



# Recovery's uneven distribution

Resorts, self-drive options, cheap deals are getting the bulk of domestic attention

**By Anne Somanas and S Puvaneswary**

Domestic travel interest is rising in Asia where the Covid-19 pandemic is coming under better control and internal borders are reopened for traffic. However, demand has not been equal for all destinations.

Yap Lip Seng, CEO, Malaysian Association of Hotels, told the *Daily* that only selected destinations in Malaysia are seeing a return in tourism business.

“Islands and beach resort destinations are gaining momentum from pent-up demand while main cities are still suffering with high dependency on international arrivals,” Yap said.

The same observations are shared by Jeff Redl, managing director of Diethelm Travel Vietnam, who noted that beach hotels in Vietnam “were recording almost full occupancy (from) Fridays to Sundays”, while city hotels continue to struggle with “extremely low occupancy”.

Industry suppliers said demand is also heavily dependent on accessibility, where

self-drive possibilities can influence domestic holiday decisions.

“Travellers are avoiding flights where possible,” said Yap.

Supporting the observation, Boon Lee Kim, CEO of Dusit Hotels and Resorts, shared that his hotels in Chiang Mai and Phuket – most accessible by a short flight – are seeing low occupancies despite price reductions. On the other hand, his property in Korat, a three-hour drive from Bangkok, is frequently booked out at normal room prices post-lockdown.

Amid an ocean of travel offers now, domestic travellers have become even more price-sensitive, noted Suyin Lee, managing director of Discova. “We continue to see price as the key decision factor and we notice that travellers have an appetite now to try new destinations if the price is attractive.”

To spread domestic travel across more parts of a country, Yap suggested that industry stakeholders provide motivation for locals to “revisit older destinations not only

based on attractions (there), but also experiences and stories it offers to travellers”.

He added: “Strategies can be mapped to recreate experiences of the same destinations with the help of complementing products such as seasonal events and features.”

It is also important that destination openings are paired with quality hotel development, advised Tunku-Iskandar Tunku-Abdullah, group executive chairman at Melewar Group and former president of the Malaysian Association of Tour and Travel Agents.

He said: “In Malaysia, there are some new destinations, or destinations putting a twist to current offerings through off-the-beaten-track activities and attractions. However, they are not well developed on the hotel and resort side, and as such are not seeing as much demand as expected.”

Industry players continue to support government intervention in domestic tourism promotion, particularly in the form of travel vouchers. Japan, Singapore and Malaysia are among the few countries in Asia with ongoing government-issued travel subsidies.



**Yap: uneven demand**

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# The future of experiences

Emerging from the pandemic, tours and activities are becoming more intimate and digitalised, and featuring sharper storytelling, finds **Anne Somanas**



eats from around Thailand, changing their touchpoints has meant engaging shoppers right in their homes. “Our Luxury Chat and Shop is a first-ever service that no other shopping malls have operated before, and it has become a benchmark service and case study that draws attention from many world brands,” shared a spokesperson for ICONSIAM.

Ethical travel operator Local Alike has pointed out that the biggest operational change is in how they transport guests, having solved the issue of limited van capacity due to social distancing by encouraging guests to drive to the destination themselves.

“It’s not only safer for them; it reduces the costs of the tour so guests are happier with the price,” said Chitpol Watcharapan, senior director, international programmes at Local Alike.

To cater to FITs growing demand for self-exploration, Klook in May 2020 launched a dedicated private car rental page.

**T**he shift in guest touchpoints for experiences post-Covid is not just about safety; it’s about new forms of delivery, more deliberate choices by travellers and the rise of virtual and hybrid experiences that can enhance experiences even further.

Heavier doses of social distancing and sanitisation, more intimate experiences in smaller groups, a proclivity for less congested spaces and new forms of delivery and new ways of immersion will shape the future of travel experiences, said tours and activities specialists throughout Asia.

## Shifts in guest touchpoints

Safety, sanitation and health measures are impacting the entire continuum of travel experiences from start to finish, leading many operators to implement advanced bookings, e-maps and cashless payments. In many cases, operators are leveraging technology and digitalisation to create what can be deemed “contactless touchpoints” for equally memorable experiences.

