

Phuket tourism outlook bright, infrastructure lags

CHADAMAS CHINMANEEVONG

C9 Hotelworks, a consulting firm specialising in hotels, tourism and property development in Asia Pacific, still sees bright prospects for tourism in Phuket despite the fire that ravaged Tiger Pub and killed four people last week.

C9 Hotelworks reported an 11% surge in airport arrivals in the first six months of this year for a total of 2.32 million passengers to Phuket.

The destination's hospitality industry chalked up a healthy 75% occupancy rate.

An increase in direct international flights set the stage for a record forecast of 9.3 million passengers travelling through the airport this year, with the improved access reflected in rising hotel occupancy rates from January to June, as revenue per available room shot up by 8%.

Managing director Bill Barnett said sustained direct access to the island is

having a major impact on the hospitality sector.

New flights from China and Russia along with regional low-cost carriers are driving a new era of mass tourism to the island, benefiting the hotel sector.

The top growth markets are China, Eastern Europe and Malaysia, increasing by 66%, 33% and 17%, respectively, year-on-year in the first half. C9 predicts US\$315 million in hotel transactions this year.

Hotel groups benefiting the most from the boom include Singapore's Lum Chang Development, Thailand's Minor Hotel Group, Malaysia's TA Global Berhad and Hawaii's Outrigger Hotels & Resorts, all of which have acquired significant hotel properties this year.

Despite the upward trends, resort destinations in Southeast Asia continue to face a mounting infrastructure dilemma, said Mr Barnett.

Between now and 2015, a total of 5,080 new rooms are under development reported C9.