

# Thailand Hotel & Resort

## X2 Resorts opens first designer property in Thailand's Kui-Buri district



Thailand's Prachuap Khiri Khan Province has welcomed its first designer property, the X2 Kui-Buri resort, which opened in December 2007.

Run by Astudo Hotel and Resort Management, the resort is just three hours drive from Bangkok.



The property features a main villa, a suite deluxe villa, pool villas as well as bungalow-villas.

The villas were also designed to showcase mountain rock walls as well as glass-panel doors. Pool Villas also come with their own plunge pool as well as a private garden and terrace area.



Bathrooms have an indoor and outdoor shower while each residence also has a complete entertainment system with LCD televisions and internet connection.

X2 Resorts is also a member of Europe's prestigious "Design Hotels" group and the Kui-Buri property has already been featured in magazines such as UK's Elle Décor and Hong

Kong's Futurarc.

X2 has another two properties in development including a Koh Samui resort which is scheduled for opening in June 2008.

Source: [Knight Frank Thailand Library Service](#)  
Posted: December 28, 2007

## New hotels to heat up competition

The Thai Hotels Association (THA) predicts that operators will face a tougher time next year, with 3,000 new rooms scheduled to be made available in Bangkok alone.

Operators nationwide can expect only a modest rise in their room rates compared to this year. THA president Chanin Donavanik said the number of new rooms was expected to increase by 30,000 during 2006-2008, with more than 3,000 set to hit the market next year in the capital. It would appear that many new hotels are planned for major destinations such as Bangkok, Samui, Phuket, Pattaya, Hua Hin and Chiang Mai.

"I noticed four hotel categories increasing their presence in the market: guest houses, serviced apartments, boutique hotels and international chains," said Chanin. He said the new hotels would bring about tougher competition in the coming year, meaning operators would be forced to increase their room rates by less than the adjustment in earlier years. Hotels normally increase their room rates by 5-10 per cent during October each year as the high season approaches.

The new rate is set for overseas agencies booking in advance for the following year. This year's adjustment is expected to be not more than 5 per cent. "Next year, hotels will have to work harder due to more than 30,000 rooms being added to the market in the 2006-2008 period, especially in Bangkok, where 3,000 new rooms are set to open. This does not include competition from serviced apartments and guest houses," he said. Chanin said hotels' average room rate in Thailand was the lowest in the region, being 50 per cent lower than in Singapore and 30 per cent less than in Hong Kong.

"Even hotels in a world heritage city like Luang Prabang in Laos have a higher one than in Thailand," said Chanin. The association also predicted that operators in Thailand would revise and increase business and marketing strategies in 2008 in a bid to maintain market share. The body also believes that the oversupply of rooms in the Kingdom is causing a drop in occupancy rates. After the drop in rates throughout 2007, the THA president said hotels must continue to battle against oversupply next year.

According to the THA, the year 2007 was a dark year for Thai hotels following the New Year's Eve bombings, which resulted in overall occupancy rates reaching only 30 per cent. Chanin said the bombings on New Year's Eve had had a negative effect on several sensitive markets such as Japan, Korea and China.

However, he said that although overall tourism in 2008 was still growing, there was less growth than in some neighbouring countries and it would not exceed this year's projected figures of 14.8 million arrivals.

According to the Association of Thai Travel Agents (ATTA), international tourist arrivals at Suvarnabhumi Airport from January to October this year jumped 5.02 per cent (8,320,183).

Source: The Nation  
Posted: December 27, 2007

### **Thai hospitality to get interesting**

Thai Hotels Association (THA) has just predicted that more than 3,000 rooms will be included in Bangkok's total inventory alone by the end of next year, signalling some interesting times ahead, reported a Thai newspaper.

Historically, room rates have risen by 5% to 10% per annum in Thailand, but with the influx of so many new rooms, the THA say 2008's adjustment will not be more than 5%.

"Next year, hotels will have to work harder due to more than 30,000 rooms being added to the market in the 2006-2008 period, especially in Bangkok, where 3,000 new rooms are set to open. This does not include competition from serviced apartments and guest houses," said THA President Chanin Donavanik in *The Nation*.

One suggestion to pull ahead in the race was to strengthen hospitality networks internationally with partnerships and brand relations.

A growing trend with Thai hotels not willing to lose majority management control over to a trans-national brand is the growing market of hotels gaining partnerships with global chains, which then send their management teams to operate associated hotels.

But there is only so much marketing can do, as THA has commented that it believes even with more market share associated with brand recognition, the oversupply of rooms will mean an overall occupancy rate drop across Thailand. And Bangkok isn't the only place where oversupply is expected to occur, with regions such as Samui, Phuket, Hua Hin and Chiang Mai all signed up for a series of new developments.

It appears in this market of oversupply, some premium Thai brands are looking elsewhere for markets, such as Dusit's growth now in three international locations, Dubai (United Arab Emirates), Yangon (Burma/Myanmar), and Manila (Philippines). On the other hand, lower room rates and more room availabilities means that Thailand becomes even more attractive for the meetings and incentives market –of which Thailand already has the infrastructure to accommodate.

Source: [Knight Frank Thailand Library Service](#)  
Posted: January 2, 2008

## Starwood grows in Chiang Mai

Starwood Hotels & Resorts Worldwide Inc, in co-operation with T.C.C. Capital Land, will open a new hotel in Chiang Mai in the second quarter of 2008 under the Le Meridien brand. The hotel is located on Chang Klan Road. It offers 384 rooms, two restaurants and one lobby. The convention and meeting room has a space of 1,800 sq m that can accommodate up to 700 guests. The room sizes range from 16 to 250 sq m.

T.C.C. Capital Land is a joint venture between TCC Group, which is the property arm of the beverage tycoon Charoen Sirivadhanabhakdi, and the Singapore-based multinational CapitaLand.

"We see an opportunity to grow in Chiang Mai even though there has been hotel oversupply in the past two years," said Yves Mudry, the hotel's general manager.

He believed that the hotel's prime location close to the Night Bazaar would bring an occupancy rate of 60% on average in the first year of operations. Currently, the occupancy rate in Chiang Mai is lower than 50% in the low season and 70% to 80% in the high season.

Mr Mudry said Chiang Mai was transforming itself into a hub of distinctive boutiques, luxury accommodation and creative cuisine.



Le Meridien in Chiang Mai will have 384 rooms and a convention facility for 700 people.

He was confident that the combined resources of the Tourism Authority of Thailand (TAT) and the Thailand Incentive and Convention Association (TICA) along with the Chiang Mai Tourism Forum and the individual international branded hotels would help to promote tourism.

He said growth in the international meetings, incentives, conventions and exhibitions (Mice) market over the next two to five years would help Chiang Mai to become a front-runner for hosting major international events.

"Limited direct flights continue to be a challenge for the destination and during the peaks seasons and it is difficult to secure seats," said Mr Mudry. He added that the hotel would distribute its marketing funds through appropriate channels to ensure maximum exposure and build awareness in international markets.

Local people are the main target group. Other feeder markets include Singapore, Hong Kong, and the United Kingdom. Visitor arrivals from the Middle East and India are also growing significantly, said Mr Mudry.

Currently, Starwood manages three Le Meridien Hotels in Thailand: Royal Meridien Hotel Bangkok, Le Meridien Phuket Beach Resort and Le Meridien Khao Lak Beach Resort and Spa. In 2008, three hotels will open: in Chiang Mai, Chiang Rai and Le Meridien Bangkok situated on Surawong Road.

Source: Bangkok Post  
Posted: January 3, 2008