“Aside from making processes safer, digitalisation also allows us to enhance the overall visitor experience,” said Patrick Lee, sales and business development director at Singapore’s One Faber Group, drawing an example of its Singapore Cable Car attraction which now has a “geo-location commentary system” that functions as a personal tour guide in every cabin.

At the Siam Piwat Group’s ICONSIAM shopping mall in Bangkok, whose basement contains an indoor floating market of



...it turns out that the smaller capacity of CBT helps the activity to shine because it means less health risk.

**Chitpol Watcharapan,**  
Senior director, international programs  
Local Alike



## Rise of virtual and hybrid experiences

People's hesitance to step out the door has led to a rise in virtual and hybrid experiences and forced operators to get creative with their delivery, creating many new business opportunities for leisure and business events.

Airbnb in particular seized on the market space for virtual experiences early on. Having temporarily paused its Airbnb Experiences offering globally from mid-March to May to support social distancing efforts, the company launched Airbnb Online Experiences in April 2020.

"We had 50,000 seats booked within the first two months since launch," shared Parin Mehta, director, Asia-Pacific, Airbnb Experiences. "The online experiences are now our fastest growing product (for leisure and teambuilding purposes)."

Singapore's Sentosa is also playing with what they term "phy-gital" formats.

"On the consumer front, we collaborated with our Island Partners (tenants) to roll out several free online offerings, such as the virtual Sentosa on Animal Crossing: New Horizons and other leisure experiences like video conferencing backgrounds and Yoga by the Beach," shared Lynette Ang, chief marketing officer of Sentosa Development Corporation.

Prioritising safety and social distancing has also meant a predictable downsizing of groups.

"Where I see the permanent tectonic shift is that before we comfortably had groups of over 40 people on a tour. I think those will taper off a bit," opined Jason Loe, founder of Tribe Tours.

"The other change has to come from operators and activities themselves...in terms of the delivery means," he added.

To this end, Singapore's Tribe Tours, which has previously gained a name for its cutting-edge experiences such as its Good



“Ultimately, if you pair a good story that's told well (with an activity), it doesn't matter if it (was built for Covid or not).”

**Jason Loe**  
Tribe Tours

Morning Singapore and Mr Lee Kuan Yew guided tours, has launched a new product: livestream hybrid experiences which allow large groups of people to participate in the safety of their homes.

The most popular ones so far feature a livestream behind the scenes of famous traditional food factories paired with an ingredient box – delivered to participants' homes during the livestream – allowing guests to cook along under the guidance of factory chefs on screen.

It debuted to an immensely positive reception. "Since our launch in mid-September, the tour has been fully booked out every weekend," said Loe, who also saw corporate interest in the tours for teambuilding.

Another very popular livestream addition is Tribe's escape room-style tour in Singapore's Chinatown where participants

can direct and solve a murder mystery and learn the history of Chinatown through the eyes of characters in the outdoor puzzle adventure.

All livestreams are limited to 30 minutes "to keep it entertaining (and punchy because our attention span online is not as focused)", said Loe.

## Intimate, secluded experiences are hot

Klook described travellers post-pandemic as being "more measured and deliberate," and points to travellers gravitating toward "smaller-group trips that are more intimate and personalised" – a growing opportunity for activity aggregators like Klook, whose predominant focus has been on serving the FIT segment.

Klook has witnessed a stronger demand for outdoor adventurous offerings, especially in Taiwan which resumed domestic travel early. "Our traffic data in Taiwan for outdoor and island-hopping activities surged 10 times in June this year," said CS Soong, vice president, corporate development.

Local Alike's Chitpol stated that the desire for seclusion and the outdoors paves the way for the rise of community-based tourism (CBT). "The capacity of local communities is in itself too small for mainstream tourism, which automatically reduces risk. In the past, we may have looked at large mass markets as desirable; now it turns out that the smaller capacity of CBT helps it to shine because it means less health risk," he told *TTG Show Daily*.

"There are still thousands of communities that nobody is looking at yet. People want to be the first to everything. If we can develop new destinations that have never been explored before, it will be the choice for people who want to be the first to announce 'I'm here'. We also want to be the first to offer these experiences to tourists," added Chitpol.

