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# Withdrawal symptoms

MAS, AirAsia cuts impact Malaysian trade

**By N. Nithiyananthan**  
**KUALA LUMPUR** Inbound specialists covering markets such as India, the Middle East and East Asia are bracing for smaller volumes as a result of route cuts by Malaysia Airlines (MAS) and AirAsia X that are now being implemented.

AirAsia X has axed flights to Mumbai on January 31 and is stopping New Delhi on March 22, Paris on March 30 and London on March 31.

MAS, in addition to cancelling flights to Dubai, Johannesburg, Buenos Aires and Rome, has also discontinued direct flights from Kota Kinabalu to Haneda, Osaka and Seoul.

"It cannot be right if we talk about increasing tourist arrivals and cutting back on flights at the same time," Malaysian Association of Tour & Travel Agents Sabah chapter chairman, Tan Kok Liang, pointed out. Sabah hotels had reported up to 99 cancellations from Japan and South Korea to date, and a drop in walk-in customers, Tan said.

Going by that sort of impact, other inbound operators have reason to be glum. Tourland Travel inbound manager, Prema Muniandy, said AirAsia X's decision to axe Mumbai and Delhi would hurt arrivals, despite MAS continuing to service the points. She said:

"AirAsia's flights are always full and tour groups come through on these flights.

"There is definitely going to be a drop from the Indian market; about 20 per cent as of now, and possibly more over the year."

The forecast was also dim for the Middle East market with its peak season starting mid-year.

Asian Overland Services Tours & Travel director of sales, Andy Muniandy, said: "The market is going to take a hit of at least 10 per cent (as a result of MAS' withdrawal from Dubai)."

Muniandy pointed out that operators could not even get seats on other airlines into Kuala Lumpur when MAS was operating the route, what more with this pull-out. "Now the situation will be critical," he said.

He also expects Malaysia's profile in the region to be impacted. "Tourism Malaysia is going to the Arabian Travel Market and conducting a road show in Saudi Arabia after that. Which airline are they going to work with?" he asked.

Mayflower Acme Tours accounts officer, international sales, Jaya Gowri Rajandram, meanwhile has seen a drop of five-10 per cent on arrivals from South Africa as a result of MAS terminating direct services to Johannesburg and Cape Town on January 31 and February 1.

"It cannot be right if we talk about increasing tourist arrivals and cutting back on flights at the same time."

**Tan Kok Liang**  
Chairman  
Malaysian Association of Tour & Travel Agents Sabah chapter

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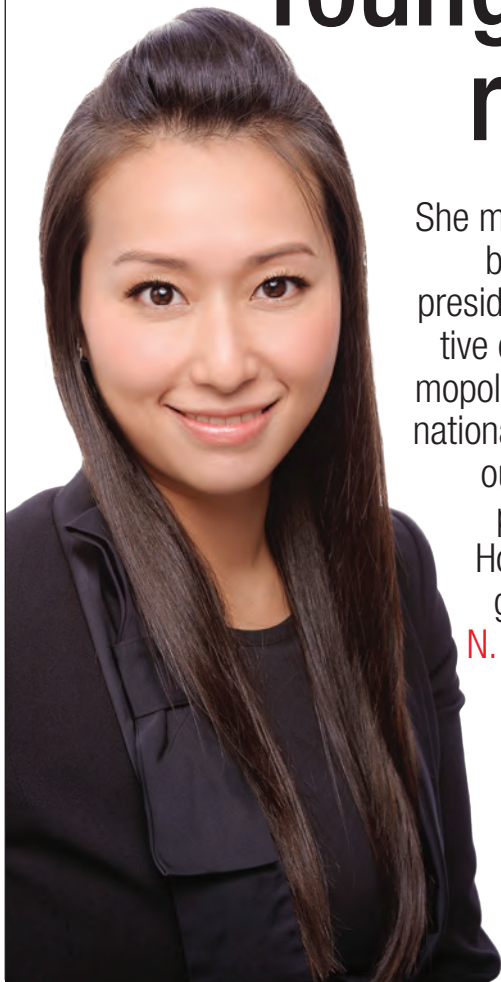
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- 6 Venetian Macao axes Zaia show
- 7 MATTA makes outbound travel insurance mandatory
- 8 KLM hikes Singapore-Bali flights to daily
- 9 Starwood to open Luxury Collection hotel in Shanghai
- 10 Maldives tourism hit by negative reports

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## Young and rising



She may be all of 31, but Winnie Chiu, president and executive director of Kosmopolito Hotels International, has mapped out an ambitious plan to take the Hong Kong chain global. She tells **N. Nithiyananthan** how – see page 6

## Asia gets even hotter for Indians

**By Gracia Chiang**

**NEW DELHI** India's outbound market will continue on its expansion trajectory this year, but there are signs of fragility that could hurt longhaul destinations and benefit the Far East.

The development could not be more timely for Asian destinations such as Phuket, which will soon see direct flights by Thai Airways International (THAI) from New Delhi and Mumbai.

Interviewed at SATTE, Rajiv Duggal, managing director of Kuoni India, which operates key outbound travel brand SOTC, said Indian travellers were not committing to long and expensive holidays due to the fluctuat-



**Duggal: Dips in longhaul trips**

ing rupee and an uncertain economic and political climate. "Even if Indian travellers are going longhaul, durations are shorter. What will hurt are Europe and the US, which are money-making."

Duggal said the Far East and Dubai were the flavour of the month, and smaller products such as Singapore/Bintan, Hong Kong/Macau and Thailand were more popular now.

Subhash Goyal, chairman of

one of India's largest wholesalers, STIC Travel Group, noted that the fastest-growing destinations were the Philippines, Turkey and Sri Lanka.

Cox & Kings head of relationships and supplier management, KS Anand, added that countries in the region such as Thailand, Malaysia, Singapore, Hong Kong, Macau, Sri Lanka and Nepal were selling well.

THAI, which flies to Bangkok twice daily from New Delhi and 13 times weekly from Mumbai, plans to convert two flights a week from each city to non-stop Phuket flights using its 300-seat

Continued on page 3



## TERRUCE'S TIPS

**Terruce Wang**  
Vice President

Sales & Distribution Marketing  
Hong Kong Disneyland Resort



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Toy Story Land is inspired by ©Disney/Pixar's Toy Story

## Destination marketing faces a redesign

Do travel marts – and the trade – still matter? NTOs weigh in

### Singapore

#### Shrinking presence

THE National Association of Travel Agents Singapore intends to take over the lead in giving the country a face at some major travel trade shows, following the Singapore Tourism Board's (STB) decision to skip events such as

WTM and ATM.

According to STB, as of January, only five shows were confirmed for 2012. It exhibited in at least eight shows last year.

STB's executive director, exhibitions & conferences and conventions & meetings, Jeannie Lim, said while trade shows were important marketing platforms, criteria such as industry interest

and audience profile were key considerations too.

However, inbound operators, worry that this may be symptomatic of the NTO's gradual withdrawal of local trade support. Said Tour East Group's senior vice president of sales and marketing, Judy Lum: "STB is now overtly consumer-centric to the detriment of the trade."

### Malaysia

#### Becoming selective

TRADE show participation will continue to be a part of Tourism Malaysia's marketing and promotion efforts, although the NTO is "becoming selective".

