation of activities around a particular theme or product. It is proposed an AYAD would engage in a very hands-on manner in the practical implementation of activities and impart specialist knowledge to local counterparts. They should also use their initiative to network with other individuals, clubs and associations in their specialist field (domestically and abroad) to bring focus to promote Vang Vieng to the widest possible audience and attract other specialist individuals and groups to come to Vang Vieng to engage in a particular initiative. It is recommended a Volunteer for International Development from Australia (VIDA)\(^\text{14}\) be recruited to help coordinate, drive and oversee the placements and their work-programmes. A VIDA is similar to an AYAD, but are generally older and more experienced with more favourable remuneration and working terms and conditions.

The overall concept of this recommendation and approach was discussed in Vientiane with the national managers of the AYAD/VIDA programme, who confirmed a strong interest in the initiative and noted it was a viable approach. It was suggested: the LNTA should serve as the National Partner Organisation; the VIDA position should be initiated first and run for 2-3 years; the VIDA position should play a key role in organising the international climbing and adventure race events; and, AYAD positions should run for 12 months and be extended or continued with a second posting if and where necessary.

5. **Marketing and Promotion**

The recommendations above include a series of marketing and promotion actions and activities. These are expanded upon and summarised in the headings below.

**Vang Vieng Logo & Tag Line**
Consistent with the aims and key recommendations of this report, it is recommended Vang Vieng adopt the tag line “Vang Vieng – Stunning Adventure”. The word ‘stunning’ is fitting to describe the scenery as well as the sensations visitors experience while participating in many of the adventure activities on offer. It is suggested a logo be designed depicting the mountainous scenery and this tag line. The logo should be used on all promotional materials as well as on t-shirts, shirts, sarongs etc... A national


competition might be initiated to design the logo – which might be positioned as a branding and promotional exercise.

**Website**
A Vang Vieng website should be developed embracing all relevant information on accommodation, restaurants, transport, activities, do’s & don’ts (especially dress) and behaving responsibly. Downloadable maps, booklets and information brochures should be included along with short videos and links to other key and related websites.

**District Tourism Office and Information Centre**
Relocate the District Tourism Office/Tourist Information Centre from its new out of town site depicted Plate 26 to a more central and easy access location in the centre of town. The Office should include a tourism information centre equipped with maps, brochures, fliers and other promotional materials to hand out free of charge to tourists, or to be sold for a minimal cost recovery price. Ideally the information centre should: be decorated with posters and promotional displays; include “Do’s & Don’ts” information and key “Responsibility and Respect” messages; a TV-video illustrating attractions in Vang Vieng and elsewhere in Laos; a sales point selling cd’s (see below), tea and coffee and soft-drinks – close to chairs and tables for people to spend time reading materials.

Plate 26. Out of town location of new tourist office

**Bus-Stop Information Board**
A major permanent tourism information board featuring a map of the town, its environs, and the locations of key landmarks, activities and circuits should be designed and installed at the bus stop area as close as possible to where buses stop to drop tourists off. The information board would serve as the first information point welcoming tourists to Vang Vieng and pointing them in the right direction for accommodation, restaurants, activities and scenic vantage points. The board should also include “Do’s & Don’ts” information and key “Responsibility and Respect” messages.

**Vang Vieng Town and Environ Map**
A comprehensive and detailed high-quality map, similar to the “Hobo Map” should be developed and distributed either free of charge, or for a small highly affordable cost recovery price. The map should illustrate key landmarks, accommodation, restaurants, tour operators etc... It should also include the routes of key local walking circuits.

**Activity Maps**
Vang Vieng offers opportunities for a wide variety of activities that need to be clearly located and illustrated on high quality map-brochures. It could be argued that it makes sense to develop an information map-brochure for each activity or, conversely, that this would be too expensive and time intensive to undertake, so one map depicting all activities, routes and circuits should be produced. The two options should be rigorously discussed to approve one choice.

**Vang Vieng Booklet/Guidebook**
A “Vang Vieng – Stunning Adventure” promotional booklet illustrating all key tourism-related information should be designed and produced – and distributed to tour operators, at tourism fairs and through tourism information centres in Laos and beyond.

_Vang Vieng Promotional Video_
A “Vang Vieng – Stunning Adventure” video should be produced and distributed to tour operators and through other key mediums.

_Vang Vieng Stand_
A Vang Vieng promotional stand, with large fold up posters and other promotional materials, should be developed for participation in national and regional tourism fairs and trade shows.

