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4

Philippines bounces back from disasters

Bookings are returning, while recovery plan kicks into action

By Lee Pei Qi

Supported by the Department of Tourism's (DoT) new theme of *Going Upwards, Moving Forward*, Philippine sellers are confident of making a comeback this year following the earthquake and cyclone that hit the heart of the country.

Shelley Arciaga, sales and marketing manager of Waterfront Airport Hotel & Casino, said occupancy rates at their two hotels in Cebu took a beating late last year in the wake of the crises.

In a bid to woo back guests, Arciaga said the hotels have been dangling online promotional discounts of up to 30 per cent.

She said: "We are slowly returning to our usual business and we are happy to see that things are going back to normal."

Likewise, John Dustin T Chan, deputy general manager, The Bellevue Resort Bohol, said his property was less than half full after the disasters, but predicts occupancy to climb to at least 70 per cent by 1Q2014.

His priority is to instill confidence among travellers by inviting media to review the resort over the next three months.

Chan said: "We want to show them that it is not just our resort that is safe, but Bohol is also

ready for them to come back."

Manila-based Annset Holidays president, Serafina S Joven, is optimistic about prospects. She said: "It was disappointing that we lost business during December because that is usually the peak holiday season, but business is coming back now."

Joven, who offers a package combining Manila, Bohol and Cebu, revealed that she has two large groups from Europe that have confirmed their bookings for next month.

She said: "This is a good sign that travellers are confident to come back to our country again."

New business is also coming to the Philippines. Natalia Sdobnova, manager of Russia-based East Air Service, who has never sold the country before, intends to create programmes for her market this year. "The Philippines...is such a friendly country and everyone can speak such good English, so it is very convenient.

"(Russians) like to go to anywhere with nice, clean and beautiful beaches. Despite last year's disasters, I don't think the Philippines is a dangerous place."

The DoT is now embarking on a recovery plan for affected cities. Assistant secretary for

tourism development planning, Rolando Canizal, said: "Together with the concerned governmental agencies, we are assessing the level of assistance and funding needed for each affected area."

These include sites such as the Loboc River Cruise Complex, Tarsier Sanctuary, Chocolate Hills and Danao Adventure Park, as well as infrastructure like ports, roads and bridges.

DoT tourism undersecretary, Daniel G Corpuz, said: "All the tourist attractions in Bohol and Cebu are fully opened and functioning as per normal. It is time for us to show the world that the destination is open for business."

The country is targeting 6.8 million international visitor arrivals this year, up from last year's 4.2 million. In 2012, it welcomed 4.3 million international visitors.

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Myanmar charms incentives

By Xinyi Liang-Pholsena

Myanmar's stature as a destination for incentives is rising, although planners lament that a room shortage and infrastructure constraints are posing a challenge for large groups visiting the country.

"Myanmar is the perfect incentive destination," commented Sabine Widmann, chief sales officer at ICS Travel Group. "MICE operators are waking up to the idea that Myanmar is a destination; the leisure side has woken up a year ago."

James Reed, CEO of Destination Asia, added: "I have never thought of Myanmar as the flavour of the month throughout my career, but we are definitely seeing demand from small incentive groups comprising corporate elites of not more than 100 pax. This is likely to be the trend in the next two years."

The "exotic factor" of Myanmar has also attracted Paul Ho, sales manager of Kuala Lumpur-based Worldspan Travel, to seek out niche products, in particular river cruises for his clients.

Most incentive groups that have visited Myanmar are high-end, with average daily spend upwards of US\$250 per pax, including meals, transfers and stays

in four- or five-star hotels, industry members observed.

However, Angelique Labrune, sales manager of Asie du Sud-Est Voyage, said the leisure influx has also "scared off" incentives in the last two years.

She added: "Our corporate incentive group sizes to Myanmar average around 20-30 pax. Right now, 60 pax is about the upper limit that our corporate incentive group sizes can go. Any bigger numbers can only be done if their stays are shorter, i.e. less than 10 days, or if they travel during the low season."

Pointing to similar challenges, Peace House Travel's director, May Thant Sin, remarked: "The foreign corporate incentive groups we have hosted so far were about 100 pax on average, usually in the destinations of Yangon and Mandalay as these two cities are able to cope with bigger groups unlike Bagan that has a much small room inventory. Otherwise, incentive groups must be willing to split up across a few hotels."

However, industry players that the *Daily* spoke to expressed confidence that MICE demand will pick up once a spate of new hotels opens in 2015, the year Myanmar is hosting ATF.



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Mangrove Forest, Bintan

Oh, what a show!

By Patrick Tan



The Philippine contingent of sellers, led by Department of Tourism's Melissa Ong (standing eighth from left) and Tourism Promotions Board's Tess H Mauricio (standing seventh from left), shows that it's more fun with them



Putrajaya International Convention Centre Malaysia's Norshabrina Binti Samsuri, Panomatics Thailand's Andy Kay, Putrajaya International Convention Centre Malaysia's Tuan Syamsani Tuan Mansor and Panomatics Malaysia's Norman Derick



Resorts World Sentosa Singapore's Ronald Chong and Desmond Tan



The Jayakarta Palembang's Ramlan A Harahap, BTA Ukraine's Vadim Grabarchuk and The Jayakarta Lombok Beach Resort & Spa's Cherry Abdul Hakim



Silka Maytower Hotel & Serviced Residences Malaysia's Michelle Cheang, Dorsett Singapore's Frankie Lam and Dorsett Hospitality International Malaysia's David Teoh



Come and say hello to Accor Indonesia's Sophia Altamirano (front row, second from left) and her team



Park Hotel Clarke Quay Singapore's Dino Lim, Grand Park City Hall Singapore's Elinda Ong, Park Hotel Group Singapore's Mohd K Rafin and Pauline Cheung, Grand Park Orchard Singapore's Joanne Chan and Park Hotel Group Singapore's Michelle Wong



Carlton City Hotel Singapore's Cecilia Wong and Wenddie Teo



Indonesia rolls out a warm welcome, with Ministry of Tourism & Creative Economy Indonesia's Nia Niscaya (front row, third from left) leading the contingent



Tourism Malaysia's Mirza Mohammad Taiyab (centre) and his team are ready to share the destination's myriad charms

Tourism Authority of Thailand's Chureerat Kongtragul (front row, fifth from left) and the Thai contingent are all geared up to talk business



Furama Bukit Bintang Malaysia's Azlan Azwan Tahir, Furama International Singapore's Francis Tan and Furama Riverfront Singapore's Gerard Lim



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Regional links lift Krabi

New flights stir greater interest among hotels to tap shorthaul

By Xinyi Liang-Pholsena

Once second fiddle to Phuket, the recent surge in flight capacity from Bangkok and direct air connectivity from neighbouring countries to Krabi has led to positive expectations among industry players.

Malaysia Airlines (MAS) will start four-times-weekly Kuala Lumpur-Krabi services on February 3, upping the flight frequency to five times weekly from March 30.

"I am very excited about the MAS link because it will offer travellers more options into Krabi apart from flying via Bangkok, as well as help markets like Australia, New Zealand and South Africa transiting via Kuala Lumpur," commented Felix Kaiblinger, group general manager of Cha-Da Hotel Group, which operates Krabi Cha-Daw and Krabi Thai Village Resort.

Nok Air has also just commenced twice-daily flights from Bangkok (Don Mueang) to Krabi on January 1, following Thai

AirAsia's daily Chiang Mai-Krabi service since December 15 and daily services from Bangkok and Singapore starting November 25.

The influx of regional air links will attract more shorthaul travellers to Krabi, which has traditionally been more attractive to the European markets, Kaiblinger shared.

"Krabi receives chartered flights from the European cities of Helsinki and Copenhagen during the high season," he said. "We still see a strong European client base, but we have also seen a huge increase in Asian markets, with growth of around 15-20 per cent."

Arunee Sawekang, director of sales and marketing at Mercure Krabi Deevana, whose top five source markets are Thailand, Singapore, Malaysia, the UK and France respectively, added: "Our shorthaul room nights have increased five per cent from 2012 to 2013. The MAS link offers a chance to push up Malaysia to become our top source market, and I'm expecting a five per cent

growth for the market this year."

The MAS link will offer "an attractive alternative" for high-end clients, according to Rayavedee's director of sales & marketing Claudine Triolo.

"The opening of new direct routes to Krabi and even to Phuket certainly increases (destination) exposure, which may in turn (aid) long-term growth over the next two to five years from regional markets such as Hong Kong, Singapore, Malaysia and India," she added.

Furthermore, the new connections will likely help to smooth out the demand trough during Krabi's off-peak months between May and October, Amari Vogue Krabi's general manager Michael Vogt remarked.

He said: "We are seeing increased demand from Singapore and Malaysia, and we expect them to increase by 20 per cent over 2014."

"We expect to see a growth in low-season arrivals from these markets as this is where we have space to grow (since our rooms are fully booked during the high season)."



Kaiblinger: more entry options

Singapore flashes art appeal

By Lee Pei Qi

Singapore is set to cement its status as an international arts hub with the opening of two visual art institutions by 2015.

The 60,000m² National Art Gallery in the former City Hall and Supreme Court buildings will feature two permanent galleries dedicated to Singapore and South-east Asia art. Pinacothèque de Paris, the largest private art museum in Paris, will also open its first venue outside of Europe in Singapore and make world-class private art collections accessible to the region.

Oliver Chong, STB spokesperson, said: "This is a sign of how we are progressing as a destination. (It) is a natural progression as (Singapore's) visual arts scene has (growth) potential."

Yvonne Low, executive director, The Traveller DMC, said: "Singapore is already positioned as a world-class destination and visual arts is aligned with sophistication, so this offering will appeal more to premium travellers. Travellers are becoming more exposed to the world and have a greater curiosity about different local cultures and the art scene, and are attracted to (visual art) tours."

According to Low, the media

buzz surrounding the two arts institutions has already generated enquiries from some of her clients in markets such as France, Romania and Spain. She believes that longhaul travellers – Europeans in particular – are potential targets for the new attractions.

Agreeing, Jaclyn Yeoh, managing director of Siam Express, said: "These are likely to be a more premium offering for us to look at when they are ready."

Savvas Kazantzidis, president of Farscape Tourist Co in Greece, who handles at least three groups to Singapore every year, is looking forward to the city-state's growing visual arts scene.

"Museums and galleries are always interesting to us because it is part of our culture," he said.

The National Museum of Singapore is currently featured in Farscape Tourist Co's tours, which also include "finer spots" such as Michelin-starred restaurants and the Marina Bay Sands integrated resort.

Nevertheless, STB's Chong pointed out that the promotion of visual arts institutions as part of the destination's offerings "does not mean at any point that Singapore is going only for the rich and famous".



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Myanmar gets new airline

By Xinyi Liang-Pholsena

Barely three years since opening its doors, Myanmar aviation sector has rapidly scaled up with another new carrier, Mann Yadanarpon Airlines, set for take-off in March 2014.