Said its spokesperson: "We are certainly moving towards the direction of an industry which is driven by the private sector. Tourism Malaysia will then be able to focus more attention on exploring new markets."

Acting director general Azizan Nordin outlined that plans

for this year included participating in more consumer events to promote and 'hard sell' directly. However, Tourism Malaysia would also expand cooperation with the trade through joint tactical campaigns, highlighting both traditional and niche products, he said.

### Indonesia

#### A strong anchor

SOME 90 per cent of the Ministry of Tourism and Creative Economy's marketing programmes involve the trade, calling its strategy 'below the line'.

The ministry's deputy minister, Sapta Nirwandar, said a limited marketing budget meant

that "supporting the trade in participation at travel marts and sales missions" was key as such platforms were well-targeted.

"We need to involve the private sector as much as possible to help them meet their counterparts as many times as possible," he explained.

The ministry fully pays for the exhibition space, spending between 30-40 per cent of its yearly

budget on this.

"A number of trade members can afford to have their own booths at travel marts, but there are many more who cannot," said Sapta.

He added that separate table tops were organised at marts to offer in-depth business talks, while such B2B sessions were also held during consumer events within the country.

### Thailand

#### Trying out new methods

THE Tourism Authority of Thailand (TAT) will continue to embark on traditional marketing strategies involving the trade, such as having a promi-

nent pavilion at major shows, said Juthaporn Rerngsonasa, TAT's deputy governor of international marketing-Europe, Africa, Middle East and Americas. It will also organise road shows.

"We will kickstart our mart-within-a-mart at ITB Berlin, where niche market specialists

will be hosted to participate in a special table top session. Sellers wanting to join will be charged an extra fee besides the normal participation cost," she added.

The niche market is seen as resilient in the face of an anticipated slowdown in longhaul markets, Juthaporn explained.

### Hong Kong

#### Maintaining focus

THE Hong Kong Tourism Board (HKTb) is sticking to the number of trade shows it is participating in for 2012/2013 (a dozen), although it is penetrat-

ing new markets such as the Netherlands (Vakantiebeurs), India (SATTE), Russia (MITT) and the Middle East (ATM).

Executive director, Anthony Lau, said the NTO had "always been participating actively at overseas trade shows" due to the networking and business op-

portunities offered.

He added that HKTb would co-organise more spin-off events, including on-stand activities with destination partners such as Macau and Hainan. It hopes to facilitate more multi-destination programmes and joint product creation.

By Linda Haden, N. Nithiyananthan, Mimi Hudoyo and Prudence Lui

## Marina Mandarin Singapore turns 25



The hotel's management raise a toast at the silver anniversary gala dinner last month, well-attended by travel consultants. One of the first five-star hotels in the downtown civic district, Marina Mandarin has welcomed over five million guests, served some 13 million meals and hosted more than 6,000 weddings.



# No verdict yet on Travelport's products

Its next-generation solutions that promise new ways to do bookings draw mixed responses

By N. Nithiyananthan

ATLANTA/KUALA LUMPUR

Asia will be the target of Travelport's new suite of products, which aims to improve travel experts' productivity. However, reactions on the ground suggest that the technology provider has its work cut out, as it elbows for desktop space among other popular GDSs in the region.

Travelport CEO and president, Gordon Wilson, said: "Asia has a youthful base and with younger people coming into the travel industry, they are not interested in working on old GDS screens. It is also important to cut down on training time."

For instance, Travelport Smartpoint App launched in January enhances the Galileo



Wilson: the key is productivity

commands from any GDS, enabling an expert to hit the ground running irrespective of which GDS language they are used to, with no need for retraining," Wilson explained.

Other new products include the Travelport Universal Desktop (TUD), Travelport Universal API, Travelport Hospitality and Fares and Pricing.

desktop with dynamic and interactive technology, reducing the need for key-strokes by up to 72 per cent.

"This product also supports

TUD is the groundbreaking GDS solution being promoted to travel agencies, as it is said to offer a multitude of content options, easier selling of ancillaries, customised user experiences that factor in a company's processes and data management (TTG Asia e-Daily, January 25, 2012).

By the middle of this year, Travelport intends to incorporate Rooms and More into TUD to boost hotel inventory on its GDS. It will offer 85,000 GDS-listed hotels and 600,000 non-GDS-listed hotels.

Two major customer meetings are scheduled in Asia this year to market the products.

World Discovery Travel Malaysia business development manager and Galileo user, Joseph

Xavier, said: "This is definitely a fantastic achievement by Travelport's technical team after such a long time." He also welcomed the addition of hotels, saying it would give end-users more options to choose from.

"We are open to trying out the applications, especially if they are claimed to be so user-friendly," said Jamie How, vice president - International Tours/GSA, Holiday Tours & Travel Malaysia, who utilises a range of GDSs.

However, not all travel professionals were immediately taken by Travelport's latest roll-outs.

A ticketing manager of a mid-size travel company in Malaysia who declined to be named said: "We are not interested...Our staff are already trained in Amadeus

and Abacus. Having too many systems in an office is a problem as staff will have to be trained."

The same manager pointed out that there was also anti-competitive behaviour in some countries, giving an example of how the company used to be confined to only one GDS when booking airline tickets from a certain carrier until this was protested against a year ago.

In addition, Travelport has drawn flak for its decision to implement a fee for its Agility programme, a package that includes products such as Rooms and More. However, it has recently come out to say that the commission earned from one booking a month on Rooms and More can already cover the package's fee.



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## Panorama grows international ops

By Mimi Hudoyo

JOGJAKARTA

Indonesia's Panorama Group is targeting to become a global player by 2015 by having at least seven Panorama-branded overseas offices and entering into more alliances, as it also looks to develop outbound markets outside of Indonesia.

A member of the parent group, the Panorama Leisure Group, comprising inbound, outbound, transport and MICE companies, had an estimated total sales of 2.3 trillion rupiah (US\$259 million) in 2011. It expects to hit three trillion rupiah this year and 4.5 trillion rupiah by 2015.

Panorama Tours Indonesia (outbound) is predicted to do better than Panorama Destination (inbound) due to the explosion of travellers from and within Indonesia.

Speaking at the recent Pano-

rama Management Conference, Panorama Group president commissioner, Rama Tirtawisata, said: "Our aim is to open one Panorama office overseas per year. The plan for this year is one in Beijing, and we are in the process of formalising a cooperation (with a local partner)."

Next on the cards are Panorama-branded offices in Thailand, Vietnam, the Middle East, Australia and the Philippines.

Apart from having three offices in Malaysia, Singapore and France, the group operates joint venture companies locally with Chan Brothers, Asian Trails, Carlson Wagonlit Travel, Asia World and Synergy Tours.

Choice of overseas locations is determined by the destination's potential for the Indonesian outbound market, as well as the size of the outbound market from the destination to Indonesia and

abroad. TTG Asia understands that for outbound traffic, top destinations are Europe and Asia (Hong Kong and China). Europe continues to be Panorama's largest inbound market.

Rama explained that while Indonesian outbound would be the initial focus of overseas offices, the goal was to also target the outbound markets where offices are based.