_International Climbing Competition and Triathlon_
As noted above, these events should be organised and would form part of an overall branding, marketing and promotional effort. Videos should be made from both events that should be screened with an awards ceremony and national-level tourism fairs and trade shows.

_Journalist Fam-Tours & Media Articles_
Travel writers and journalists from recognised magazines, websites and newspapers should be invited to Vang Vang to experience a variety of activities and position articles as widely as possible – promoting the destination under the new branding theme. A specific recommendation is to profile Mr Sangthong Nieselt from Adam’s Climbing School – who is from Savannakhet, but moved to Thailand when he was 13 years old to look for work in the tourism sector. He ended up in Krabi where he began working in a climbing shop and, after working in Germany as a climbing guide and instructor, eventually progressed to start his own climbing school in Vang Vieng. Given there are very few Laotian rock-climbers, Mr Sangthong would make for an interesting subject profile in the weekend edition of the Vientiane Times and in-flight magazines, for example.

6. **Summary Recommendations**

To encourage greater tourist spending, increase the duration of stay and frequency of visits from target markets, four key conclusions are made.

- Brand and build the profile of Vang Vieng as an adventure tourism destination.

- Improve the quality and standard of tourism products and activities to: a) attract a greater diversity of tourists; and, b) encourage greater numbers of existing tourists to engage in a wider variety of activities.

- Address safety and image issues related to the “river swings and mayhem” product and activities with a view to reducing the exceptionally high growth of this activity.
Develop and promote products and services, especially restaurants, to appeal to a wider market range of tourists, specifically higher-spending tourists.

It is proposed these measures will change the context and structure of existing visitation patterns, from the profile illustrated in Table 3 to the profile illustrated Table 4.

Table 3 depicts a situation whereby:
- few, if any, Thai tourists engage in any tourism activities profiled in this report;
- budget tourists engage primarily in tubing and river-mayhem;
- backpackers participate in tubing but also, for example, kayaking, caving and climbing;
- tour groups engage in treks or rafting;
- domestic tourists spend time watching and participating in the river-mayhem and perhaps rafting; while,
- expatriate tourists engage in mountain-biking, caving and climbing for example.

The goal is to move to the situation illustrated in Table 4 whereby, for example:
- some Thai tourists engage in mountain-biking or visiting waterfalls while others participate in the international climbing or triathlon events;
- budget tourists, being more aware of the diversity of activities, visit waterfalls or undertake local treks and village walks;
- backpackers stay a day or two longer and visit caves, do a day's climbing, cycle to a handicraft village and have a rest day doing an easy interpreted walk through the proposed conservation area;
- tour groups add visiting a handicraft village to their existing schedule of rafting and / or trekking – or come specifically for the international climbing or triathlon events;
- domestic tourists still come for the tubing and river-mayhem, but growing numbers start to take an interest in climbing, doing self-guided mountain-bike routes or come for the music festival; while,
- expatriate tourists come more regularly to enjoy a variety of self-guided walks, visit waterfalls, do some mountain-biking or climbing or come as spectators for the international adventure triathlon.

### Table 3 Present Markets and Typical Activities
Table 4  Target Market Participation in Improved Activities

7. Conclusions

The first step towards achieving this strategic outcomes of this report is for its recommendations to be approved and adopted by the LNTA-STDP, the District Governor’s Office and the District Tourism Office. Once the strategy is approved, a number of district level agencies and associations will need to work together to agree
and prioritise the recommendations set out in this and the two accompanying reports. Of critical importance in this regard is the formation of a district-level coordination committee to approve and oversee the implementation of all policies, actions and activities. It is understood a Tourism Committee of some form has already been formed, not least to respond and advise on issues and problems that have arisen as a direct result of tourism's negative impacts. Appendix 4 illustrates the representation on the two levels of this committee or working group. It is recommended the agencies, roles, responsibilities represented on this committee be reviewed, in consultation with the LNTA-STDP, and a permanent Tourism Committee be formed and by chaired by the District Governor's Office. It is recommended each of the local tourism associations (Tubing, Hotel, Restaurant, Tour Operator, Kayaking & Rafting, Boat) be represented on the committee – it is critically important to include private sector representation. The LNTA-STDP should act as an advisor to the committee, and its members undergo a series of tourism awareness raising seminars, workshops and study tours.

A wide and comprehensive range of recommendations have been set out in this report to help achieve the overall goal of “Staying Longer – Spending More”. While many of these recommendations have already received preliminary support from a variety of individuals, others may prove to be inappropriate or not feasible. Moreover the recommendations made are not exhaustive and all stakeholders should be encouraged to contribute ideas and suggestions to help achieve the overall goal.