Tin Kyi Min, director of business development, said: "We are a full-service carrier based in Mandalay. The airline will focus on domestic routes for the time being, with services to destinations such as Bagan, Yangon, Naypyidaw and Inle Lake (Heho), as well as Tachileik and Kawthaung near the Thai borders."

She also revealed that the airline will operate a 100 per cent new fleet, with two ATR 72-6000 aircraft arriving at the end of this month and February respectively. Three more ATRs and two Airbus A330 aircraft are scheduled for delivery in 2015.

"We will deploy the three ATRs for domestic routes and the two A330s for international routes," she added.

Mann Yadanarpon Airlines is expected to begin international services next year. Bangkok, Chiang Mai and Phuket are likely to be first before countries in the region like Singapore and Malaysia, according to Tin Kyi Min.

One-way tickets are priced from US\$120.

Sweet summer in M'sia

More FIT, MICE arrivals expected to soar with Lufthansa's new service

By S Puvaneswary

This summer travel season will be especially sweet for Malaysian inbound operators and German outbound players when Lufthansa's new five-weekly Frankfurt-Kuala Lumpur-Jakarta service comes online from March 30.

The service will mean additional capacity for a popular route whose seat allocation is being shared with Bangkok, as Lufthansa's existing air link to Malaysia is operated via the Thai capital. It will also complement Malaysia Airlines' (MAS) five-weekly flights between Kuala Lumpur and Frankfurt.

Manfred Kurz, managing director of Diethelm Travel Malaysia, said he had lost groups during the past peak summer seasons as MAS' flights were sold out. "This new service will help a lot, as guests prefer non-stop flights. The ongoing *Visit Malaysia Year 2014* campaign will add another boost for arrivals to Malaysia this year, especially if Tourism Malaysia markets the campaign year-round."

This year, Kurz said the company would emphasise more on

destinations such as Langkawi and the islands on the east coast of Peninsular Malaysia such as Redang, Perhentian and Tioman.

Diethelm Travel Malaysia has developed new itineraries in these destinations, as well as new corporate social responsibility (CSR) packages that partner World Wide Fund for Nature Malaysia.

"(While) CSR programmes traditionally appealed to only meeting and incentive groups from Europe, we are seeing growing interest from the FIT segment over the last few years," said Kurz, adding that the company will work with established tour operators in Germany to promote volunteer tourism programmes in Sabah and Sarawak.

Ganneesh Ramaa, manager of Luxury Tours Malaysia, said the additional capacity on this route augured well for inbound incentives and large group tour business.

"We had to target FIT and small leisure groups in the past due to a lack of seats. Now we can (court) incentive groups from Germany. The added capacity will also help Malaysia

compete with Indochina, which has better accessibility and capacity from Europe."

This year Luxury Tours Malaysia will promote self-drive and bicycle tours as well as destinations such as Cameron Highlands, Taman Negara National Park, Royal Belum Forest Reserve and the islands off Terengganu to the German market.

Mutiara Taman Negara National Park resort general manager, Nathan Vaithi, said the 103-room resort saw a five per cent year-on-year increase in German arrivals last year and he hoped to see double-digit growth this year on the back of Lufthansa's new direct service and the *Visit Malaysia Year 2014* campaign.

German buyers at ATF 2014 are enthusiastic too. Jenny Rosales, managing director of Hotel Event Service Berlin, said it would be easier to promote incentive travel to Malaysia with the availability of direct flights, as "time is money" for companies.

Martin Schneider, product manager Asia for DER Touristik Frankfurt, said the added capacity and increased flight timings would support the company's initiatives to extend its Malaysia brochure for Winter 2014/ 2015.

Sound bites

"Europeans are as clever as Asians – they are learning to travel during the low season."

Felix Kaiblinger, group general manager of Cha-Da Hotel Group Thailand, on how more longhaul travellers are opting to travel to Asia during the summer months to avail of deals dangled by hotels and airlines

"When we were booking Singapore-Kuching flights, the fare difference between SilkAir and AirAsia was only S\$10 (US\$8), and the S\$10 saved by choosing AirAsia was spent on instant noodles on the flight."

Renee Chew, editor Asia Pacific/research director, Travel Business Analyst, during the ASEAN Tourism Conference on how full-service carriers have also engaged in price wars

Striking up friendships By Patrick Tan



Nexus Resort & Spa Karambunai Malaysia's Edward Lai, Luxetravel Russia's Boris Kolokolov and MicePro Russia's Svetiana Gafurova



Montara Hospitality Group Thailand's Kwanlapha (Mandy) Tongsom, Hayes & Jarvis UK's Matthew Clift



Ark Travel Express Philippines' Maria Paz R Alberto and Bali Raini Hotel's Anton Adijaya



Explore Travel Romania's Dragos Pirnog, Panviman Group of Resorts Thailand's Pimkwan Tangsatjatham and The Vijitt Resort Phuket's Kanokkorn Pruksakit



Visa Travel Incentive & Corporate Poland's Ilona Weber, Varsavolo Poland's Ewa Bujek and Marintur Indonesia's Ismail Ali



11-Infotech System Thailand's Peter C K Tay and Lex Travel Singapore's Min Liu

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The Mount Mulu National Park in Sarawak and the Kinabalu Park in Sabah are two UNESCO World Heritage Sites famous for its wealth of biodiversity. Must visit places are the Mount Kinabalu, one of the highest mountains in Southeast Asia, and the Rainforest World Music Festival, which attracts over 20,000 tourists annually.

Langkawi Island offers the best of many worlds: enchanting beaches, world-class infrastructure, a geopark, duty-free shopping and fascinating legends. Fields play a significant part in Langkawi's landmarks; from the legend of Mahsuri to the Field of Burnt Rice and other legends like Hot Springs, The Seven Wells, the Beach of Black Sand and Lake of the Pregnant Maiden.

Melaka and George Town are UNESCO World Heritage Cities. Explore majestic colonial heritage buildings, nostalgic streetscapes, century-old places of worships, pre-colonial shophouses and clanhouses. Check out the iconic landmarks of A Famosa, the Stadthuys in Melaka, the imposing Fort Cornwallis, the grand Cheong Fatt Tze Mansion and Khoo Kongsi in George Town, Penang.

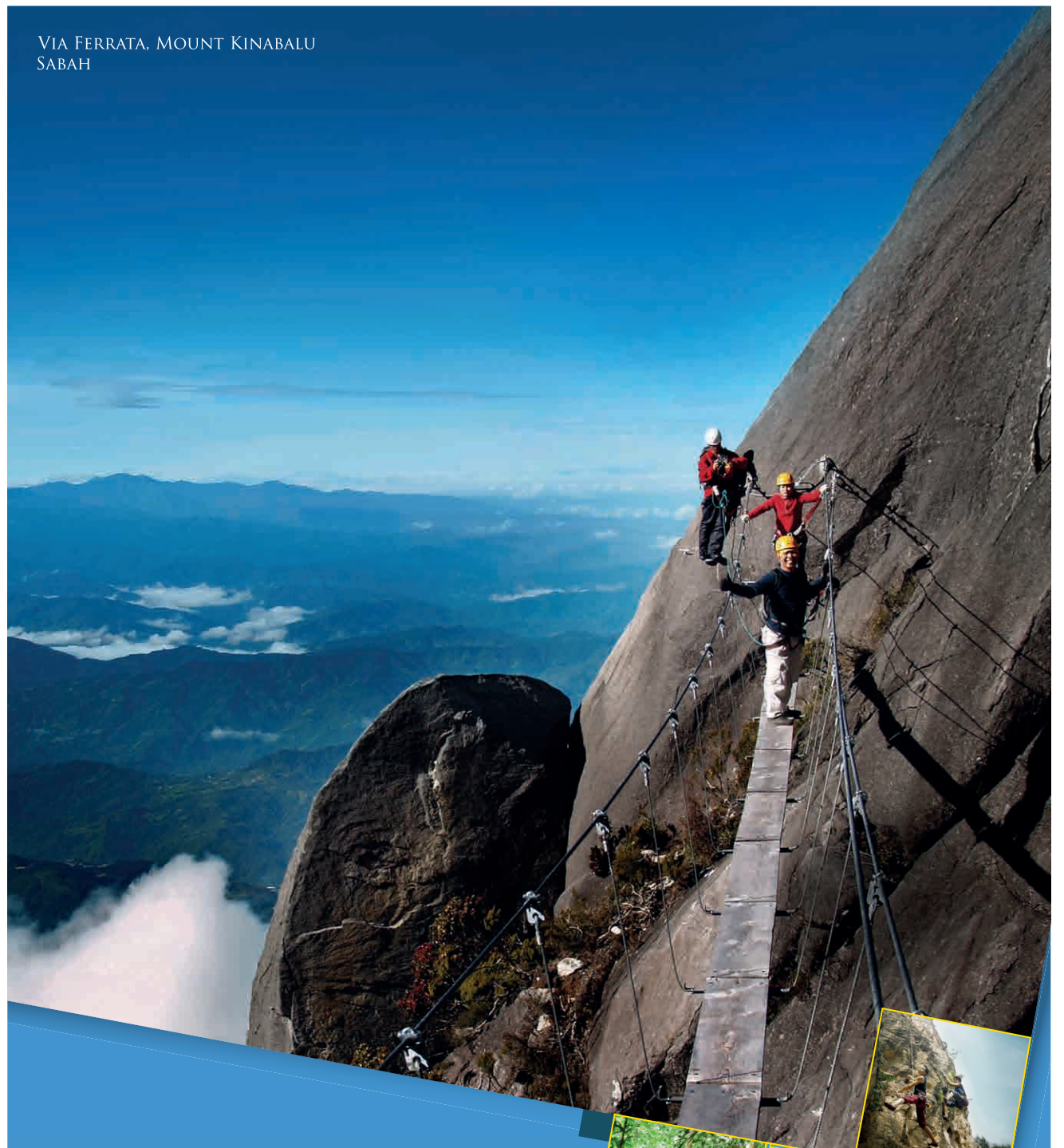
Kuala Lumpur and Johor boast some of the best shopping experiences for tourists. Voted as the world's fourth best shopping city by CNN Travel, Kuala Lumpur offers world-class shopping malls like Pavilion KL, Midvalley Megamall, The Gardens, Suria KLCC, Starhill Gallery and Fahrenheit 88. Johor is another city bustling with great shopping malls. The new Johor Premium Outlets (JPO) houses over 80 premium brand outlets, offering savings of between 25% and 65% daily.

Kelantan is the state where the Malay community still maintains its rich Malay cultures and traditions. It is a veritable treasure trove of unspoilt charms, from rustic fishing villages, lush paddy

fields and palm-fringed beaches to traditional games such as kite-flying, top-spinning, bird singing competition and Malay martial arts known as "silat".