"China was chosen as it is appealing to the Indonesian outbound market and its potential outbound volume is huge, he said. "Our Malaysia office has (also) been handling Malaysian travellers to Indonesia and incentive groups to Europe."

Panorama Group CEO, Budi Tirtawisata, said: "By becoming a global player, we do not mean having our own offices around the globe, but forming more alliances with international players."

He revealed that several alliances were in the pipeline, with some focused on online. For example, Panorama Tours Indonesia will launch a new website with direct booking capabilities next month. He could not elaborate on the other tie-ups, but said announcements would be made in the coming months.

Budi added that while the euro zone crisis had been projected to have an impact on long-haul travel, reports showed that Asia-Pacific remained a growing market. Meanwhile, Indonesia's strong economy would also attract more investments and the size of the domestic market was a safety net, he said.

Panorama Destination CEO, Dharma Tirtawisata, added: "We have just learnt that Indonesian carriers are buying new aircraft. This reflects how the traffic will grow."

## Phuket to gain

Continued from page 1

Airbus A330s. Pending approval from the relevant authorities, the flights are scheduled to take place from April to July, during the island's low season. Return trips will be via Bangkok.

THAI's area general manager for India, Korakot Chatasingha, said: "Many Indians have been reluctant to include Phuket as they have to fly from Bangkok. We want to develop Phuket for the summer season. If response is good, we might extend the flights until September and launch similar flights from other Indian airports next summer."

Marvel Holidays Thailand director of marketing and sales, Ranajit Banerjee, expects to see a 20 per cent increase in business to Phuket, explaining that the high end of the market was now "tired of Pattaya". Last year, he had 5,000 Indian clients going to Pattaya, but only 2,000 to Phuket.





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## Tourism Data



International SOS identifies China and India as the destinations with the highest security risks for business travellers; Sentosa received 19 million visitors in 2011, a 7.3 per cent year-on-year jump

## Adam Tan



Join our mystery man as he examines how some Taiwanese travel consultants have leapt on the *Linsanity* bandwagon and are offering group tours to the US to watch Taiwanese-American basketball star Jeremy Lin in action.

## Hot Deals

Conrad Koh Samui (below) offers introductory rates; Oasia Hotel Singapore extends club privileges to business travellers; St. Regis Bangkok offers meeting packages



## Hot Moves

Thila Munusamy joins Legoland Malaysia as director of sales & marketing; Lyn Lewis-Smith is appointed chief executive of Business Events Sydney; Paul Cunningham is now general manager of the St. Regis Tianjin

# Room oversupply is the key

“SO, when will OTAs be obsolete?”

The question was asked by Ricco DeBlank, CEO - Hotel Division of Sun Hung Kai Properties, who was moderating a panel comprising two CEOs each from hotel chains, LCCs and OTAs during the recent Travel Distribution World Asia organised by Terrapinn in Singapore.

The polite laughter that followed the provocative question belies a love-hate relationship suppliers have with OTAs, which are able to siphon often 20 per cent commissions, sometimes even 30 per cent, off a room sale. Last year, OTAs accounted for about seven per cent of US room bookings, but hotel companies paid quite a price for this – about US\$2.5 billion – according to research by STR.

No wonder yet another attempt to soften the power of OTAs has been made, this time in Roomkey.com, founded by six US hotel chains (*TTG Asia e-Daily*, February 9, 2012 and see box).

In 2003, Hilton, Marriott, IHG and Starwood partnered Priceline and Pegasus on a similar venture, TravelWeb, only to

have it acquired by Priceline.

Another possible solution – don't use OTAs – was also tried. In 2004, UK-based IHG, which has the largest roomcount globally, left Expedia and its affiliate,

Firstly, let's correct that statement. There are thousands of OTAs but the power is in the hands of only a few – the usual suspects like Expedia, Bookings.com, Agoda, etc. This shows

concentration of power in the hands of a few. If it were so easy, hotel chains, which hold the inventory in the first place and have launched the BAR (Best Available Rate) promise, would not be held ransom to these OTAs.

But the reason why these OTAs are so powerful surely also has to do with excess inventory, for which greedy hotel developers and chains which just want to plant their flags have only themselves to blame. Think about it: if supply matches demand or is less than demand, that's when OTAs will be obsolete in the sense that they are not the ones that call the shots.

So, because of OTAs' specialised skills and a continued demand/supply imbalance, OTAs are here to stay. But that does not mean suppliers should give up trying to lessen their stronghold.

The Room Key initiative, therefore, is to be lauded. If, in the end, all it does is give chains a bargaining chip when dealing with OTAs, allow them to capture more direct bookings, enable them to upsell and personalise the booking at the start, that's already a lot than they could bargain for.

## Quick glance at Room Key

**Founders** Choice Hotels International, Hilton Worldwide, Hyatt Hotels Corp, InterContinental Hotels Group, Marriott International and Wyndham Hotel Group. Best Western International is the first commercial partner.

**Management** John F. Davis III, who launched Pegasus, is CEO; Stephany Verstraete is chief marketing officer. She worked six years with Expedia Inc. Large part of 22-strong staff is from Hotelicopter, which Room Key acquired last June to serve as its technology platform.

**Inventory** 23,000 rooms for a start, 80,000 rooms by end-2012 and a cap of 120,000 rooms.

**How it works** As a meta-search engine. Information is provided by hotel chains; bookings go back direct to chains. No GDS or other switch participating. Users will search by city and date. Options later to search by hotel name or chain. Property reviews might also be added. Multinational marketing campaigns to be launched in March. Plans to later roll out in English-speaking regions outside the US.

Hotels.com, only to reinstate itself in 2008. Choice, which pulled out of Expedia in 2009, was back in it just a few weeks later.

Why are OTAs this powerful?

just how difficult it is to make a mark in this market, where the metrics are totally different from traditional selling. If it were so easy, there wouldn't be a con-

## Most commented on www.ttgasia.com

### Debate rages on about AirAsia-Expedia tie-up

Almost a year after AirAsia and Expedia announced they would set up a joint venture offering a range of flight, hotel and holiday packages, some of our online readers are wading into the debate on whether the partnership between the low-cost airline and OTA is a viable one. Both are scheduled to combine their inventories by month-end.

Marciano Ragaza from the Philippines was of the opinion that the collaboration was a mistake. “Nobody thought (it) was a good deal except AirAsia and Expedia,” he said.

However, France's Alice Hattenville begged to differ. “AirAsia's business approach is non-traditional. They have millions following them. Add this to distribution giant Expedia's millions of followers, and we are convinced that their business decision is a strategic one,” she insisted.

### Bhutan's price hike at the cost of overall tourism

Bhutan's efforts to cater to high-end instead of mass tourists have struck a raw nerve with some overseas operators. The kingdom raised its minimum daily tariff for the high season from US\$200 to US\$250 at the start of the year, and has plans to hike the fee to over US\$300 within the next few years.

Peggy Goldman from Friendly Planet Travel US, which has sold tours to Bhutan for the past three years, said: “If Bhutan wishes to increase tourism, it should look at ways to make it a more attractive destination by lowering, not raising, the cost of travel.

“Many adventure travellers would love the chance to explore this off-the-beaten-path country if they could only afford it. It is already expensive enough to visit Bhutan. Increasing the cost of a visit to luxury levels will just limit access to the rich.”