There is little doubt Vang Vieng has a prosperous future as a tourism transit point and destination of considerable repute. The town is blessed with stunning natural scenery and a constant flow of tourist arrivals. This report has tried to make clear, however, that these attributes should not be taken for granted. While the rapid growth in low-budget tourism is bringing increased wealth to some – others are increasingly frustrated with its negative social and environmental impacts and, critically, its associated threat to undermine more lucrative markets. If Vang Vieng is to grow as a happy, healthy and vibrant tourism destination – that meets the needs of a range of tourists of different ages from different markets – it is vital that those responsible for its development understand the range and implications of choices available. This, and the two accompanying reports, seeks to help with this process – and to create a bright, sustainable future for Vang Vieng.
Appendix 1  References and Supporting Literature


Chanthala. 2001. “Land Use Planning Along Namxong River”


MacGillivary, R. & Williams, A. “Interpretation Plan: Mekong Discovery Trail Project, Kratie and Stung Treng Provinces, Northeast Cambodia – South-east Asia”


Nam Ngum River Basin Development Sector Project. 2009. “Nam Xong Sub-River Basin Profile” Dept. of Water Resources, WREA


Appendix 2  Agencies and Individuals Contacted(listed alphabetically by surname)

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Udom, Khongsy. District Governor, Vang Vieng

Warmington, Shane. Group Leader, Gap Adventures. Email shanew@gapleaders.com

Wetzel, Stefan. Consultant, UNODC. Mobile 020 7830771 email: stefan.wetzel@unodc.org
Appendix 3  Formal Structured Tourist Interviews – Summary Findings

A total of 40 tourists were interviewed through this technique. Respondents were selected at random – most were sitting in bars and restaurants at the time of the interview, although a small number were engaged in activities such as visiting caves, tubing and river-mayhem. An effort was made to select a range of respondents in terms of approximate age, choice of quality of accommodation, perceived purpose of visit etc..

Nationalities interviewed

<table>
<thead>
<tr>
<th>Nationality</th>
<th>Number of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>8 people</td>
</tr>
<tr>
<td>Canada</td>
<td>2 people</td>
</tr>
<tr>
<td>Netherlands</td>
<td>5 people</td>
</tr>
<tr>
<td>French</td>
<td>3 people</td>
</tr>
<tr>
<td>German</td>
<td>1 person</td>
</tr>
<tr>
<td>Iceland</td>
<td>1 person</td>
</tr>
<tr>
<td>Israel</td>
<td>3 people</td>
</tr>
<tr>
<td>New Zealand</td>
<td>1 person</td>
</tr>
<tr>
<td>Poland</td>
<td>1 person</td>
</tr>
<tr>
<td>Switzerland</td>
<td>3 people</td>
</tr>
<tr>
<td>UK</td>
<td>11 people</td>
</tr>
<tr>
<td>USA</td>
<td>1 person</td>
</tr>
</tbody>
</table>

Length of stay

<table>
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<th>1 night</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>8+</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>2</td>
<td>10</td>
<td>1</td>
<td>19</td>
<td>2</td>
<td></td>
<td></td>
<td>1</td>
<td>5</td>
</tr>
</tbody>
</table>

A total of 7 tourists had stayed longer than they had planned to spend on arrival. A total of 2 tourists had shortened their length of stay because they were disappointed by what they experienced.
Average daily spend (including accommodation and activities)

<table>
<thead>
<tr>
<th></th>
<th>Up to $20/day</th>
<th>$20-30/day</th>
<th>$30-40/day</th>
<th>$40-50/day</th>
<th>$50 plus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average daily</td>
<td>19</td>
<td>9</td>
<td>5</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>spend (including</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>accommodation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>and activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Activities undertaken

<table>
<thead>
<tr>
<th>Activity</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tubing</td>
<td>18</td>
</tr>
<tr>
<td>River-mayhem</td>
<td>26</td>
</tr>
<tr>
<td>Caving</td>
<td>16</td>
</tr>
<tr>
<td>Kayaking</td>
<td>8</td>
</tr>
<tr>
<td>Motorbike</td>
<td>10</td>
</tr>
<tr>
<td>Mountain-bike/</td>
<td>13</td>
</tr>
<tr>
<td>cycle</td>
<td></td>
</tr>
<tr>
<td>Climbing</td>
<td>1</td>
</tr>
<tr>
<td>Partying</td>
<td>22</td>
</tr>
</tbody>
</table>

Appendix 4 Tourism Committee

As noted in Section 6, page 33, a Tourism Committee (or Committee that deals with tourism-related problems) has been formed to investigate tourism-related complaints and make recommendations for action.