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# The road to healing

With the pandemic bringing the wellness agenda to the fore, properties in Asia have swiftly responded with health-focused partnerships and offerings in anticipation of future demand. **Pamela Chow** gathers some fine pickings

## RAKxa Fully Integrative Wellness and Medical Retreat, Bangkok

Opening in December 2020, RAKxa Fully Integrative Wellness and Medical Retreat is the marriage of health and science, struck by a partnership between operator Minor Hotels, M.K. Real Estate Development and VitalLife Scientific Wellness Centre.

RAKxa will be a fully sustainable medical wellness retreat, located on the Chao Praya River in Bang Krachao, known locally as the Green Lung of Bangkok.

At RAKxa, a cluster of clinics and facilities will cater to guests. VitalLife's Scientific Wellness Clinic will house internationally trained doctors creating hyper-personalised health programmes. The Holistic Wellness Centre – RAKxa Jai – will offer comprehensive treatments such as Chinese medicine, Thai medicine, Ayurveda and energy healing. At the Medical Gym, guests can participate in individualised training programmes with physiotherapists and physiologists, using state-of-the-art equipment.

RAKxa Jai will also be home to a therapeutic spa overlooking the lagoon and offering massages, healing treatments and

therapies. Throughout the resort, guests can enjoy wellness cuisine centred on seasonality and sustainable eating, in addition to adopting anti-inflammatory philosophy.

RAKxa will feature 60 private villas, of which 27 will launch in December, with the rest slated to open in early 2021. The resort is accessible by both boat and car approximately an hour from Suvarnabhumi and Don Mueang International Airports.

## Amanbagh, Rajasthan

A hidden sanctuary in the Aravalli Hills of rural Rajasthan, Amanbagh's scalloped sandstone arches echo the splendence of the Mughal Empire. Here, operator Aman will launch its new Ayurveda Traditional Medicine Immune Support Retreat, available on select dates. Guests will receive an initial wellness consultation from the resort's resident Ayurveda physician, followed by a tailored wellness programme for a stay of at least four nights.

Each day, guests will enjoy an immunity-supporting shot, a selection of restorative herbal teas, a private movement session, a bespoke spa treatment, guided walks at sunrise and morning group yoga sessions.

Healthy daily breakfast will be served, with recipes using the freshest produce from Amanbagh's 1.5ha organic garden. Almost 80 per cent of the produce used in the resort's cuisine is grown here, and some are also incorporated into the spa treatments. Launching this year is the Farm to Fork Journey in which guests can harvest their own vegetables from the gardens to whip up a special lunch with the chef.

## Ovolo Hotels, Hong Kong

Specially catered to inbound travellers visiting or returning to Hong Kong, Ovolo Hotels has launched the 14-night Quarantine Concierge Service that takes care of guests during their quarantine period. Available at Ovolo Southside and Ovolo Central, the two-week stay comes with a variety of benefits and special treatment.

During their stay, guests can engage the hotel's on-call Quarantine Concierge to



The Lobby at Ovolo Central, Hong Kong

run errands, deliver food, and even, recommend new shows to watch. Guests enjoy unlimited access to premium Wi-Fi, Apple TV and Alexa, as well as barista-made coffee in the morning. Each room has been kitted out with fitness gear – a yoga mat, gliders and resistance bands – and the daily step challenge will reward guests who complete 10,000 steps in the room with a cold-pressed juice on the house.

Guests are also offered a specially curated Mindfulness Kit, comprising adult colouring books, brain teasers, playing cards and a leafy green plant. Other perks include a complimentary daily nutritious breakfast delivered to the door, HK\$1,000 (US\$130) in F&B credits, and a bottle of Cava.

## Oasia Hotel Downtown, Singapore

As part of its staycation pull, Oasia Hotel Downtown has launched the Weekend TWOgether package, a three-day/two-night stay in a Club Room focusing on wellness and rejuvenation.

The offer starts with a four-course dinner at OSO Ristorante and a night's rest, followed by a fit start to the weekend. Guests can participate in a high-intensity interval training session at the pool with Aquaspin, or opt for a more relaxing beginner's session with Freedom Yoga.