### Kudos to mandatory insurance move by MATTA

Recent initiatives by the Malaysian Association of Tour & Travel Agents (MATTA) to safeguard the interests of outbound travellers has been met with approval by some readers. It made travel insurance compulsory from March 1 for all outbound tour packages sold by its members, launched an outbound travel insurance scheme covering claims for reimbursement of deposits/full payment of air tickets and tour packages, and appointed six insurance firms as its official service providers.

Thomas Coleen from the US said: “(These initiatives) will be the perfect protection for members of tours.”

Malaysia's Asraf Adnan added: “With the growing number of Malaysians travelling overseas, it is high time that travel insurance is made compulsory for all.”



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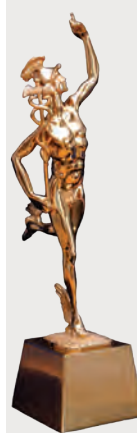
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## Travel Hall of Fame

The Travel Hall of Fame, displayed in the Raffles Hotel Museum on the third level of Raffles Hotel Singapore, showcases accolades, artefacts and memorabilia of the region's most exceptional travel organisations.

Since 2002, luminaries who have won the prestigious TTG Travel Award at least 10 consecutive times for the same award title have been honoured in the Travel Hall of Fame.

Singapore Airlines and Singapore Changi Airport are the Travel Hall of Fame's pioneering honorees, having been voted by Asia-Pacific's travel trade as Best Airline of the Year and Best Airport of the Year respectively, for more than a decade. Joining this elite family are Hertz Asia Pacific, Star Cruises, Royal Cliff Beach Resort Pattaya, Abacus International, SilkAir and Lotte Tour





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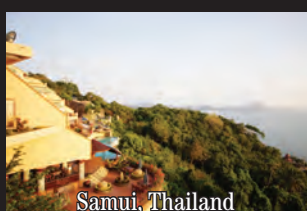
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Vice President International  
Operations – Asia & the Middle East

2011 was a hugely important year for Best Western, with a major branding shift and a large increase in the company's global hotel portfolio. By the end of the year, Best Western was represented by a portfolio of 2,183 properties in the US and Canada, and 1,895 across the globe.

### A year of change

New brand descriptions were launched in North America in February 2011, with thousands of hotels in the US and Canada moving to the BEST WESTERN®, BEST WESTERN PLUS® and BEST WESTERN PREMIER® brand descriptors. This marked the biggest change in Best Western's 65-year history, and was later rolled-out across the world.

This brand reconfiguration also marked the roll-out of the new BEST WESTERN PLUS brand - a contemporary upscale product with a current portfolio of approximately 850 hotels around the world. While the majority of these are in North America, the global growth plan for BEST WESTERN PLUS is significant, with new properties rolling out throughout the year in Europe, Asia and the Middle East.

### The year ahead

While we are expecting plenty of new additions to the Best Western family in 2012, our main area of focus this year is training and development. We recently launched BWI University, a new online training resource allowing our associates to enhance their knowledge of the industry and Best Western's products and services. Modules encompass every area of hotel operations, from e-commerce to housekeeping, and are often available in multiple languages.

There will be plenty of exciting developments over the next 12 months, so stay tuned!



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**Winnie Chiu**  
President and executive director  
Kosmopolito Hotels International

She may be all of 31, but Chiu has mapped out an ambitious plan to take the Hong Kong chain global. She tells **N. Nithiyanthan** how

# Young and rising

**Tell us more about Kosmopolito Hotels International (KHI), which is listed on the Hong Kong Stock Exchange.**

KHI is a developer, owner and operator of hotels. It has 17 properties in Hong Kong, China, Malaysia and Singapore, with another six in the pipeline. They cover the brands of Boutique Series by Kosmopolito, Grand Dorsett, Dorsett Regency and Silka Hotels.

**How did you get started in hospitality?**

I first worked for an investment bank and later became involved in property development. When I joined KHI, I started in business development. I looked at sourcing new land and properties and strengthening the brands. In 2010, I became the executive director of KHI and, subsequently, also its chief strategy officer. In 2011, I was appointed president by the board.

I have always been driven and inspired by the service industry. To be able to head a leading hotel chain is indeed a huge task but definitely one which I enjoy immensely.

**How difficult is it being the daughter of the chairman?**

The pressure of being entrusted with the role of president and executive director of the hotel group is greater in this instance. People definitely have higher expectations of me.

I also have the responsibility to live up to the trust and confidence bestowed upon me not only by my father, but also all our shareholders.

**What difference do you think you've brought to the company?**

Since coming on board, I have emphasised the importance of

**How would you describe the group's progress so far?**

Our journey has just started, and the KHI branding is kicking in now. We participated in our very first travel trade show – ITB Asia – last October.

We are developing a website for the trade, implementing our own central reservation and e-commerce systems, as well as establishing loyalty programmes and a social network presence. We are also working to create a prominent media presence so that there is top-of-mind awareness about our properties. One such initiative is maximising

**Which segments are you targeting with your brands?**

Grand Dorsett hotels are five-star luxury; Dorsett Regency is aimed at the midscale market; Silka Hotels represents value; and the boutique hotels are upscale.

We are currently promoting the Dorsett Regency brand as top-of-the-four-star-range business hotels offering uniquely-designed accommodation, reliable technology-driven facilities and easy accessibility to city centres and business districts. With the opening of five properties in 2012, this brand will be our main focus for this year. We will make its presence felt in the industry.

The Silka Hotels brand was introduced in mid-2011 with three properties in Hong Kong and one in Kuala Lumpur. While geared towards value-conscious travellers, this brand offers service excellence and amenities.

Our Boutique Series by Kosmopolito properties – Central Park, Cosmo, Lan Kwai Fong, Mercer – are sleek and upscale. Customers are the young and young at heart, with 70 per cent of bookings coming through the Internet. Each property is unique with its own edge. Some of their suites are thematically set up with business partners such as Ocean Park, Sony and OSIM, whose products are incorporated.

**What is KHI's expansion plan?**

We are currently developing six hotels, all of which are under the Dorsett Regency brand. Five of them are scheduled to open in 2012 – two in Hong Kong, two in China and one in Singapore. The group's first property beyond Asia will open in London in 2014.

**What will your distribution strategy be like?**

Travel consultants remain important business partners for us. However we must also acknowledge that consumer behaviour has changed and guests inform themselves very well about destinations, hotels and pricing before picking up the phone.

One thing's for sure – online reservation has gained momentum.

When our own central reservation system kicks in, we will definitely see a further improvement in both direct and online reservations. We will also be able to drive business to all hotels by cross-selling them.

**"We have a Chinese wallet strategy, targeting Chinese travellers who head overseas."**

developing a strong brand positioning statement of offering an Asian-inspired experience to the world.

We recognise the growing importance of branding to ensure consistency of product and service match customer expectations. As a growing company, we are prepared to invest in marketing and technology platforms that can support such a strategy.

I also believe in investing in the right human resources. Over the last 12 months, we have brought in key senior managers and strategic personnel to spur innovation and the capabilities of the team.

search engine optimisation.

The first quarter of 2012 will be an exciting time for our group as we zoom in to further strengthen our brand presence and product offerings in the market.