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Asia makes way for



Singapore Cruise Centre

As a flood of passengers begins to descend on the region's shores, there is a greater urgency to address operational challenges. How robust is Asia's cruise ecosystem? **Paige Lee Pei Qi, Mimi Hudoyo, S Puvaneswary and Rosa Ocampo** report

As a destination, Asia is rising in fame among cruise lines. Just in the first three months of this year, the region will welcome 247 cruises, marking a 22 per cent increase, according to the Asia Cruise Association's (ACA) White Paper.

The same study found that some 1.5 million passengers cruised in Asia last year, representing passenger revenue of roughly US\$2 billion. This was a result of 21 international cruise lines operating a total of 43 ships, logging 762 cruises (within Asia) and 58 voyages (starting or ending outside of Asia).

ACA general manager, Kevin Leong, said: "With the projected growth in deployment, berth capacity may soon become constrained and the infrastructure is unlikely to keep pace with industry needs.

Bob Guy, managing director of Destination Asia (Singapore & Malaysia), agreed that the growing cruise business could lead to a bottleneck situation in countries like Singapore, which is one of the region's key hubs for large ships.

"When cruise liners come and put 2,000 passengers at the terminals and out into Singapore, it can be a big problem

logistically if not managed well," he explained.

Recognising this, Singapore Tourism Board's (STB) deputy director, cruise, Annie Chang, said: "It is essential for Singapore to build up ancillary services to be well-equipped for the business expansion that may come in the following years."

She pointed out that each player in the ecosystem – comprising cruise lines, terminal operators, cruise suppliers, travel consultants, attractions, airlines, ground handlers, hoteliers as well as the dining and retail sectors – would have to play a part.

World Express Singapore's managing director, Darren Tan, added: "We do see that the destination is top priority, especially for the longhaul market. The destination is the product as they will explore the country when the ship calls here."

In April 2013, STB launched the Passenger Experience Committee (PEC), a platform for cruise-related stakeholders to address service and experience-related issues across the value chain, from disembarkation at the cruise terminals to land tours in Singapore.

According to Chang, one area that the PEC is currently looking into is increas-

ing transport connectivity near the cruise terminals.

To this end, some improvements have been made at Marina Bay Cruise Centre Singapore (MBCCS) since its opening in 2012. For example, it released a mobile phone app that provides cab drivers with a cruise arrival and departure schedule and a push-notification service to alert them when there are a significant number of passengers who need a taxi.

"We have also changed the location of the cab stand and pick-up bays to improve accessibility for both passengers and cab drivers alike," an MBCCS spokesman added.

Accessibility is also a key concern in other ports across Asia.

Commenting on Thailand, Royal Caribbean Cruises (Asia), Singapore and Southeast Asia, managing director Jennifer Yap, said: "Ports such as Laem Chabang are located too far away from the main city attractions in Bangkok, for instance, and the inadequate road and transport infrastructure at these ports also add to the challenge."

The heavy traffic in some cities such as Manila is also making shore excursions in an already very tight window longer than necessary.

Pearl Brion, travel specialist at Rajah Travel Corp, a preferred sales agent of Star Cruises in the Philippines, said that to beat congestion, authorities are informed even before a ship docks, so that roads can be unclogged.

Meanwhile, in Malaysia's Langkawi port, Panorama Tours Malaysia managing director, Richard Vuilleumier, said: "There is a huge shortage of vehicles, so we have to sub-hire vehicles way in advance as it is not cost effective to drive the vehicles from Kuala Lumpur.

"The solution is for Langkawi to develop its tourism, so it becomes justifiable for tourism players to invest and have their coaches stationed there."

Finding the necessary manpower on the ground is also a problem.

Laura Vlad, regional director Asia, Intercruises Shoreside & Port Services, said: "There is a shortage of guides when multiple or larger ships are in port or during peak season. It is also difficult to source for guides to work on weekends or public holidays."

She added that local guides in Asia often lack the required language proficiency to communicate with foreign guests, especially for those of Spanish, Italian and German descent.

Port quality – a crucial factor

Despite the efforts made to ensure passengers get a great experience in the city, the biggest pain point in many destinations is the port itself.

Criticised for its substandard facilities for international cruise ships, travel consultants said that the Port of Manila's sorry state may be one of the reasons why cruise

820 The number of cruises in Asia last year, including those that start and end outside of Asia, providing the opportunity for 1.5 million passengers to cruise. Passenger revenue is roughly US\$2 billion. This was made possible by 21 international cruise lines serving the region, operating 43 ships.

117 The number of separate destinations in Asia that received or hosted cruise ships in 2013. Of these, 19 ports handled 589 turnarounds, with six having more than 20 turnarounds each. Some 114 ports saw 1,947 transit calls, of which 11 had over 50 transits and 16 had 20 or more.

22 The percentage increase in the number of cruises in Asia in the first three months of the year, rising from 203 to 247 cruises. This represents a 14 per cent increase in passenger days. More capacity additions are expected through the year.

1.3 million The 12 primary Asian source markets are estimated to have delivered this number of passengers in 2012, amounting to 0.4 per cent of their combined populations. China is the largest at 471,000, with a penetration of 0.04 per cent.

ships

ships stick around for only a short period in the Philippine capital.

“At the passenger terminal, there are not enough seats and F&B outlets, and sometimes the lights are turned off, lending a gloomy rather than a welcoming feel,” said one interviewee who wanted to remain anonymous.

Likewise, Imam Syafii, director of Costa Cruises’ preferred sales agent in Indonesia, said the missing link in the country’s cruise ecosystem is port infrastructure and services.

“Ports of call need to upgrade their facilities and infrastructure to meet international standards, and their staff needs to be well-trained to handle cruise passengers,” he explained.

Royal Caribbean Cruises’ Yap, hoped for more CIQ and terminal operator support, especially for ships that carry a higher proportion of international guests.

She said: “More manpower and flexibility are needed for faster and seamless immigration clearance, especially for the port-of-call guests to avoid the diminishing the quality of guest experience.”

Dickson Chin, managing director Indo-China, Wallem Ship Agencies, added: “Immigration procedures do form a very integral part of the entire cruise experience, which vary across countries and often causes delay.

“In transit calls, when we have passengers that are already sailing, they already have pre-arrival manifests so a brief clearance will be ideal in order to maximise the shore time.

“We must understand that immigration formalities are often the first and last touch point for passengers, and therefore largely impact how they remember the cruise experience.”

ACA’s Leong went as far as to suggest a single, transit-style visa for Asian cruises.

Change is in the winds

Most hearteningly, steps are being taken to spruce up ports in the region.

In Indonesia, a new terminal is being built at Tanjung Perak Harbour, Surabaya, which will boast modern touches, including cafés and Wi-Fi service, while Benoa’s passenger terminal is seeing improvements made to immigration, security and recreation facilities, among others.

A recent update given by Indonesia’s Directorate General of Sea Transportation showed dredging work in 14 locations in 2013, including Belawan and Benoa in Bali and Tanjung Emas in Semarang, which will continue this year.

Over in the Philippines, the Department of Tourism recently commissioned a cruise study with the aim of further improvement to “infrastructure like cruise terminals, navigation systems, port-of-call jetties, and waste management and land-based facilities”.

Since 2012, Singapore’s MBCCS has increased the number of immigration counters and cut immigration time to an average of 15 minutes. Singapore Cruise Centre (SCC) also underwent a renovation in 2012, emerging with a 26 per cent

increase in passenger operations space.

Hardware aside, SCC CEO, Christina Siaw, has also sent staff for Bahasa Indonesia language courses to accommodate the growing number of Indonesian cruise passengers. They have also attended hospitality and tourism courses.

Meanwhile, Malaysia’s six primary ports have set up sub-task force committees to efficiently address port-specific issues. They report to the Malaysia Cruise Council, also formed in 2012 to chart the direction for the country’s cruise industry.

However, ACA’s White Paper states that there still remains too few transit ports of call in Asia.

It said: “There is still much that can be done in establishing new ports of call especially in South-east Asia where ships are well-served by homeports, but where there are few destinations within range of them on short cruises.

“Unlike other leisure travel where nearby destinations and nations compete for the tourist dollar, in cruise they must work together for mutual benefit.”

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3.8 million Future projections suggest a potential Asian source market of this size by 2020, representing a compound annual growth of 14.3 per cent and a total penetration of 0.1 per cent. China is forecast to reach 1.6 million and Japan at 766,000, becoming the top two.

Well-heeled, well-travelled

In the second and final instalment on ASEAN's luxury outbound market, we find out how the wealthy population in Malaysia, Brunei and the Philippines intends to consume travel



Luxury cruises in Europe are seeing emerging interest from mature, high-income Malaysian travellers

Crystal Cruises

nel management, Mayflower Acme Tours, said: "Most (luxury clients) opt for customised tours with arrangements handled by their private secretary, so we get our senior staff to handle their needs as they want to be briefed in advance on how the actual tour will be like. The drivers and tour guides that we get to handle this segment have to be experienced and sociable."

"For the luxury market, travellers normally take a vacation of up to seven days. Popular regional destinations include Bali and Vietnam, while longhaul destinations include Mauritius, the Maldives and South Africa," said Abdul Rahman, whose company has seen between 10 and 15 per cent growth in the luxury segment since 2010 and expects similar growth in the next two years.

Meanwhile, cautiously projecting a small increase for the luxury segment in 2013 is DiscoveryMICE CEO, Lee Choon Loong. He said: "We've seen increasing interest for European luxury cruises. This caters well for affluent senior citizens as cruises offer almost all-inclusive itineraries with varying levels of luxury services and comfort."

"The top luxury segment is still very niche, with some top corporate executives willing to pay up to RM15,000 per person on ground costs for a four-day family holiday to iconic destinations like the Maldives or Venice," Lee added.

"This segment expects luxury all the way, from travelling first class and in private chauffeured limousines to having personal chefs and top luxury residences or large villas with magnificent views. Their programmes are pretty laid-back with plenty of quality family time."

The affluent Malaysian traveller

- ✦ intends to spend more in the next 12 months
- ✦ shuns normal five-star hotels
- ✦ is family-oriented

Malaysia

Moneyed M'sians ready to spend

Per capita income has risen and Malaysians intend to splurge more on shopping and satiating their wanderlust in the next 12 months, discovers S Puvaneswary

Buoyed by a vibrant export sector and the Economic Transformation Programme launched by the Malaysian government to make the country a high-income nation by 2020, Malaysia's GDP grew 6.4 per cent in the fourth quarter of 2012, consolidating a 13-quarter spell of economic expansion since the fourth quarter of 2009, according to a Bank Negara Malaysia report.

Malaysia's sustained GDP growth has led to an increase in per capita income, from US\$7,900 in 2010 to US\$9,656 in 2012, according to the World Bank. Meanwhile, the number of millionaires in the country is projected to surge by a whopping 86 per cent, from 36,000 in 2012 to 67,000 in 2017, based on estimates from the Credit Suisse Global Wealth Report.