The Committee has two levels. The first level is a higher-level that operates at the District-level to assess issues and situations – and to make recommendations, while the second level functions at the site or community level to investigative matters of concern.

**Level 1**
1. Representative from Lao Revolutionary Party – District level
2. Representative from District Police Office
3. Representative from District Education Office
4. Representative from District Transport and Public Works Office
5. Representative from Administrative Division of District Governor’s Office

**Level 2**
1. Finance Office
2. Land Office
3. Tourism Office
4. Governor’s Office
5. Water Resources and Environment
6. Transport and Public Works Office
7. Information and Culture
8. Urban Authority x 2
9. Forestry Office
10. Village Representative from Governor’s Office (up to five people – or one per village)
11. Head of Village
12. Village security / police
Appendix 5  Drug-related Issues

As mentioned in various sections of the full report, many tourists consume drugs while in Vang Vieng and guidebooks such as Lonely Planet advise tourists on what to expect from the town’s drug scene,

“With so many drugs washing around Vang Vieng it’s no surprise that the local police are particularly adept at sniffing out spliffs, especially late at night, and if you’re caught with a stash of marijuana (or anything else) it can be expensive. The normal practice is for police to take your passport and fine you $500. If you don’t have cash on you, you might be able to negotiate the fine downwards. But ultimately you have broken the law and will have to pay something. Don’t expect a receipt, and don’t bother calling your embassy.”


The following bullets summarise comments and discussions with tourists and a number of the interviewees listed in Appendix 3. Although the drug issue was discussed with the District Governor, and raised voluntarily with no prompting by local people during interviews, it was not discussed with the tourist police.

• Just as many people describe the river-mayhem activities as being “out of control”, many interviewees stated that the sale and consumption of drugs in Vang Vieng – as well as the police involvement in the drug scene – were also “out of control”.

• Plate 27 illustrates a drug menu reported to be commonly available in bars on Saysong Island and along the river.

• In a general interview with the police, data was provided stating that 3 tourists had died of drug or alcohol-related overdoses in the last three years. It was also reported that in 2006 there were 32 reported cases (involving 56 tourists) of tourists being either drunk and disorderly, caught in possession of drugs, naked in public, having sex in public, dealing in sex movies or being involved in illegal work. The number of cases declined to 27 (but involved 71 tourists) in 2007 and rose to 38 cases (involving 71 tourists) in 2008.

• A series of individuals noted that the police make drug-related arrests “every single day”. Stories were recounted of up to ten tourists being arrested for sharing a single joint, with each being requested to pay a $500 fine. Many people noted that the police set-up tourists to stage arrests. UNODC has heard anecdotal reports of police setting up drug arrests in Vientiane and Vang Vieng.

• Expatriates in Vientiane recounted stories of teenage expatriates coming across drugs openly in Vang Vieng – and that this issue is discouraging a series of expatriate families from visiting Vang Vieng.

• A number of interviewees were adamant in their assertions that the police are actively involved in the supply of drugs. The District Governor noted he was aware of these assertions, that police officers have been moved from Vang Vieng because of infringements but that he also felt powerless to address the issue further without greater evidence and support.

• In Vientiane UNODC noted the issue of drugs in Vang Vieng has been raised with the government at a donor coordination meeting by the illicit drug sector working group. UNODC staff note:
they have witnessed tourists “crying in the streets” of Vang Vieng as a result of being disoriented by unwittingly taking drugs, and observed tourists wandering around the streets at midday behaving abnormally under the influence of hard drugs;

- the price of Yabba to be many times higher in Vang Vieng than Vientiane;
- the quality of heroin to be very high compared to Europe, the US and Australia which results in tourists taking high doses and being the cause of deaths or near death experiences;
- that a study of drug-related practices and issues in Vang Vieng is required to gather further information and properly assess the situation – similar studies have been successfully conducted in Thailand, for example. UNODC would be willing to coordinate with ADB, LNTA and the District Governor’s Office to work out how this might be done. In the first instance UNODC recommend raising awareness of drug issues through the placing of signs stating high fines will result were drug consumption or dealing occur. Other options include developing leaflets to distribute to tourists or writing articles for travel magazines and websites.

Plate 27. Example of a Vang Vieng drug menu – other recent examples include Yabba