There will, of course, be continuous investment in our hotels be it in terms of innovative technologies or renovation/refurbishment programmes to ensure our hotels continue to offer a competitive edge.

**Who are you looking to attract?**

We have a Chinese wallet strategy, targeting Chinese travellers who head overseas. Hong Kong is always their first overseas destination and KHI is on track to have the most number of hotel rooms in this city in 2012.

Complementing this is our focus on offering an Asian experience and culture to Asians who travel overseas. Asia is the fastest-growing outbound market and KHI knows its needs because it is located in the same region.

Being Asian-minded also gives us greater flexibility when addressing issues like the brand standard. Why do we need to provide a swimming pool when the weather is freezing for nine months in a year even if it is a brand standard? Also, we will not include meeting rooms if the location does not support the need. Why have them when they will not be used?







# Recognising the best in the Greater China travel trade

The TTG China Travel Awards is the region's most prestigious annual celebration of the best and brightest in the Greater China travel trade.

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# Expanding in India

Foreign and local operators alike eye India’s hospitality gold mine, says **Shekhar Niyogi**



From left: The Westin Sohna Resort & Spa; The Leela Palace Udaipur; Sofitel Mumbai BKC; CGH Earth’s Chittoor Kottaram

	Starwood Hotels & Resorts Worldwide, Inc	The Leela Palaces, Hotels and Resorts	Accor	CGH Earth
Who	Starwood has 1,071 properties in 100 countries and territories across nine brands: St. Regis, The Luxury Collection, W Hotels, Westin, Le Méridien, Sheraton, Four Points by Sheraton, Aloft and Element.	The Leela is a luxury hotel group with properties across India, including palace hotels in several cities. The chain exemplifies Indian hospitality and international standards of service excellence.	Accor is present in 90 countries with 4,200 hotels. Its broad portfolio of hotel brands include Sofitel, Pullman, MGallery, Novotel and Ibis, providing an extensive offer from luxury to budget.	CGH Earth develops and operates properties in India, with a strong focus on nature and the environment. A family-owned enterprise, CGH defines its properties as luxurious – both in comfort and experiences.
In operation	Starwood currently operates 33 hotels in India. The Luxury Collection is the largest Starwood brand in India, which is also the brand’s second-largest market after the US.	The Leela has seven operating hotels throughout the country.	Accor has 10 hotels in India.	CGH Earth has 12 resorts, heritage hotels and boutique hotels across southern India.
Under development	There are over 20 hotels under development in India, all scheduled to open by 2015. In 2012, Starwood will open the ITC Grand Chola, Chennai, a Luxury Collection hotel; Westin Chennai; and two Aloft hotels. W Hotels (Mumbai, Goa, Delhi NCR) and St. Regis (Delhi NCR) will be introduced to the market in 2015 and 2016 respectively.	Its eighth hotel is due to open in Chennai in March, while a ninth will open in Jaipur by year-end.	Accor’s luxury brand debuted in India last year with the Sofitel Mumbai BKC. There are two more Sofitels committed for India. Accor has also reaffirmed plans to open around a dozen more hotels in India by the end of 2012 – double its current number – and remains on track to have 90 properties in the market by 2015.	There are plans for properties in the Andaman Islands, Puducherry and North Karnataka. CGH Earth’s properties will increasingly have fewer rooms, offering customised experiences for guests.
Investment	Mostly management contracts. It has also franchised a part of its Luxury Collection to ITC Hotels such as ITC Maurya and ITC Grand Central.	Although the majority of its properties are built and owned, the group is now pursuing an asset-light strategy. Most of its hotels opening over the next few years will operate under management contracts.	A mixture of owned and managed hotels.	All properties are owned and managed.
Adapting to the market	To meet the demand generated by the increasing number of Indian customers, Starwood opened its first Customer Contact Centre (CCC) for the market in Gurgaon earlier this year. This is Starwood’s ninth global CCC and its fourth in Asia-Pacific.	Indian business travellers need a more elaborate and efficient room service/in-room dining menu. For leisure, Indians take quicker and more frequent breaks; look for family and couple accommodation with more hotel activities; and have a lesser need for sightseeing. They sleep late, get up late, want to have late dinners and enjoy an overdose of service.	Guest services and F&B are designed with an accent on Indian travellers’ needs such as a suitable buffet spread, relevant TV channels and multilingual reception staff.	Guests engage with the destination and the local communities. They are served fresh produce cooked in local flavours and styles. Core values such as sustainability and community involvement are promoted.
Average rate	Rs8,000-20,000 (US\$162-406) a night	Rs15,000-25,000 a night	Rs7,000-18,000 a night	Rs10,000-12,000 a night (winter) Rs6,000-8,000 a night (summer)
Comment	“Indian consumers continue to enjoy double-digit growth in per capita income, while the population of high net-worth individuals has grown over 80 per cent in the last five years...We have a significant opportunity to grow our luxury brands.” – Dilip Puri, managing director of India and regional vice president of South Asia	“I am very bullish about the Indian hospitality industry as we have just scratched the surface. The government now understands the employment potential of this industry, and this is resulting in measures that will impact investment and make it easier for foreign nationals to visit India.” – Sanjoy Pasricha, vice president, sales and marketing	“Accor is focused on India as a core growth market...While we are placing a significant emphasis on the mid- and economy sectors, we are also expanding in the upscale segments.” – Michael Issenberg, chairman and chief operating officer, Accor Asia-Pacific	“Our customer is the ‘alert independent traveller’. He is on a voyage of discovery, and luxury is determined by the quality of his experience rather than ostentatious buildings. We expect growth to be much larger than our available capacity.” – Jose Dominic, managing director





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# Whetting appetites

More Asian travel firms are offering local food tours, hoping that what is currently a starter becomes the entree in future, notes **Brian Higgs**



While culinary tourism continues to serve up great interest across Asian countries keen to appeal to the stomachs of travellers, the reality is that only a small segment of the market is hungry for such itineraries.

Regional tourism organisations like the Singapore Tourism Board (STB), Tourism Malaysia and more recently, Indonesia's Ministry of Tourism and Creative Economy, have all come to recognise the untapped potential of travelling gourmands, rolling out an increasing number of initiatives in recent years.

Indonesia, for example, is embarking on an exercise to select iconic dishes to be highlighted in its destination marketing, in addition to developing 'culinary centres' across the country. Its official data shows that international tourists' spending on food in Indonesia ranked second after transportation expenditure, while spending on food by domestic tourists ranked third after transportation and non-food purchases.

Minister of Tourism and Creative Economy, Mari Elka Pangestu, said: "Local cuisine is one of the main things travellers want to try when visiting a destination."

Singapore, armed with a host of new fine-dining establishments helmed by celebrity chefs at the Resorts World Sentosa and Marina Bay Sands integrated re-

sorts, has also set its sights firmly on the top-end of the food chain by organising a series of culinary headline acts on an annual basis.

The Singapore Food Festival is now the biggest food event on the destination's tourism calendar, registering a record attendance of over 354,000 foodies during last year's edition. There is also the World Gourmet Summit, which showcases upmarket restaurants around the island.

In addition, STB helped launch the inaugural Singapore International Culinary Exchange one year ago to champion local cuisine, culinary talents and food products globally. As part of this initiative, a mobile kitchen named the Singapore Takeout travelled to nine cities over a one-year span, dishing out flavours of the Lion City.