Rising personal wealth is fueling the luxury travel market. "In the coming 12 months, Malaysians intend to shop more for luxury goods and travel more to both local and international destinations. On average, they intend to spend US\$2,190 per person on luxury goods," said



There is indeed a demand for front-end leisure travel. Our front-end revenue (including first and business class travel) from points-of-sales in Malaysia had double-digit growth from January to April, compared to same period in 2012.

Melody Keung
Country manager for Malaysia and Brunei
Cathay Pacific Airways

Jim Cheah, vice president & senior country manager, Malaysia & Brunei, MasterCard Worldwide, based on the latest MasterCard Consumer Purchasing Priorities survey findings in Malaysia.

Melody Keung, Cathay Pacific Airways' country manager for Malaysia and Brunei, observed

that customers are opting for better comfort during travels as the ability to afford high-end experiences rise. She said: "There is indeed a demand for front-end leisure travel. Our front-end revenue (including first and business class travel) from points-of-sales in Malaysia had

double-digit growth from January to April, compared to the same period in 2012."

Moneyed clients are turning to specialists to plan their travel needs, noted Desmond Lee, managing director of Apple Vacations & Conventions, which recorded a 20 per cent year-on-year growth in the luxury segment over the last two years.

"The luxury traveller usually takes up to three holidays a year, each holiday not exceeding 10 days," said Lee. "Accommodation is their top priority. They prefer small, luxury boutique hotels rather than just a normal five-star hotel with a few hundred rooms. They will not mind spending RM6,000 (US\$1,906) per person per day on accommodation, food and tours."

"Luxury travellers are looking for in-depth, experiential tours. Usually the client will choose the destination and give us a budget to work with. We will then plan a customised itinerary and purchase the air tickets for them – they will not buy tickets off the Internet."

Abdul Rahman Mohamed, deputy general manager, chan-

Davao

From Highlands to Islands

Mount Apo Boulder Face Peak, Davao del Sur

Photo by Rhonson Ng

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Shopping is a priority among luxury travellers from Brunei

Brunei

A well-oiled luxury travel market

Travel specialists are expecting another 10 per cent increase in Brunei's luxury travel market. S Puvaneswary finds out the reasons

An oil-rich country with a population of just over 400,000, Brunei boasts one of the highest standards of living in the world. Added to that is the sultanate's continued economic expansion, as GDP grew 2.7 per cent in 2012 from 2.2 per cent the previous year, based on the 2013 CIA World Factbook.

While an estimate of the number of millionaires in the country is not available, Brunei has a GDP per capita income of US\$50,500 in 2012, making it the fifth richest country in the world and second wealthiest in South-east Asia after Singapore, according to International Monetary Fund data.

The outbound luxury travel market has reaped the benefits of Brunei's oil and wealth abundance, having shown healthy growth in the past two years. The segment is dominated by high-income executives aged mid-30s onwards, according to travel experts.

Despite making up less than 20 per cent of Century Travel Centre's total business volume, the luxury segment has risen

10 per cent year-on-year over the last two years. The company expects similar growth in the next two years, according to general manager, CP Foo.

He said: "This segment comprises mainly honeymooners and businessmen who take a couple of weeks off work to spend time with their families."

It is common for luxury clients to spend a minimum of B\$4,000 (US\$3,185) per person on ground arrangements (hotel, tours and transfers) for a five- to seven-day break, usually twice a year, Foo added. Popular destinations include Bali, Phuket and the Maldives.

Most clients in this segment expect end-to-end service for flight and accommodation booking although they prefer to book sightseeing tours on arrival at their holiday destination, he revealed.

Foo said: "From the requests we get for tailor-made tours, our clients like their itineraries to be relaxed and not packed to the fullest. Many want a spa therapy session included in their itineraries."

Similar trends were observed by Michael Song, business development manager of Pan Bright Travel Service, which recorded a year-on-year growth of 10 per cent over 2011 and 2012, with comparable growth expected for 2013.

"Our luxury customers expect us to handle their flights and transfers, but seldom book tours with us."

"This niche segment also pays mainly in cash, not credit card," said Song, whose luxury clients are usually in their late 40s travelling with their families.

"They will not mind paying B\$1,000 a night for hotel accommodation. Most couples will travel with their children, usually teenagers, and will get two rooms. When they go to Europe, mainly to London or Paris, they tend to stay in an apartment with cooking facilities as trips tend to be between 10 and 15 days."

Asian destinations Tokyo, Seoul and Bangkok also feature highly, with these regional trips usually lasting three days over the weekend, said Song. He added: "We expect Japan to do well for 2013's year-end due to the sliding yen. The Korean pop culture is strong in Brunei, so South Korea is another destination which I foresee will do well."

The affluent Bruneian traveller

- ❖ young (mid-30s onwards)
- ❖ loves plush hotels
- ❖ is leisurely – not hurried and not fussy

For Anthony Tours & Travel Agency, a high number of luxury clientele are in their 40s and 50s who favour destinations within South-east Asia and the UK, said Jefferson Lim, sales and marketing director.

Albeit still a small segment, Lim foresees a 10 per cent growth for the luxury sector. "Our clients are not too demanding. All they require is luxury accommodation in a five-star property within walking distance to good shopping areas as shopping is a priority. Customised itineraries have to be relaxed as our clients want more free time."

However, this segment still needs "education" on the services provided by travel companies, according to Lim. "Most (up-market travellers) assume that travel experts only sell airline tickets. They are not aware that we also sell hotels and customise tours," he pointed out.

Double-digit growth was registered by Cathay Pacific Airways for its first and business class segments out of Brunei from January to April, said the airline's country manager for Malaysia and Brunei, Melody Keung. Rising competition is likely to sustain and foster the growth of the luxury air travel market, Keung added. "The airline industry is very competitive nowadays, which drives fares down and provides more choices to passengers. As front-end travel becomes more affordable, more people can afford the high-end experience and opt for better comfort."

This segment (Brunei's luxury travel market) comprises mainly honeymooners and businessmen who take a couple of weeks off work to spend time with their families.



CP Foo
General manager
Century Travel Centre

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Philippines

It's more fun with the new rich

No longer the weaker sister in the Asia family, wealth is spreading beyond the old rich in the Philippines to other social strata, writes **Marianne Carandang**

The Philippine economy emerged relatively unscathed from the 2008 global financial crisis, and president Benigno Aquino III – who came to power in 2010 – has since overcome initial skepticism to stabilise a sputtering economy. From a humdrum 3.9 per cent in 2011, the Philippines' GDP leapt 6.6 per cent in 2012, further rising to 7.8 per cent in 1Q2013, outpacing the larger Asian economies.

And the growth is here to stay, according to Knight Frank and Citi Private Bank, whose 2012 Wealth Report forecasted the Philippines to be the sixth fastest-growing economy in the world with a projected GDP growth of 7.3 per cent year-on-year between 2010 and 2050.

In its inaugural wealth report released in 2011, Swiss private banking group Ju-

lius Baer estimated the Philippines to be home to 38,000 millionaires by 2015. Meanwhile, Wealth-X's World Ultra Wealth Report 2012-2013 put the number of ultra high net worth individuals in the Philippines at 550 with a total worth of US\$100 billion in 2011; the number expanded to 580 in 2012, although their total worth declined 15 per cent to US\$85 billion.

The Philippines' buoyant economic outlook drives demand for outbound travel, with luxury tour operators expecting their services to stay firm among the country's affluent travellers.

Jaison Yang, general manager of Travel Warehouse, said: "The (luxury) market is growing. If we were just selling 10 Maldives packages two years ago, we doubled that in 2012. And in 2013, we started off



No shortage of upmarket products for rich Filipino travellers in the Philippines itself; Above left: The Farm's Narra pool villa; Right: Living it up in Shangri-La's Boracay Resort & Spa



very well, making half of what we made in 2012 (in just over a quarter)."

According to luxury tour operators interviewed, a portion of Philippine luxury travellers rely on current trends or TV, which lead them to destinations like Bhutan, Nepal and the Maldives, while others look for "frontier" destinations such as Iceland, Greenland, safaris in Africa, Eastern Europe countries like Latvia and Estonia or resort havens in the Seychelles.

For affluent clients with lifestyles on the go, business trips spur leisure travel too, pointed out Yang, whose luxury clients often visit a destination for work, then returning to it for leisure.

Goldlink Travel and Tours managing director, Allan Sze, said: "Most luxury travellers have been everywhere, so our company thinks of something new and intriguing every year."

This year, Goldlink will offer North Korea, while Mongolia is in the pipeline, Sze added.

Luxury travellers also want the least amount of inconvenience, said Sze. "Most luxury travellers go to an agency; they like to have everything arranged and are assured of the service... You present a programme, and they don't have to think about booking anything or making calls; everything is pre-arranged."

Private transfers are also high up on their list. Sze said: "Some clients want special VIP airport welcome, which includes escorting them all the way through immigration."

Meanwhile, the 'old rich' – often agro-industrialists and landowners in the provinces, or established Filipino clans – is another lucrative segment that stays loyal to travel agencies, remarked Dino Molina, head of value chain & sales, Rajah Travel Corp.

Cost is of no concern to this segment, as "what they want to do is treat themselves or celebrate a milestone", said Molina, who revealed that his luxury clients typically spend anywhere between US\$2,000 and US\$11,000 a day during overseas trips.

Pilgrimage tours to Europe and the

Middle East are also a niche that yields regular business for travel firms specialising in the luxury segment, said Nette Oseo, product specialist at Rajah Travel. "About 20 per cent of our luxury business comes from pilgrimage tours, with the rest coming from cruises, tours in Asia and ticketing."

She revealed that such niche travellers do not concern themselves with cost, whether it's hiring a priest to accompany their tours or ensuring that a religious destination is included in their multi-city itineraries in Europe.

In 2013, Rajah Travel partnered Spain Tourism Board in promoting the Camino de Santiago pilgrimage to Santiago de Compostela.

The affluent Filipino traveller

- ✦ likes everything to be arranged for them, which is great for luxury travel agencies
- ✦ comprises those who go for frontier destinations; the 'old rich' who treat themselves or celebrate milestones; and those who ensure a religious destination is included in a multi-city itinerary

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Most luxury travellers have been everywhere, so our company thinks of something new and intriguing every year.

Allan Sze
 Managing director
 Goldlink Travel and Tours



IBIS BRINGS ULTIMATE COMFORT TO ECONOMY SECTOR



Two years after launchings its ambitious project to bring its economy hotels into one ibis family, Accor has declared the undertaking a success, with better brand recognition across the network, increased expansion and significantly improved customer satisfaction ratings.