Following the morning workout, guests can partake in the Wellness Teatime experience at The Marmalade Pantry, the in-house café that offers a selection of healthy granola, fruits, cakes and scones.



Amanbagh in Rajasthan, India

# Behold a new travelscape

As we adapt to new work and travel norms, here are some creative offerings that will hit the spot with travel buyers and event planners



## ONE FARRER HOTEL

One Farrer Hotel presents an all-inclusive staycation experience with the Heavenly Opulence package. For S\$999 (US\$736) a night, the package for four people at the two-bedroom Orchid Villa comes with club lounge access, breakfast, and a four-course omakase Western set dinner curated by executive chef Marcus Tan, served in the privacy of the villa.

## INTERCONTINENTAL SINGAPORE

InterContinental Singapore has launched two-, three-, and five-night stay packages for travellers looking to elevate their stopovers in the citystate.

Priced from S\$890 nett (US\$655) for two nights, the package includes breakfast, afternoon tea and return transfers in a Mercedes S-Class. A dinner for two guests is included in the three-night package, while two dinners are thrown in for two guests in the five-night package. Guests can take their pick of award-winning restaurants Man Fu Yuan or Ash & Elm.



## 3 EMBERS

Singapore-based catering company 3 Embers has expanded its portfolio to offer a Fun & Dine programme aimed at aiding corporates in engaging internal and external stakeholders.

More than just a cooking exercise, 3 Embers works closely with the client to inject a desired message or objective into the activity.

A meal preparation kit is delivered to participants one day before the event, along with instructions comprising of login details, preparation list and programme outline.

The teambuilding session is priced from S\$120 to S\$150. It is good for 20 to 50 participants.



## LUX\* RESORTS & HOTELS

As Maldives has reopened its borders since July, why not consider ditching tropical Zoom backgrounds and materialise a workation at the destination?

Start the day off with a morning fitness class amid powder-fine beaches and shades of blue from the Water Villa patio before settling into work mode with free-flowing coffee from Café LUX\* from 08.00 to 11.00 daily.

To unwind, guests have the option of a 60-minute complimentary spa treatment or sunset catamaran cruise.

Packages start from US\$5,692 for two on full board.

## SWITZERLAND CONVENTION AND INCENTIVE BUREAU

Davos Congress Centre has launched a Quick Calculator platform to assist planners in obtaining a quick costing overview for face-to-face business events.

Users are able to customise the type of event, number of expected attendees, catering services, side events, and hotel rooms required in calculating a guide price, which can be used as a roadmap for further detailed planning.

Visit <https://www.davoscongress.ch/en/planen/quick-calculator>



# Choe Peng Sum

Downtimes present a chance for internal reviews and improvement, and for holding staff and communities close, Pan Pacific Hotels Group CEO Choe Peng Sum tells **Karen Yue**

## **How is Pan Pacific Hotels Group (PPHG) faring amid this pandemic and hospitality crisis?**

All of us put on our SARS hat when the outbreak first started. We did up a one-year plan but soon realised we had to cut that up by quarters because there was no way to know when the recovery would happen this time round.

With SARS, tourism came back up quite fast. Not this time. We are now already in August.

We will need both prudence and courage to get through this long stretch.

The one thing I'm thankful for is that 80 per cent of our property revenue are from Singapore and Australia. These two countries have very supportive, pro-business governments.

In Singapore, we have five hotels and three serviced suites, with one more coming up. With the Stay Home Notice (a government-imposed measure to guard against imported cases from arriving travellers and residents) and the quarantine business, our properties have been kept busy. We are also thankful for the (government) reliefs for wages and property tax.

We are running at almost 100 per cent, although average rates have been halved. Still, you would never have imagined being able to run full in such a crisis.

Australia has isolation programmes too, and a lot of our hotels are running full as a result. The government there has the Job-Keeper Payment, which helps to keep more Australians employed through reliefs for businesses.

We are actually pretty afloat. We are able to pay salaries and expenses, and still have positive cash flow. Without cash flow, we will have to start to think about retrenchment, downsizing teams, etc.

Obviously, we have stopped hiring and a

lot of us have to take pay cuts and no-pay leave.