Not to be outdone, neighbouring Malaysia is also jostling for attention through the promotion of culinary events under its Fabulous Food Malaysia branding. Its month-long Malaysia International Gourmet Festival (MIGF) saw the introduction of Gourmet Tours Malaysia itineraries in 2010, offering four nights of accommodation, complimentary limousine transfers, a choice of four meals in MIGF-featured restaurants and a half-day city tour of Kuala Lumpur.

## Reaching for a slice

Inbound operators have gotten in on the act, although they receive only a handful of groups

annually.

Kuala Lumpur-based Asian Overland Services Tours & Travel (AOS) offers seven-day, six-night and three-day, two-night Malaysian Gourmet Tour itineraries, which allow travellers to dig into Indian, Malay, Chinese and Peranakan cuisine across three of Malaysia's main food hubs: Kuala Lumpur, Penang and Langkawi. Besides visiting markets and learning how to create local dishes, guests are also taken to popular street stalls and restaurants for food sampling.

The company handled three focused gourmet travel groups last year, including a 15-pax incentive from Canada that spent two nights in Malaysia and Singapore, and a 12-pax group from Sweden.

However, AOS' assistant director, business development, Noor M Ismail, said most of the company's gourmet travel business was generated on an ad hoc tailormade basis. Thus, it has no plans to expand its culinary offerings. "There has not really been growth (in this segment). Gourmet travel is not for everybody. It's a niche, special interest segment, plus Malaysian food is not really exotic," he explained.

Kuala Lumpur-based Discovery Overland Holidays is also seeing a limited number of bookings for specialised gourmet tours, according to its manager, product development, Kingston Khoo. The company takes two to



ready food-related packages to Thailand, Laos, Vietnam and Japan.

## Who's biting?

Demand has been trickling in. Peter McGahey, a UK-based branch rep-

resentative of the International Wine & Food Society and a first-time buyer at the recent ASEAN Tourism Forum TRAVEX, cited a growing interest in Asian cuisine among his European members due to the number of Asian restaurants opening on the continent.

According to McGahey, the average budget for a five-day gourmet travel trip to Asia is between US\$750-US\$1,000, including accommodation at a four-star hotel and airfare. There is a separate food budget of about 100 euros (US\$131) a meal, with some participants willing to spend up to 150 euros.

"It's also fairly normal to arrive earlier or leave later," he said, adding that dining and sightseeing itineraries are usually arranged with the help of DMCs and tourism boards, while members sometimes book hotels on their own.

Attending the mart to source for interesting gourmet travel experiences, McGahey said: "Major destinations like Singapore, Hong Kong and Kuala Lumpur are popular...(as they are) places that (our members) are familiar with. Singapore is especially sellable because of the variety of cuisine that you can find and because everybody there speaks English."





Silver spoon

# Haute ingredients



The Lake House is one of Australia's pride and joy for haute cuisine. It's a case of the restaurant and executive chef being more famous than the hotel itself.

**Raini Hamdi** checks in

**LOCATION/AMBIENCE** If people are prepared to spend 80 minutes driving from Melbourne to get to this hotel on the shores of Lake Dayslesford for the food, so am I. I'm a Singaporean after all; we travel to all corners of Singapore once we hear a place serves something good.

Lake House reminds me of a small, cosy European hotel with a small, cosy dining room overlooking acres of country gardens that extend to the lakeshore. It is a pretty sight.



**Name** Lake House  
**Where** 4 King Street, Daylesford, Victoria, Australia  
**Contact**  
Tel: (61-3) 5348-3329  
Email: [reservations@lakehouse.com.au](mailto:reservations@lakehouse.com.au)  
Website: [www.lakehouse.com.au](http://www.lakehouse.com.au)  
**Verdict** must recommend to clients  
 good recommend @ your own risk

**MENU** Executive chef Alla Wolf-Tasker is famous for her policy of choosing to work with small growers in the region who take great care and passion in growing their produce. I'm glad to know this. As it happens, on this trip, I'm reading a book called *The Ethics of What We Eat* and the first few chapters have already put me off eating. So a menu which takes the trouble to list the producers from whom the kitchen gets its ingredients brings back my appetite.

Besides, what comes to the dining table looks too good not to eat. The plating is just gorgeous and the taste, delicious. I'm relieved, as the menu is for me a difficult one, with choices like rabbit, suckling pig and Skipton eel – all of which I don't eat. What I settled for – sashimi mackerel, slow-cooked octopus, fennel, smoky paprika (starter), followed by confit ocean trout, apple (main) and textures of chocolate (dessert) was truly haute cuisine.

**SERVICE** Such fine dining deserves finer service. For example, we ordered a fine Torbreck and the captain shocked me by opening the wine without the bottle being placed on the table.

The next morning at breakfast was a frosty reception by a head waitress who was more interested in instructing a new staff what to do than warmly welcoming guests. It was cold even in springtime in Daylesford, but it was colder in the restaurant, thanks to such service.

**PRICING** A\$94 (US\$101) for three courses, inclusive of tax and excluding coffee/tea.

For the quality of ingredients and the great cooking, the restaurant is every bit the accolades it has received to date.





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*Legend of the Seas*

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# Building strategically

Indonesia zeroes in on fast-growing markets and infrastructural needs, says **Mimi Hudoyo**

**Arrivals** Indonesia recorded 7.6 million arrivals last year, taking 2010 figures up by 9.2 per cent and bringing in US\$8.6 billion. Figures are expected to rise despite the economic uncertainty in Europe.

The Ministry of Tourism and Creative Economy is targeting eight million arrivals and US\$9 billion in revenue this year, with Singapore, Malaysia, Australia, China and Japan continuing to be the top producers. Efforts will be made to ensure European visitor numbers are maintained at 2011's level.

"We will continue to target Europe as it is still a key market," said Minister of Tourism and Creative Economy, Mari Elka Pangestu, adding that there would be greater focus on China, India and Russia.

On Europe's performance for this year, Pacto's business development director, Umberto Cadamuro, said: "We have not seen a significant decline in figures, but aggressive promotional rates in Thailand and more flight cuts could affect arrivals."

**NTO** In a bid to reach a target of 9.5 million arrivals by

end-2014, the Ministry of Tourism and Creative Economy has rolled out a three-prong tourism development strategy.

Mari said: "The first is geographical. We will focus on 15 tourism spots across the country. We will continue to work on mature destinations like Bali and Jakarta, while developing others." Places named include Bunaken, Raja Ampat, Toraja, the Prambanan and Borobudur temples, Lake Batur and Komodo Island.

The second is developing special interest tourism such as cruise, marine, spa and wellness, culinary and MICE products. To that end, a new directorate of MICE and special interest tourism development has been set up under the directorate general of destination development.

The third is developing integrated areas, replicating the success of Bali's Nusa Dua. Tanjung Lesung in West Java and Lombok's Mandalika have been earmarked for development.

**Access** At a recent tourism seminar, Indonesia's co-ordinating minister for the economy, Hatta Rajasa, said the government had set aside US\$445 billion up to 2014 to improve



"China, India and Russia are emerging markets for us. We will do more (in product development and marketing) to ensure their needs are fulfilled."