In 2011 Accor decided to put its ibis brand at the core of its economy strategy, bringing its budget and economy brands together under the ibis multi-brand featuring ibis Budget, ibis and ibis Styles. The result gave the three-tiered ibis brand better visibility in the market while introducing greater clarity, consistency and strength to the network. More than just a name-change, the strategy centred around a massive modernising of the brands, with new bedding, newly configured common areas, new food and beverage offerings, and an even stronger focus on customer service.

Thanks to a fast-growing middle class of travellers from developing countries and an influx of low-cost airlines across Asia Pacific, the ibis strategy has proven successful, keeping pace with the evolution of travel by meeting the expectations of the modern, value-conscious traveller.

This new modernised ibis family has quickly become very popular with both hotel owners and customers, and as a result the brand has seen rapid expansion in Asia Pacific.

One of the most recent openings in Asia Pacific was the ibis Jaipur, conveniently located in the city centre, in close proximity to both the CBD and tourist attractions. As the city's first international economy hotel, the ibis features first-class facilities and global service standards and offers free wi-

fi for guests, an 8-hours non-stop breakfast concept from 4am, comfortable rooms and well-priced, quality food and beverages.

In January the ibis brand will reach its 1000th hotel globally with the opening of the ibis Surabaya in Indonesia. This hotel will feature the Sweet Bed by ibis in all 224 guest rooms, a web corner with Mac for guests, free wi-fi throughout the hotel, the Taste restaurant and Rendezvous Bar, and all modern interiors.

The ibis Styles brand has also undergone rapid expansion with recent openings including the ibis Styles Kuala Lumpur Fraser Business Park which features 500 spacious rooms with day beds, an interesting open concept kitchen, restaurant, bar and function room.

Ibis styles hotels have also opened up in some of the region's best leisure destinations including the ibis Styles Kuta Bali, the second ibis Styles hotel in Bali. Centrally located next to Bali Galleria Shopping Mall and 20 minutes from the sophisticated and funky Seminyak area, this newly built hotel features 191 rooms including standard rooms and family suites. The hotel features an all-day dining restaurant, a swimming pool and pool bar, a fitness center, a Kids Club, an internet corner, meeting rooms which can accommodate small-to-medium events and private functions of up to 100 people, as well as a relaxing lounge.

"We recognized early on that ibis Styles was a great concept and would have tremendous consumer appeal," said said Edgar Voortjes, General Manager of ibis Styles Bali Kuta Circle. "

Singapore stays novel

Multiple new, improved attractions are helping the Lion City to stay fresh and interesting in the minds of eager travellers, benefiting inbound players, reports **Paige Lee Pei Qi**



Universal Studios Singapore is labelled a tourist hotspot; Far Far Away Castle pictured above

Singapore’s continuous reinvention through the creation of new and improved attractions has helped to pull in new and repeat tourists. According to Min Liu, Lex Travel’s director of sales & destination marketing, Marine Life Park and Universal Studios Singapore at Resorts World Sentosa, and Marina Bay Sands integrated resort are “must-see hotspots” for her travellers. She said: “Chinese travellers are especially attracted to new places because they like to experience new things and regard these attractions as being unique to Asia.” Liu added that the bulk of Lex Travel’s tourists are from China and Indonesia, and traffic from

these markets has kept steady year-on-year. Michael Lee, director of Luxury Tours & Travel, credited Singapore’s new attractions for his company’s 15 per cent growth in tourist groups during the first half of 2013, over the same period in 2012. Lee said: “(Travellers are returning to Singapore) for new experiences.” Martin Sinclair, general manager of the luxurious Regent Singapore, agrees that new attractions have “bolstered tourism and hotel bookings” and noted that his hotel has “performed well” in 2013. “Singapore has done well in giving past guests reasons to return and new ones more incen-

tive to visit,” said Sinclair. He identified the upcoming Sports Hub as the next boon for Singapore’s tourism business, as the massive facility would draw international sporting events, which will bring with them numerous participants and sports fans, thus boosting hotel bookings. Austin Watkins, director of marketing with Four Seasons Hotel Singapore, said: “Singapore’s top ranking as a must-visit destination in Asia due to its multicultural offerings and iconic events like Formula One continue to contribute to increased visitor arrivals in 2013.” Over at Singapore Marriott Hotel, occupancy rate was “reasonable” and ADR registered

Viewpoint

What do you need from the NTO in 2014?



“Competition in the region is heating up, so we need to zealously promote our strengths as a destination, and continue to focus on opportunities in all segments, particularly MICE. Yet at the same time, we must ensure visitors’ needs are met, particularly in terms of Singapore being perceived as an affordable destination.”

Martin Sinclair
General manager
Regent Singapore



“Singapore is getting increasingly expensive and even the attractions are starting to price their entrance tickets higher by about 10 per cent. This is not helpful in promoting our destination and I think some control should be enforced to ensure that prices do not get too crazy.”

Michael Lee
Director
Luxury Tours & Travel

growth in 2013, revealed general manager, Antony Page. “While special corporate bookings remained strong, we faced aggressive competition for group bookings,” he added. While the new attractions continue to do brisk business with eager tourists, some trade players expressed concern that rising prices in Singapore, in addition to the strong Singapore dollar, could erode travellers’ interest in the destination.

Star Holiday Mart managing director, Dennis Law, said: “Singapore is expensive in comparison with neighbouring countries. (The price difference is aggravated by) our strong currency.” Sinclair said: “As a destination Singapore needs to protect and preserve its value proposition. We need to be mindful that a strong Singapore dollar and increased prices can work against the destination.”

Tracker

An update on major issues and events from the past

A hazy Lion City
Singapore’s Pollutant Standards Index (PSI) shot to dangerous levels last June when the country was shrouded for more than a week in smoky haze due to raging forest fires in Sumatra, Indonesia.

THEN Major tourist attractions were adversely affected, with some like Singapore Flyer and DUCKtours suspending operations to protect their employees. Most outdoor attractions saw a decline in visitor numbers as people chose to stay indoors. Tour operators adjusted their itineraries for groups and provided masks and additional drinking water for their clients. Some hotels saw cancellations. At Regent Singapore, the outdoor pool was closed.

NOW Attractions resumed operations as soon as the haze cleared progressively over weeks.

FUTURE While the haze is a recurring problem that grips the city-state around the middle of every year, and is beyond one’s control, hoteliers and travel consultants said they would be better prepared when and if it comes around this year.

Martin Sinclair, general manager of Regent Singapore, said carbon filters and air purifiers have been installed following 2013’s incident, and the hotel is now better prepared for hazy days.

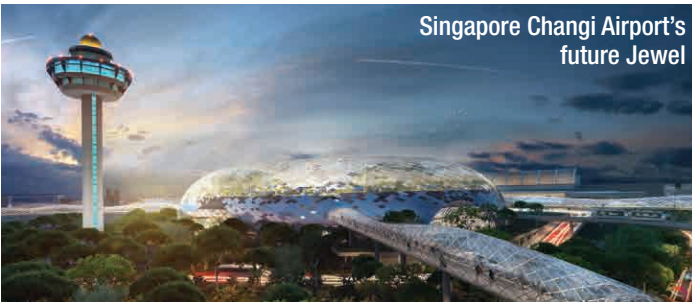
Luxury Tours & Travel has also devised back-up plans, according to director Michael Lee. Alternative indoor itineraries will be drawn up for days that are affected by smoky haze, and a supply of masks is kept for clients’ use.

Access | More links, better hardware

Singapore Changi Airport will undergo a massive facelift over the next decade with the addition of a mixed-use development codenamed Project Jewel, and two more terminals.

Project Jewel will be constructed on the 3.5-hectare car-park site fronting Terminal 1 (T1) and will feature a large-scale indoor garden with a waterfall, aviation and travel-related facilities, retail outlets and leisure attractions.

The future Terminal 4 (T4) has a planned capacity of 16 million passenger movements a year and will increase the airport’s total handling capacity to 82 million a year when completed in 2017. The building with a gross floor area of about 160,000m² is designed to meet the operational needs of regional full-service and low-cost carriers, but will primarily handle narrow-body aircraft. Aerobridges will be



Singapore Changi Airport’s future Jewel

available at the boarding gates, while the airside transfer of passengers and baggage between T4 and the other terminals will also be provided for.

Construction of Terminal 5 and the airport’s fourth runway located within should complete in a decade’s time, doubling airport capacity. T1 will also be expanded to allow more space for the arrival hall, baggage claim areas and taxi bays.

Meanwhile, Singapore welcomed Golden Myanmar Airlines in April 2013. The carrier

operates daily services connecting Singapore to Mandalay via Yangon. In the same month, Sichuan Airlines commenced twice-weekly services connecting Singapore to Nanning in China.

Swiss International Airlines’ direct Singapore-Zurich service resumed in May after a four-year hiatus. On July 19, Garuda Indonesia reintroduced a Singapore-Surabaya service, and increased flight frequencies to Bali, operating four times a week. Later on August 18, Garuda launched a ninth daily flight to Jakarta.

Hotels | Supply, rates up

Singapore continues to enjoy a burgeoning supply of hotels, with some 11,000 rooms expected to enter the market in the next four years, according a report by CBRE Global Research and Consulting.

Despite the presence of new competition, hoteliers are confident of good business and a stronger ADR.

Arthur Kiong, CEO, Far East Hospitality, said: “We are expecting a positive outlook for the industry in 2014 especially with the staging of the Singapore Airshow and the Food and Hotel Asia exhibition.”

Singapore Marriott Hotel general manager, Antony Page, agrees that the two major events will “provide spikes of demand and contribute to ADR growth”.

He added: “With room inventory on the rise, some ageing

properties may utilise external strategies such as holding or reducing room rates. However, well-maintained or quality assets may gain rate growth. ADR should rise by more than six per cent in 2014.”

Cheryl Ong, director of sales and marketing with The St. Regis Singapore, also predicted a “marginal upward shift” in room rates this year, “in line with the rising inflation rates due to increases in costs of labour and supplies”.

Likewise, Austin Watkins, director of marketing, Four Seasons Hotel Singapore, expects “luxury hotels to increase rates moderately”.

Watkins said: “With an average occupancy for this segment of hotels standing around 80 per cent, we believe the demand can absorb an increase in hotel room rates.”

Products

Lightseeker
World acclaimed songwriter Dick Lee is behind the latest attraction to open at Resorts World Sentosa. Lightseeker is a multi-million dollar fantasy musical that debuted on November 24 and will continue its run until March 24, 2014. The 90-minute show features songs composed by Lee and performed by a global cast that includes stars from London’s West End. Tickets from S\$48 (US\$38.60).

Journey 2: The Mysterious Island
Sentosa 4D Adventure Land launched a new interactive 4D product – Journey 2: The Mysterious Island – last May. It takes

visitors on an adventure through synchronised 3D imaging and special effects such as wind scents and water sprays.

The Westin Singapore
Making a return to Singapore after a decade-long absence, The Westin Singapore occupies the 32nd to 46th floors of the new Asia Square Tower Two development and offers 305 keys, a range of F&B venues and 10 meeting rooms among other facilities.

