Thailand - PHUKET HOTELS HIT 75% OCCUPANCY IN FIRST HALF OF 2012, REVEALS C9 HOTELWORKS INDUSTRY REPORT

PHUKET, THAILAND: An 11% surge in airport arrivals in the first six months of 2012 for a total of 2.32 million passengers is driving Phuket's hospitality market as the destination chalks up a healthy 75% hotel occupancy island wide according to the Phuket Mid-Year Hotel Update report released today by leading hospitality consulting firm C9 Hotelworks.

Bill Barnett, Managing Director of C9 Hotelworks and Publisher of Phuket Hotel Market Update. For hi-resolution image, click here.

A rise in direct international flights in particular is setting the stage for a record high 9.3 million passengers travelling through the airport forecast for this year with the improved access being reflected in soaring hotel occupancy rates from January to June, with leading metric RevPAR shooting up by 8%.

C9 Hotelworks Managing Director Bill Barnett said: "Sustained direct access to the island is having a major impact on the hospitality sector and it is resulting in an increasingly self-sufficient position for Brand Phuket. New airlift from Mainland China, Russia, plus the massive pick up in regional low-cost carrier flights is driving a new era of mass tourism to the island and the hotel sector is a clear beneficiary of the growing trend."

Top growth markets are China, Eastern Europe and Malaysia growing at 66%, 33% and 17% respectively versus the same period last year, according to the report.

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The C9 research further highlights that hotel transaction levels in 2012 are expected to top USD315 million. Hotel groups benefiting 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 and Resorts who have acquired significant hotel properties already this year.

Phuket's hotel pipeline remains robust, driven but both international and domestic investment. Between now and 2015, 5,080 new rooms are under development which will increase total inventory by 11%, the report reveals.

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However, there are obstacles in the future to smooth development warns Mr Barnett. "Despite a upwards trading pattern, mass tourism is the elephant in the room of every major resort destination in Asia and the island continues to face both a mounting infrastructure dilemma and lacks a clear-cut long-term tourism plan.

"This can perhaps be best demonstrated by the delayed upgrade plans at the gateway Phuket International Airport. With the expansion plan now expected to be completed by 2015, assuming an average annual growth rate of 5%, the expanded airport would hit capacity by 2017. Essentially this equates to a scenario of a new facility being dead on arrival."

For hi-resolution image, click here. About C9 Hotelworks

Bill Barnett is the Founder and Managing Director of C9 Hotelworks, who are a leading consulting firm specializing in hotels, tourism and property development in Asia Pacific. C9 assists developers, private equity and financial institutions, and investors in providing market research, feasibility studies, hotel operator negotiations, asset management and transaction/due diligence support. From their base of operations in Thailand the group is considered a leading regional player in market intelligence, and publish regular industry updates.

With over 28 year experience in Asia, Bill has held executive roles with a series of leading international hotel management firms and publicly listed companies. He was awarded a prestigious PATA Gold Award in 2007 and is a member of the ISHC (International Society of Hospitality Consultants). Bill's popular online new site www.thephuketinsider.com is widely regarded as a significant industry resource and his byline appears in a number of newspaper and magazine articles throughout Asia. For more information contact www.c9hotelworks.com