**Mari Elka Pangestu**  
Minister of Tourism and Creative Economy

connectivity within the country, with airports, seaports and roads in the pipeline.

These include the expansion of Ngurah Rai International Airport in Bali, allowing it to more than double its annual handling capacity to 25 million passengers by July 2013. Meanwhile, renovations will be carried out in the two terminals at Jakarta's Soekarno-Hatta International Airport, which will also have a third terminal by 2014. Over in Balikpapan, Sepinggan International Airport will grow nine-fold and be able to cater to 10 million passengers by 2020. A new airport will also spring up in Toraja next year, enabling 100-seater aircraft to land.

**Hotels** Investors are sussing out opportunities to inject money into accommodation facilities in both major destinations and secondary cities.

Aston International will open 17 new hotels in 2012, many in secondary locations such as Bekasi, Cirebon, Jambi Makassar and Kupang. Accor, which operates 46 hotels in Indonesia, will almost double this figure with 41 new projects until 2014. These are scattered across the country.

At the high-end, The Mulia, Mulia Resort & Villas is making its mark in Nusa Dua Bali. Scheduled to open this year, it has three ultra-luxe properties built on 30 hectares of land.

While hoteliers anticipate growth from overseas markets such as Australia, China, Russia and ASEAN, they are also optimistic about local demand.

Aston International's vice president of sales and marketing, Norbert Vas, said: "The dominant growth factor in Indonesia is the domestic market. It is not only huge, but becoming more sophisticated and demanding."

**MICE** Arrivals from the MICE sector are expected to rise by 10 per cent this year, said the Ministry of Tourism and Creative Economy's MICE director, Berman Lubis.

Two key events in Bali are the 24th Federation of Asian Pharmaceutical Association Congress in September, which is expected to bring in 2,500 delegates; and the International Drug Enforcement Conference in June, which will see some 750 delegates in attendance. Meanwhile, Jakarta will host the World Stamp Exhibition in June.



# Moving tourism beyond Bali

An overcrowded Bali and the new Lombok airport help to spread out business, says **Mimi Hudoyo**

**1 Has demand for non-Bali destinations increased?** Inbound operators are noting growing traffic eastward to Lombok and Sumbawa (both in West Nusa Tenggara province, also known as NTB), especially from Australia and Europe. For the first time, Lombok also received direct charter flights from Russia last winter.

Pacto business development director, Umberto Cadamuro, said: “(European) travellers no longer visit Bali only, but travel 360 degrees nowadays.”

Hotel Vila Ombak general manager, Imam Wahyudi, said: “Lombok is booming with both domestic and international tourists. We are expecting more growth with the opening of our sister hotel, the 200-room Hotel Ombak Sunset.”

This year, NTB expects to achieve one million arrivals. In 2011, footfalls totalled 860,000.

According to deputy minister of tourism and creative economy, Sapta Nirwandar, East

Nusa Tenggara’s (NTT) Komodo National Park, which has been heavily promoted in the last couple of years, has also been gaining popularity internationally.

**2 What is driving growth?** An overcrowded Bali had compelled travellers to seek out alternative destinations, the closest being Lombok, said the trade.

Hotel Vila Ombak’s Imam said: “We’ve had clients who initially planned to holiday in Bali for up to two weeks but cut short their stay. They ended their holidays with us because Bali was too overcrowded.”

With the recent announcement of Garuda Indonesia reducing flights between Amsterdam and Jakarta, Pacto’s Cadamuro also predicted that destinations in NTB and NTT would likely benefit since Java overland tours might take a hit.

There are direct flights to Bali, while Lombok’s new airport is providing a slight boost to air access. Lombok is also reachable

**“We have seen growing enthusiasm from investors for accommodation, restaurants...especially in Central Lombok.”**

**Awan Aswinabawa**  
Chairman  
NTB Tourism Promotion Board

via one-and-a-half-hour boat trip from Bali.

**3 What impact did the opening of Lombok International Airport have?** NTB Tourism Promotion Board chairman, Awan Aswinabawa, said: “We have seen growing enthusiasm from investors for accommodation, restaurants, etc, especially in Central Lombok, now that we have a new airport in the area.

“The highway connecting the airport and the city is also ready, so travel time is now 45 minutes to the city and one hour to the Senggigi area.”

He added that SilkAir, which currently operates three flights a week from Singapore, planned to increase it to five from May.

However, a major impact on arrivals has yet to be seen due to the airport’s limited capacity.

TransNusa Air Services president director, Juvenile Jodjana, said: “It is too early to expect an influx of traffic from the new airport as it has only been operating for a few months.

“(However), our flights are seeing growing traffic from Lombok to Labuan Bajo, the gateway to Komodo.”

Go Vacation Indonesia product director, Horst Pezetta, said: “The airport is not fully ready to accommodate various types of aircraft. (The Russian charters) started with a Boeing 767 with a capacity of 300 pax. When the traffic was slower, we wanted to

change to a Boeing 757, but the airport did not have the equipment to handle such aircraft.”

Originally scheduled to run until May, the charters will instead be terminated by the end of this month.

“We will try to promote direct charter flights again next winter. Hopefully the airport will be more ready by then,” said Pezetta.

**4 What else needs to be done?** Lombok must develop more attractions and infrastructure that support tourism, as well as engage in sales and marketing activities in markets such as Russia, observed Pezetta.

“The local authority should also ease landing fees and offer incentives to attract more (charter) flights,” he added.

Beyond Komodo, surrounding destinations in NTT and NTB must also be promoted, said TransNusa’s Juvenile. Travel to areas like Sumbawa, Sumba and Flores must be facilitated, said industry players.



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Royal Ambarrukmo Yogyakarta



When the Ambarrukmo Palace Hotel closed its doors in 2004, some thought Jogjakarta had lost a cultural icon. So when it reopened last year, *Mimi Hudoyo* snapped up the opportunity for a first look at the reborn property, now managed by Santika Indonesia

**LOCATION** Sited on the main Jogjakarta-Solo road, the hotel is about 10 minutes from the airport and a short drive away from museums and other attractions. Ambarrukmo Plaza, a major shopping mall, is within the hotel’s compound.

**ROOMS** Featuring modern lines and a fresh colour palette, the rooms have been transformed into light-filled spaces that have a calming effect on guests, making them ideal for leisure or work trips.

My deluxe balcony room was a comfortable 40m<sup>2</sup>, and the full-length glass walls separating my room and the terrace allowed natural light to stream in during the day while making the room feel more spacious.

From the terrace, I had views of the swimming pool and the re-landscaped garden, which retains sculptures from the original property.

While you can’t draw a bath here, hand and rain showers compensate for this. There is also free Wi-Fi access.

**F&B** Open for breakfast, lunch and dinner, The Palace Restaurant serves Indonesian, Asian and international cuisine, and the local dishes are as close as you can get to home-cooked flavour. If you’re here for breakfast, start your day with a herbal concoction from the popular Jamu corner.

Particularly impressive is the traditional royal Javanese culture on showcase at the hotel. There’s Patehan, for instance, where once a week, guests can enjoy afternoon tea as it was served at the Sultan Palace on special occasions, complete with a procession at the Pendopo Agung, a semi-open hall next to the hotel tower.