We also had to make some painful decisions very early on to preserve our cash flow. Our China properties were the first to be hit, and with the lockdown, not a single soul was on the streets. We told our teams to take a huge pay cut but we promised to retain them. They accepted the bitter pill. Within two months, around March, we managed to reopen. Right now, business is pretty encouraging – we are doing about 70 to 80 per cent in Tianjin, Ningbo and Xiamen. There was a second wave in Beijing (in July) which brought occupancy down to single digit, but business bounced back quickly to double digit. We are now doing 40-odd per cent there. That's not bad at all.

(All these decisions were made) while keeping a close eye on our cash flow. We have a war room team that is made up of the best personnel in the business, from finance, asset management, yield management, human capital, etc.

Attention is paid to revenue preservation, which is why many of our properties are very gung-ho about just taking any business.

## **Is the stress less pronounced now that public activities are resuming and domestic tourism is starting up again in some markets?**

Markets with a bigger domestic appetite have a better chance of recovery, like China.

Australia also has a big domestic market. Even during pre-Covid days, as much as 80 per cent of our business comes from interstate leisure travel.

Our big concern lies in places like Singapore and most parts of South-east Asia where the domestic travel market is not strong.



Right now, in Singapore, we are being helped all the way to December (by government relief). Staycation demand in November and December will be rather strong, driven by young people who are willing to spend money on such experiences. After (the holiday season), staycation demand would come in only over the weekends.

But what's the outlook for the first and second quarter of 2021? Most cities in this region require support from international travel, and at this point, we cannot see how international travel will return. Sole dependence on a domestic market can be frightening.



I've seen in other crises, such as SARS, that when employees trust the company, they feel they have a stake in it and its well-being.

#### **Can your F&B takings make up for the accommodation side?**

Our restaurants are doing quite well. On weekends, they are full, full, full. There is a huge pent-up demand for dining out, after the lockdown.

The thing is, with hotels, profitability from rooms is north of 70 per cent, while profitability from restaurants is probably north of 35 per cent. And within F&B profit, most of it comes from meetings and events (which are now limited by capacity restrictions).

#### **You spoke about PPHG having a large cluster of hotels in two specific markets – Singapore and Australia. That has made a large number of your hotels vulnerable to local market conditions, such as a lacking domestic market in Singapore. Would PPHG change the way it plans its property portfolio going forward?**

Having eight or 10 properties in one city gives a lot of room for different ways of working.

Imagine this: every hotel has its own finance team. But can we have one finance team to support all hotels in that city?

If I have 10 sales staff for each hotel, and

I have 10 hotels in a city, that would give me an army of 100 salespeople. We could do a lot more with that many people.

With enough (properties) in a portfolio, we can streamline operations, redesign jobs and upskill staff (as we move them into new roles).

So, we will continue with the way we build our portfolio. We are going to have four hotels in Jakarta, and four in Kuala Lumpur. There is big potential for clustering in these cities.

#### **What has your 30-plus years of hospitality industry experience taught you about coping with such a crisis?**

The one important thing my experience has taught me is that this business is very people oriented and it is the heartware that takes us through bad times. Many companies that might not know this business move right away to cut training and staff development when times are tough. It is sad because it is only a short-term solution.

Communications are also particularly crucial during a crisis because people worry a lot more when they have no knowledge of how things are. So, we made sure to increase our frequency of communications to build trust.

I've seen in other crises, such as SARS, that when employees trust the company, they feel they have a stake in it and its well-being.

My family runs a small business. We used to do deliveries even during Chinese New Year, and we would never say, "How much are you going to pay me for it, dad?" We just did it because it is our business.

Our F&B teams are totally flat out now, so staff (from other departments) jump in to help. You cannot take that for granted; the spirit has to be right for inter-department support to be possible.

Here's another example of the power of trust. When we first deliberated the option of being on the government's Stay Home Notice programme (to provide accommodation to people on quarantine), there was some internal struggle. We eventually decided to take the business but with steps taken to protect all our staff. When the first two ambulance came with positive cases, I was there and I saw how worried the staff were.

It made me wonder why they were willing to risk their lives and the lives of their loved ones at home to support the company on this decision. And the only answer to that is that they feel they are part of the business and want to make it work.