Amoy
Amoy, a 37-room boutique heritage hotel whose entrance is the temple-turned-museum Fuk Tak Chi at Far East Square, offers two room categories – cosy

single (16-19m²) and deluxe double (21-24m²) – as well as free airport-hotel transfers, choice of breakfast items that will be delivered to rooms every day and museum tours.

Sofitel So Singapore
Slated to open in the first quarter of this year, the 134-room Sofitel So Singapore will be the luxury label’s flagship property. Housed in a landmark heritage building in the heart of Singapore’s Central Business District, the hotel will sport design touches by Karl Lagerfeld and Singapore based French design house Miaja. A unique F&B concept is promised, as is a team of signature InspiredMeetings planners and concierges.

NEW HOTELS IN 2014

- Patina Hotel (Capitol), 182 keys
- Traders Orchard Gateway @ Emerald, 512 keys
- Laguna Golf Green Hotel, 191 keys
- Aqueen Hotel Tyrnwhitt, 160 keys
- Sofitel So Singapore, 134 keys
- Midlink Plaza Hotel, 492 keys
- Hotel Grand Central, 488 keys
- Hotel Grand Central Chancellor Orchard, 264 keys

List of new hotels is by no means exhaustive



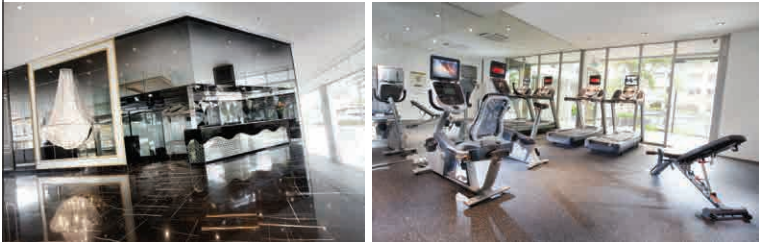
From left: Sofitel So Singapore, Deluxe Double room at Amoy and Lightseeker

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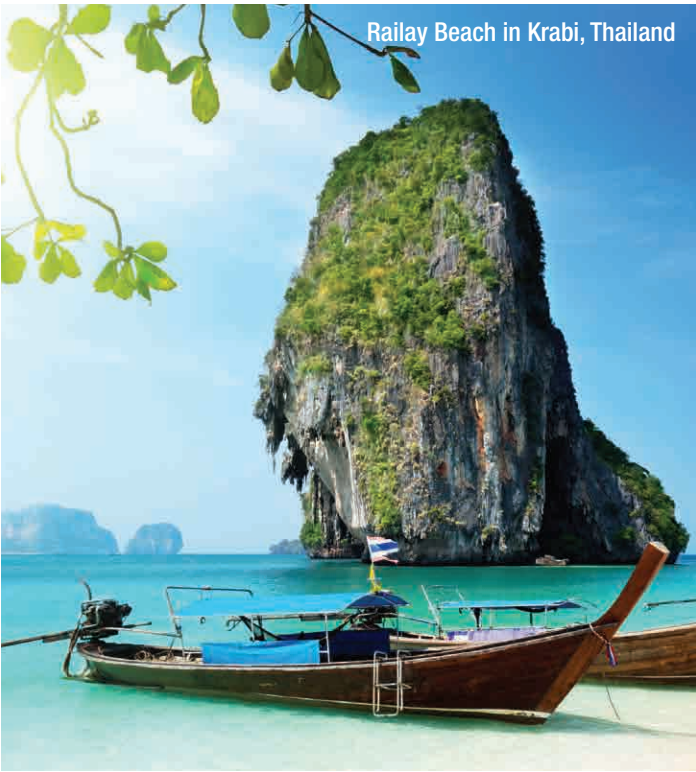


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Thailand puts in good report

A strong tourism performance in 2013 heats up demand for more supporting infrastructure and tour guides who are armed with foreign language skills, reports **Greg Lowe**



Railay Beach in Krabi, Thailand

Strong growth in mass tourism from key source markets such as China, which exhibited growth of almost 100 per cent, and Russia helped fuel record arrivals to Thailand last year.

Tourism Authority of Thailand targeted 26.1 million international visitors last year – up from 22.3 million in 2012 – with the figure set to exceed 28 million this year.

Such performance brings its own challenges, according to inbound operators and hoteliers, with surging arrivals pressuring infrastructure in popular destinations, while laying bare issues such as a serious shortfall in certified tour guides who can speak Mandarin, Russian and Korean.

A more worrying development is the increasingly unstable state of Thailand's political system (see Tracker on the same page). Violence and instability have tarnished Thailand's image around the world and led to a downturn in arrivals.

"The continuing political impasse is starting to take its toll," said Willem Niemeijer, CEO of Khiri Travel. "The chances of violence is mounting each day a solution is not found."

"If the political situation remains unresolved in the first quarter but does not escalate to sustained violence, we will see little or no growth. If there is violence, past experience shows this will result in a four- to five-month dip in bookings which has an effect on arrivals that can last up to eight months."

with key destinations such as Chiang Mai, Koh Samui and Phuket largely unaffected.

Glenn de Souza, vice president of international operations Asia & Middle East at BestWestern, still remains largely upbeat about the country's prospects.

"Clearly the recent demonstrations and travel advisories haven't helped matters, but fortunately they have not had as severe an impact as previous protests," he said.

"With visitor arrivals forecast to rise sharply in the coming

year, we foresee a positive future for Thailand's hotel sector."

Thailand still faces other challenges, especially those related to mass arrivals from new growth markets, a rise in shorter weekend breaks from within the ASEAN region, driven by new low-cost air links, and more regional business travel.

"Infrastructure remains strained, especially at Bangkok and Phuket airports, but expansion plans are already underway," said de Souza.

"Samui continues to experience limited airlift, but destinations close to Bangkok, such as Hua Hin and Pattaya, are thriving."

Patrick Basset, senior vice president of Accor Thailand, Vietnam, South Korea, Cambodia, Laos, Myanmar and the Philippines, cited similar trends.

"We've seen a continuing increase in Chinese and Russian guests staying at our hotels and a rebound of European travellers returning to Thailand," Basset said. "Our Chinese guests increased significantly – over 150 per cent – from January to September in 2013 compared to the same period in 2012."

"Chinese and Russian markets are driving growth in terms of volume, and we see that the trend will continue on as such into 2014. We are also seeing an increased number of experienced travellers moving from organised groups to FIT bookings using the web as the main channel."

Viewpoint

What do you need from the NTO in 2014?



"As hotel capacity is growing each year, it's important for the destination to remain attractive to sustain the growth... Apart from promoting Thailand to invite tourists to visit the country, a consolidated effort from the government agencies is needed to help change the image of certain destinations which may have suffered from bad press recently about taxi mafia, crimes against tourists, etc."

Patrick Basset

Senior vice president
Accor Thailand, Vietnam, South Korea,
Cambodia, Laos, Myanmar and the Philippines



"A sustained, focused campaign that shows the diversity of Thailand's natural and cultural resources in all provinces. Thailand needs a brand – look at 'Incredible India', 'I love (heart) New York' for good examples – and then stick with it for years."

Willem Niemeijer

CEO
Khiri Travel

Tracker

An update on major issues and events from the past

Tourism caught in political clashes

Thailand was shaken by the biggest street demonstrations in three years when anti-government protesters rallied in Bangkok with the aim of toppling the government. Hundreds of thousands of people took to the streets resulting in deadly clashes.

THEN Initial protests started in October 2012 opposing two controversial bills tabled by prime minister Yingluck Shinawatra's government. These developed into a broader movement to topple the government and "end the influence" of the prime minister's family, most notably that of her brother Thaksin, a popular former premier who was ousted in a 2006 coup. Up to 300,000 anti-government demonstrators took to the streets and overran key ministries and state offices.

During the unrest most travel operators dealing with Europe, Australia, New Zealand and the US reported few cancellations, while Asian markets proved more sensitive. Arrivals declined as the protests turned violent. The prime minister's move to dissolve parliament to make way for a general election on Febru-

ary 2, 2013 did little to mitigate the situation. By year-end scores of people had been injured and at least seven killed in clashes.

NOW The situation looks increasingly unstable as the anti-government movement said it will up the ante this month to rid Thailand of the Shinawatra clan's influence, while calling for the democratic system to be replaced by a royally-appointed parliament of "good people". Military chiefs said they will not rule out staging a coup if the situation deteriorates.

As of January 6, at least three airlines – Singapore Airlines, Cathay Pacific, and Hong Kong Airlines – have decided to cut flights to Bangkok to avoid the conflict.

FUTURE Thailand has a long history of bouncing back from political crises and natural disasters. The question is whether the kingdom can continue to do so given the severity of the current situation. Travel specialists remain relatively upbeat, predicting anything from a three-month downturn in business if the current crisis does not worsen significantly, expanding to eight or nine months if the deadlock becomes more violent.

Hotels | Strong RevPAR

Thailand had the second highest RevPAR growth in Asia-Pacific after the Maldives during the first nine months of 2013, according to STR Global, rising by 15.9 per cent year-on-year. While most of the heady growth was driven by occupancy rather than room rates, ADR in Bangkok had started to increase prior to the political crisis.

Bangkok led the rest of the country in both RevPAR and ADR growth across the board and the capital's luxury and upper-scale hotels also started beating resort destinations on rates.

Glenn de Souza, vice president international operations Asia and Middle East, Best Western said: "The average room rate was around US\$100-US\$120 in 2013 and the forecast for 2014 should be similar or a little higher especially in popular beach destinations like Pattaya and Phuket. With the room supply rising in Bangkok, the average rate might not have followed the trend of increment."

Hoteliers were vague as to how the country's ongoing political problems would effect rates, however, although downtown Bangkok properties were significantly affected by the protests in December.

"Rates need to improve every year but in relation to the market conditions and demands," said Patrick Basset, senior vice president of Accor Thailand, Vietnam, South Korea, Cambodia, Laos, Myanmar and the Philippines. "We will have to assess the market condition again after the New Year and see if the situation in Bangkok remains stable."

NEW HOTELS IN 2014

- Ozo Chaweng Samui, 208 keys, 1Q
- Prana Resort Koh Samui Nandana, 60 keys, 1Q
- Le Meridien Suvarnabhumi Golf Resort & Spa, Bangkok, 223 keys, 2Q

List of new hotels is by no means exhaustive

Access | Busier skies

Airports of Thailand (AoT) reported some 58.5 million passengers passed through its six airports during the first eight months of 2013, up 17.7 per cent year-on-year. While such growth supports the view that Thailand's tourism industry should continue to grow strongly over the coming years, Suvarnabhumi International Airport and Phuket International Airport are faltering under the strain of increasing arrivals and insufficient capacity.