Then there’s the Royal Dinner, where recipes from the kitchens of the current Jogjakarta Palace are recreated and presented on your table by waiters in traditional dress carrying on their shoulders a large wooden container holding the dishes. As this is one of the theme dinners available for groups, bookings are compulsory.

**FACILITIES** The hotel was built in the 1960s within the 19th century Pesanggrahan Arjapura vicinity, the residence of Sultan Hamengku Buwono the seventh. Traces of original architecture sit pretty beside modern elements. A stone-carved mural depicting village lifestyle can be found in the lobby. Another mosaic painting depicting a local legend has also been preserved.

No changes, however, have been made to Pesanggrahan’s design, which still retains its royal colours of black, green and gold. Some of its rooms will be turned into meeting spaces to complement the hotel’s meeting and banquet facilities. Guests can also participate in activities such as traditional archery and Javanese dance classes.

**SERVICE** Service was excellent. The staff were graceful, genuinely friendly and eager to help throughout my stay.

**VERDICT** A pleasing blend of modern and classic.

Name Royal Ambarrukmo Yogyakarta  
No. of rooms 247  
Rate From Rp1,350,000 (US\$89)  
Contact  
Tel: (62-274) 488-488  
Fax: (62-274) 488-789  
Email: info@ambarrukmopalacehotel.com  
Website: www.royalambarrukmo.com

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Siem Reap and the Angkor temples continue to receive the most visitors

Courtesy of the Ministry of Tourism of Cambodia

# Cambodia on the rise

Tourism potential of lesser-known areas is being tapped. By **Byron Perry** and **Linda Haden**

**Arrivals** In a significant first, Cambodia and Thailand started issuing a single 30-day tourist visa to non-ASEAN visitors from February 1, with the former expected to benefit due to the number of visitors entering the region through Thailand. Cambodia's tourism minister Thong Khon said there were plans to include Laos and Vietnam under the visa scheme, develop the road network and offer the four countries as a package.

Cambodia's visitor numbers have shot up nearly every year since the country's civil war ended in 1992. There were 2.6 million arrivals between January and November last year, up 14.4 per cent from the same period in 2010, putting Cambodia on track for another record year. Some 21.9 per cent of arrivals to Cambodia were derived from Vietnam, 11.8 per cent from South Korea and eight per cent from China. The Ministry of Tourism of Cambodia anticipates arrivals to hit 3.2 million in 2012.

**NTO** The majority of tourists to Cambodia come for short trips to Siem Reap and the Angkor temples, but the government

is actively promoting the rest of the country, particularly the beach areas around Sihanoukville and Phnom Penh, known for its bohemian lifestyle.

Conservation is high on the agenda for the Cambodian government, and this has been integrated into the country's 2011-2015 tourism development masterplan. "We are highly focused on sustainable tourism. Conservation is an important factor, and we've specified planning guidelines," said Nim Sovann, deputy director, marketing and promotion department, Ministry of Tourism of Cambodia. Studies are currently being conducted by a coalition of government ministries to designate a historical tourism route for the former Khmer Rouge stronghold of Anlong Veng district.

**Access** Cambodia's two international airports in Phnom Penh and Siem Reap are expected to welcome over two million passengers each in 2012. Cambodia Angkor Air launched a thrice-weekly Siem Reap-Sihanoukville service on December 14, a move hailed by the travel industry as a key impetus to develop twin-centre culture



"Cambodia is no longer perceived as dangerous and clients now do overland tours between provinces, and between Laos and Vietnam. The average stay is steadily increasing."

**Pierre Jungo**  
Managing director  
Diethelm Travel Cambodia

and beach holidays. Meanwhile, Cebu Pacific Air will launch thrice-weekly direct flights from Manila to Siem Reap from April 19. Discussions are underway with Aeroflot to open a Moscow-Phnom Penh route, as well as with Emirates to launch a route from Dubai. Government officials are also looking to establish flights from Jakarta, adding to recently-launched services such as Eastar Jet's Seoul-Siem Reap flights and Myanmar Airways International's Yangon-Siem Reap-Phnom Penh flights.

**Hotels** Hotels in Cambodia hope to maintain or up their rates this year, on the back of a blockbuster performance during the previous high season. According to the latest government statistics, 440 hotels were registered in Cambodia as of end-2010. Key tourist destinations in Cambodia have ample budget and mid-range accommodation options, but business is moving upscale with more luxury property openings.

One notable addition was the 201-room Sofitel Phnom Penh Phokeethra, the capital's third five-star hotel, which opened end-2010. Said its general man-

ager Charles-Henri Chevet: "We have seen lots of business from Asian countries, especially China, Singapore and Malaysia."

Cambodia Bay, dubbed the 'Asian Riviera', is also undergoing extensive development. One of the most ambitious projects is Koh Rong island, off Sihanoukville, which will be transformed into an eco-resort by Hong Kong-based Millennium Group and its Cambodian partner, Royal Group (see page 16).

**MICE** MICE is still in its infancy in Cambodia, despite the country having hosted various high-profile events since 2009. Incentive travel, in particular, continues to thrive. More venues will open in Siem Reap and Sihanoukville; the latter is undergoing a major makeover as part of the country's tourism masterplan.

Queenco Leisure International plans to open the second phase of its nine-hectare integrated resort project in Sihanoukville in 2013, which includes a convention centre. A 350-hectare convention centre will also be built at Angkor Hills City, a massive integrated resort expected to be completed in 2018.



**Products**

Song Saa Private Island



Sofitel Phnom Penh Phokeethra



Preah Vihear Temple

## A slew of new eco-resorts, hotels and attractions to keep clients happy

### Song Saa Private Island

Song Saa, a luxury private island resort located 30 minutes from Sihanoukville, opened late last year. The property, which features 25 overwater, jungle and beach villas, aims to make environmental preservation one of its cornerstones. A marine reserve has been established across the development's two islands.

**Contact**  
reservations@songsaa.com

### Koh Rong Island

Koh Rong, an island off Sihanoukville, is another Cambodian eco-resort currently under development. The first phase – which has been undertaken by Cambodian conglomerate The Royal Group – will comprise two spa resorts, 160 villas, a beach club, five restaurants, a lagoon and infrastructure including roads, a small airport, a port, and power, water and telecommunications facilities.

**Contact**  
admin@kohrong-island.com

### Preah Vihear Temple

An 11<sup>th</sup> century Khmer temple which has been at the centre of a border dispute between Cambodia and Thailand for decades. Cross-border tensions have calmed in recent months, and visitor numbers to the temple – believed to be one of the most magnificent examples of Khmer architecture – have boomed. In

July and August last year, visitor numbers were 218 per cent higher compared to the same period the year before.

### Sofitel Phnom Penh Phokeethra

The US\$70 million hotel, which had its grand opening in March last year, is the first five-star property to open in Phnom Penh since the early 1990s. The hotel offers 201 rooms and

suites, eight restaurants and bars, and a 1,800m<sup>2</sup> ballroom.

**Contact**  
www.sofitel.com

### Legend Cinema

Opened in July last year, this movie theatre was the first to screen licensed Hollywood movies in the capital. The US\$1.5 million facility has three screens and 800 seats.

**Contact**  
legendcinema@gmail.com

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