More than 52 million passengers passed through Suvarnabhumi's gates in 2012, well beyond its official capacity of 45 million. From January to August last year, 34.4 million had journeyed through the facility, down 5.7 per cent over the same period in 2011 but still more than the airport can handle. Expansion is underway to raise capacity to 60 million, but this will not come online until 2016 at the earliest.

Partly because of the capacity problem, the Thai government has accelerated developments at Don Mueang International Airport, much to the chagrin of most airlines. Thai AirAsia and some low-cost carriers have moved to the old facility, taking more than six million passen-

gers a year from Suvarnabhumi. What was once hoped to be a temporary measure is looking increasingly permanent. AoT announced in June that it would reopen Don Mueang's second terminal and increase capacity from 18.5 million to 30 million by end-2013. With no rail links between the two airports, transit passengers face a minimum of four to five hours disembarking one plane to board another.

Meanwhile, a number of new air services were inaugurated in 2013. VietJetAir launched daily flights between Ho Chi Minh City and Bangkok in February and daily services to Hanoi in June. Nok Air kicked off daily Mae Sot-Mawlamyine flights in September, while Bangkok Airways debuted services to Mandalay and Nay Pyi Taw in September. Thai AirAsia expanded its services to Yangon and Siem Reap in October.

Mid-haul and longhaul networks were boosted by Norwegian's thrice-weekly services to Bangkok from Oslo and Stockholm, and charter services between the Thai capital and North Asia offered by Japan's HIS Group and Thailand's Baiyoke Group of Hotels.

Products

Grand Postal Building

Bangkok added a new heritage building to its portfolio of meetings venues when IMPACT Exhibition Management took over management of the Grand Postal Building, an impressive 80-year old building that was once the epicentre of Thailand's postal and communications services. The functionalist European building comprises four stories and a basement of which IMPACT manages the first and third floors offering up more than 3,000m² of usable space for groups of 50-600 guests with parking for up to 200 vehicles.

Escape Hunt

Launched in mid-2013, Escape Hunt is a murder mystery adventure which transports groups of two-to-five people a century into the past where they get to play detective and have to solve a heinous crime within 60-minutes. While there are strong teambuilding elements to the game, the key focus is fun.

Ku De Ta

October saw the launch of Bangkok's first superclub when the Singapore-origin Ku De Ta



Grand Postal Building is Bangkok's latest MICE offering

opened its doors in October. The venue, located on the roof of Sathorn Square building in downtown Bangkok, offers staggering city views and an unparalleled space for dining and clubbing. Ku De Ta will have plenty for leisure travel specialists and events planners to choose from. Its two floors feature two clubs, seven bars, three restaurants and a high-altitude terrace.

Centara Grand Modus Resort

The five-star Centara Grand Modus Resort Pattaya soft-

opened on December 1 last year, offering 252 guestrooms, including one- and two-bedroom suites and penthouses. The family-friendly property also features Deluxe Family Residences which come with a children's bunk-bed area and a living room offering self-catering facilities and ocean views. On-site facilities include several dining outlets, three swimming pools, Spa Cenvaree, a fitness centre and a Kids' Club at the resort. Guests can also easily access the Sanctuary of Truth, one of Pattaya's famous attractions, from the resort.

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Vietnam's Asian backing

Strong Asian business may prop up the country's tourism performance in 2013, but trade players are calling for improved software and NTO marketing campaigns. By **Greg Lowe**

A floating village in Halong Bay



Viewpoint

What do you need from the NTO in 2014?



"Hanoi is an undiscovered gem... with a tremendous potential to increase overall demand from the international marketplace. I am hopeful that the government will reach out to the industry to seek support, ideas and input on how to make it the hot destination it has the chance to be."

Bob Fabiano
General manager
JW Marriott Hanoi



"We need a very neutral state body dedicated to a strict promotion of the destination, coordinating trade shows and different overseas sales missions. With a proper communication plan and database, all national players would be informed of the NTO's actions well in advance. It would also be a nice idea to merge the different tourism bodies in order to avoid duplicating actions and to optimise financial resources."

Edouard George
President
Phoenix Voyages

Vietnam's tourism industry is growing and remains in a relatively healthy state, according to travel specialists. However, factors such as a faltering recovery in key source markets, poor human capital and a lack of promotional campaigns to develop new destinations within the country continue to limit the industry's potential.

The country welcomed 6.9 million international visitors in the first 11 months of 2013, up 10.2 per cent year-on-year, according to the Government Statistics Office.

Tourism accounted for just under two-thirds of total arrivals, or 4.2 million people, followed by 1.1 million business travellers – representing increases of 12.1 per cent and 8.3 per cent from the previous year

respectively.

Steady business from South-east Asia and robust growth from China and Russia softened the downturn in bookings from traditional markets such as Europe and the US, leaving inbound players generally upbeat about the industry's current state of play.

"The industry has healthy growth numbers, especially from Asia – China at 34 per cent; Thailand, 18 per cent; and Russia, 64 per cent – while numbers for longhaul markets such as Australia, the US and Europe should remain stable," said George Ehrlich-Adam, general manager of Exotissimo Travel Vietnam.

"The key challenges remain building an understanding of the importance of tourism for an economy in the long-term, developing the skills necessary

for the service and hospitality industry and making travel to Vietnam easier and more flexible."

Edouard George, president of Phoenix Voyages, agrees that more needs to be done to position tourism as a key driver of Vietnam's economy but offered a more cautious 10 per cent growth forecast for the sector's performance this year.

"The inbound market, especially longhaul, is still affected (by economic issues) and I don't see a strong recovery before fall 2014," he said.

"The challenge now is to maintain Vietnam as a competitive destination and strictly control attempts to increase prices."

Ho Chi Minh City and Hanoi remain key destinations, followed by Danang and Hoi An in Central Vietnam which continue to grow thanks to recently im-

proved air access.

"The upgraded Da Nang International Airport is beginning to catch up from an inbound perspective and is the best direct gateway to Central Vietnam," said Zosimo Jimeno, area director of sales and marketing for Vietnam at Minor Hotel Group, who is forecasting a 15 per cent growth this year.

"Hoi An is no longer just a stopover during a touring itinerary but is now considered a destination in its own right."

However, Nguyen Thuong Giang, general manager of Asial-

ink Vietnam Holidays, said state agencies must do more to develop and promote the country and its destinations.

"Vietnam National Administration of Tourism and Ministry of Culture, Sport and Tourism have some yearly campaigns but these are just within the country and mainly focus on the domestic market, sometimes the wider Indochina market," she said. "There are also no campaigns to bring together related sectors such as airlines, hotels and tour agents to collaborate (on major promotions)."

Tracker

An update on major issues and events from the past

Tourism evolution

Intense competition, a lack of high-end and luxury products and the impact of online travel agencies and other Internet-based tourism firms are catalysing price competition which some travel specialists say could lead to a race to the bottom across a range of categories from tour operators to accommodation. This dynamic undermines product quality and limits Vietnam's potential to move up the tourism value chain and compete with

other more developed regional markets.

THEN Vietnam's tourism industry started to develop after the US lifted its embargo against trade and travel with the country in 1994. In those early days there were relatively few operators most of whom benefited from their partnerships with large state-owned companies. The industry was characterised by low competition, high prices and rudimentary tour programmes and itineraries.

NOW Fast-forward some 15 years and the overall tourism

market has become overcrowded with myriad small firms and operators, many of which do the majority of their trade through the Internet. DMCs say while the Internet has helped catalyse innovation and product availability across the market while more easily connecting local travel agencies with international clients, the technology is in part a double-edged sword.

"The Internet also brings a big, even negative, challenge to the market," said Nguyen Thuong Giang, general manager of Asialink Vietnam Holidays. "Competition is tough

and that leads some smaller companies to use methods and tricks to save cost and sell products (at prices) that lead to unhealthy competition."

Vietnam's accommodation market is also dominated by local unbranded hotels and guesthouses in the budget and one- to-three star segment, which results in downward pressure on rates. More international branded luxury brands are slowly entering the market, however, the fact that the JW Marriott Hotel Hanoi was the first five-star property to open in the city in almost eight years illustrates the lack of activity in

the high-end sector.

FUTURE Hoteliers and travel firms say the industry is slowly developing its capacity and that both the private and public sectors are becoming more aware of the benefits tourism can bring to the local and national economies. This process should lead to the market becoming more sophisticated and focusing on other ways of building business other than by cutting prices. However, to ensure a more sustainable future, tourism authorities need to do more now to better monitor and regulate smaller operators.

Mark Your Calendars

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Kempinski Ambience Hotel Delhi, India

“The event gave us the opportunity to expose and publicise our hotel to potential buyers.”

Eric Ng, Royal Plaza Hotel, Hong Kong

“Excellent show with a great buyers profile. It gave us the opportunity to network and promote our brand.”

Ashish Seriga, Creative Travel, India

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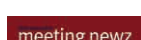
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Hotels | RevPar, supply up

Vietnam hotels recorded an 8.7 per cent year-on-year increase in RevPAR during the first nine months of 2013, according to STR Global – the second highest percentage increase in Southeast Asia after Thailand.

While this is positive news, George Ehrlich-Adam, general manager of Exotissimo Travel Vietnam, said such developments should be taken at face value.

“(In terms of capacity) four-star properties and boutique hotels with individual character are still lacking in Hanoi and Ho Chi Minh City,” said Ehrlich-Adam.

“(However), the new JW Marriott Hotel Hanoi, with 450 rooms and big meeting facilities, adds points for Hanoi as destination, benefiting the whole industry.”

According to recent research conducted by Savills Vietnam, Ho Chi Minh City’s ARR was at its lowest in four years in 3Q2013 – 1.8 million dong, down six per cent year-on-year. Hanoi fared better in growth terms, rising five per cent year-on-year to 1.7 million dong.

Bob Fabiano, general manager of JW Marriott Hotel Hanoi, ex-

pects moderate growth in market-wide ARR.

“Room rates will (grow an) average of three per cent overall, with five-star hotels having the greatest increase due to limited supply growth,” Fabiano said.

“Continued supply increase throughout Vietnam will put pressure on three- and four-star properties. (Destinations) in the north are less likely to feel pressure as we expect additional tourist flow there, whereas central and south – particularly in Danang – will feel the effects of new supply (on their ADR and occupancy rates),” he added.

Vietnam’s tourism players have also called for more international branded properties to enter the market, which will help to drive up rates across the country, especially at the higher end sector.

NEW HOTELS IN 2014

- Eastin Hotel Hanoi (rebranded from Lakeside Hotel), 90 keys, mid-2014
- Ba Na Hills, Member of the MGallery Collection, 90 keys, 3Q

List of new hotels is by no means exhaustive

Access | New, more frequent global links

Favourable winds have blown into Vietnam’s air access sector the last two years.

In 2012, Vietnamese airports handled 37.5 million passengers, a figure that has almost quadrupled since 2002, according to the Civil Aviation Authority of Vietnam. The following year saw a strong boost in the country’s international air connectivity, most significantly by Finnair and the Gulf carriers.

Last January, Air Astana launched its inaugural service to Vietnam with its twice-weekly Almaty-Ho Chi Minh City flights, while AirAsia ramped up frequency on its Kuala Lumpur-Hanoi sector from seven- to 10-weekly flights.

Finnair started thrice-weekly flights between Helsinki and Hanoi from June 14, operating on a seasonal basis until October 27.

Daily connections between Vietnam and the Middle East grew through Etihad Airways’ new daily flights from Abu Dhabi to Ho Chi Minh City, launched on October 1.

Having launched its four-times-weekly Ho Chi Minh City-Jakarta flights – the first direct connection between Vietnam



Air Astana links Almaty with Ho Chi Minh City

and Indonesia – on A321 aircraft in December 2012, Vietnam Airlines introduced daily Danang-Siem Reap operations on January 23, the following year.

The national flag carrier also began a weekly service between Nha Trang and Moscow on April 5, marking the country’s third link to the Russian capital. It then started thrice-weekly flights between Seoul and Danang on July 1.

These services have boosted the central region’s rapidly emerging status as an international beach destination.

Hong Kong was also brought closer to Vietnam last year

through Dragonair’s thrice-weekly service to Danang. The service was boosted to four a week from July 6 to end-October in order to cater to strong summer demand.

From its Singapore base, SilkAir announced it would up the frequency of its six weekly Danang flights to daily and its thrice-weekly Hanoi flights to four from October 27.

Last year also saw low-cost carrier VietJet Air expanding its network with new flights to domestic destinations and Bangkok. Meanwhile, the airline has placed an order for a number of Airbus aircraft.

Products

Vincom Mega Mall Royal City

Reportedly the largest underground retail complex in Asia, Vingroup’s Vincom Mega Mall Royal City in Hanoi covers an area of 230,000m² and offers a plethora of entertainment, dining and shopping options. Opened in July last year, the mall houses over 600 shops, a water park, an ice-skating rink for 150 pax, a bowling facility, a cinema complex as well as an F&B street with more than 200 restaurants.

Phu Bai International Airport

Phu Bai International Airport, located near Hue in the central province of Thua Thien-Hue, has resumed operations on September 20 following its closure for runway repairs in March 2013. The upgrade is part of the government’s effort to develop the central coast as a key tourist destination. The airport can now accommodate larger aircraft, and is expected to handle 20 aircraft and five million passengers per year by 2020.

Angsana Lang Co

Angsana Lang Co in Central Vietnam is making it easier for meeting organisers to combine business with pleasure through its *Two’s on Us* offer, which includes a variety of fun activities in and around the resort. The offer is applicable for groups that book a minimum

of 20 room nights and a full-day meeting package. Delegates can enjoy two value-adds during their stay at the resort, and options include a half-day guided meditation trip to Truc Lam Zen Monastery and a choice of a 30-minute All-Terrain-Vehicle ride, archery or water pillar paddle experience.

In addition, meeting planners will earn a two-night-stay gift certificate with daily breakfast and a 120-minute spa session at Angsana Spa for bookings confirmed on or before June 30, 2014.

Terms apply. Contact reservations-langco@angsana.com.

Hanoi Cooking Centre

Cooking classes led by international chef Tracey Lister, co-author of the books *KOTO-A Culinary Journey Through Vietnam* and *Vietnamese Street Food*, are available at the Hanoi Cooking Centre. Classes begin in the morning with a brief introduction to Vietnamese cuisine.

An excursion to Chau Long Market follows, where the chef highlights some of the daily produce sold, such as fruit, vegetables, meat and silkworms. The group then returns to the cooking centre, where the chef guides participants in the preparation of various dishes. Participants will get to enjoy the fruit of their own labour. Printed recipes, samples of some local fruit, green bean cakes, quail eggs, etc can be taken home after the class.

Contact Diethelm Travel Vietnam at martin.c@vn.diethelmtravel.com for more information.

Sampan cruise along the Mekong Delta

One of the most romantic experiences in the Mekong Delta for couples, families or a group of friends is to hop aboard one’s own private traditional-style sampan for either a two-day/one-night or a three-day/two-night journey into these fabulously scenic waterways.

Imagine enjoying a sunset cocktail on the open-air front deck while watching the local river life glide by. With a fleet of five sampans (maximum six passengers per sampan) the Song Xanh sampans are simple but very tastefully furnished. Do note that each sampan’s bathroom is communal and there is no air-conditioning.

Contact Diethelm Travel Vietnam at martin.c@vn.diethelmtravel.com for more information.



Clockwise from above: Angsana Lang Co; learn to whip up Vietnamese dishes; Vincom Mega Mall Royal City



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Inviting the world to visit By Patrick Tan



Sarawak Convention Bureau's Donny Tan, Anedia Kahar, Amelia Roziman, Aloysius Sibek, John Unbang and Geoffrey Lee



Iskandar Regional Development Authority's Mohammad Rosly Md Selamat (second from left) promoting the World Kite Festival in Pasir Gudang, Johor, February 19-23



Meritus Pecatu Bali's Wayan Sukasih, Mandarin Orchard Singapore's Adeline Loh, Asia Reps Germany's Maja Geldner, Meritus Hotels & Resorts Singapore's Paul Stocker, Meritus Pelangi Beach Resort & Spa Langkawi's Stacy Lee and Marina Mandarin Singapore's Hawk Tan



Mövenpick Resort & Spa Karon Beach Phuket's Kitiphong Nilpraphaporn, Mövenpick Hotel Hanoi's Nghiem Thu Thuy, Mövenpick Hotel Mactan Island Cebu's Claire del Rosario-Bernabe, Mövenpick Hotels & Resorts Thailand's Markus Mueller, Mövenpick Heritage Hotel Sentosa's Irene Tan and Mövenpick Resort Bangtao Beach Phuket's Priyachanan Schtulmann



Lexis Hotel Group Malaysia's Catherine Tan, Steve Woon and Shim Chee Hong



Ministry of Tourism Cambodia's Lor Thoura (fourth from left) with team

Resorts World Genting's Susan Ng, Ken Cheah and Annie Thian showcasing their Twentieth Century Fox World theme park, which is scheduled to open 2016



Amara Singapore's Lily Wong and Free Style Incentives The Netherlands' Ben Gosman



Sarawak Tourism Board's Benedict Jimbau



It's all smiles at the Brunei pavilion, anchored by Brunei Tourism's Salinah Salleh (fifth from left)

Singapore Tourism Board's Ashlynn Loo and Liew Chian Jia (front row, third and fourth from left) with the Singapore contingent



Lombok reaches out

Greater trade show presence, new products part of action plan

By Mimi Hudoyo

Armed with better accessibility and new facility developments in Lombok, the Lombok Hotels Association (LHA) is determined to raise the profile of the Indonesian destination among the international community.

LHA chairman, Stephane Servin, who is also general manager of The Santosa Villas & Resort Lombok, said: "Lombok already has a very strong domestic market and we need to (promote) the destination internationally again."

Servin said he has been participating in major travel marts in his capacity as resort general manager under the Indonesia pavilion. "Lombok only has small representation though. We need (a bigger presence)."

Hence, LHA took up its own booth for the first time at ITB Asia 2013 and again at ATF 2014.

The strategy, he said, was to start targeting buyers from markets with easy flight connections

to Lombok.

Air links into Lombok were improved last year. Jetstar launched a four-weekly direct flight from Perth, which resulted in a 175 per cent leap in Australian arrivals, while Tigerair commenced a thrice-weekly service from Singapore. These add to SilkAir's five-weekly service and AirAsia's daily link from Kuala Lumpur.

Meanwhile, the increase in Garuda Indonesia services between Bali and Lombok from once to thrice a week has given the latter fresh opportunities to court Japanese and South Korean travellers as well as Australians beyond Perth.

"Travellers on Garuda from Tokyo and Seoul, for example, can now transfer directly in (Bali's) Denpasar to Lombok with a 1.5-hour transit," he explained.

To leverage this opportunity LHA has participated in trade shows in Australia and Japan.

Holiday Resort Lombok gen-

eral manager, Stefan Leu, said: "Lombok last year received some 1,000 new rooms so it is crucial that we improve our marketing efforts to fill these (beds)."

Today, Lombok has 3,000 rooms and a further 900 are expected this year.

Pink-Tours Bulgaria sales manager, Mariyan Nikolov, said: "We have programmes in Malaysia and Bali, and are looking for new destinations. After speaking to Lombok representatives I find that it is an alternative for clients who like trekking and diving."

Ecosential Escapes South Africa managing director, Liz Lollos, is also "looking for a new destination" and said "Lombok has the potential to be combined with Bali". She is sourcing for spa and wellness retreats, and is pleased that hotels in Lombok have spa facilities.

Leu said Lombok's boutique villas and helicopter tours would please upmarket travellers.

Santosa Villas' new sister company, 4X4 Lombok Tours, also offers soft adventure options for special interest travellers.



Nikolov: great for adventures

Phu Quoc to offer visa-free stays

International visitors to Phu Quoc Island at the southern tip of Vietnam will enjoy a 30-day visa-free entry, effective April 1.

The visa waiver spells a "pilot project" for Vietnam, as the island will likely become a free-trade zone in future, Vu Nam, deputy director general of tourism marketing department at Vietnam National Administration of Tourism, told media at ATF.

"The Phu Quoc airport has been upgraded last year and more hotels have opened. We have a lot of chartered flights arriving in Phu Quoc from mar-

kets such as Taiwan, Hong Kong and Russia," he added.

However, most foreign tourists travel to Vietnam for the culture, "so they seldom visit just one destination like Phu Quoc", said Luxury Travel founder and CEO, Pham ha. "I would prefer if they roll out visa-free initiatives for strong markets to Vietnam, such as the UK or Germany."

According to Vu, foreign visitors entering through Ho Chi Minh City and Hanoi airports with proof of connecting flights to Phu Quoc will be allowed to transit. - Xinyi Liang-Pholsena

More agencies adopt B2B solutions

Thailand-based 11-Infotech System, a software developer for the travel industry, is riding on the online wave with its B2B distribution solution, which it hopes to bring to untapped markets like Japan and South Korea.

Although Travflex has been in the market for 10 years, Chartchai Pothong, CEO - business development, said increasing online competition has boosted its take-up rate.

Just last week, the company bagged three accounts in Singapore - Tradewinds Tours & Trav-

el, Tour East Group and Hong Thai Travel Services - he shared.

He said: "This B2B solution allows real-time booking of hotels, tour packages and air tickets with instant confirmation."

"Travflex is 100 per cent capable of third-party integration and it allows complete business exchange, which means that everyone in the supply chain like employees, suppliers and customers (such as travel agencies and corporate clients), are able to log in to access the information they need." - Lee Pei Qi

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