Horwath HTL
Hotel, Tourism and Leisure

# Asia Pacific Chains & Hotels Report 2018

# Contents


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## Foreword

*A very warm welcome to the very first edition of The Asia Pacific Chains Report, which looks at the development of branded and chain hotels across key markets.*

A few years ago, our team in Rome decided to put together a report on the state of hotel chains in Italy, no easy task as you can imagine. As we investigated the market, we found that it was complicated and opaque, a labyrinth of family ownership and local brands many of whom were unheard of outside of their local city, let alone Italy itself.

Our goal was to try and accurately shed light on the market and see how brands were evolving. Investors need transparency and hotel companies need to know what the competitive landscape looks like. This Italian report has become incredibly respected and we decided to expand our scope to the key global markets, building on the database year by year to provide a comprehensive view of the branded versus independent hotel situation.

Some of this data exists elsewhere of course, there are a number of countries that have good amounts of data on their hospitality industry, some for sale and some free to access.

A surprising high number of countries do not however, and we saw an opportunity to consolidate much of this data in one place to make it easier to have a holistic view of the market. This is our first Asia report and we will continue to build on the information every year, making it more accurate and adding to the number of ways this data can be shown and interpreted.

This is the third iteration of this report, which is well on the way to becoming a truly global look at the phenomenon that is branded hotels and their role in hospitality and real estate. To date we have produced two versions of a European report and one Latin American. As this is our first report on Asia, we do not have year on year data yet, but will have for the next edition to be released in 2019.

Another large gap is China, which we will address in a separate report. The market is so vast and opaque, that we need to dedicate a special report to look exclusively at that market.

The most positive stat for our industry is how many of these brands are growing and expanding, a good indicator that the industry is in rude health and attracting significant levels of investment. Much of this makes for fascinating reading,

We certainly hope you enjoy reading it as much as we enjoyed putting it together.

*James Chappell*
*Horwath HTL Global Business Director*

## Introduction

*Our goal was to try and accurately shed light on the market and see how brands were evolving. Investors need transparency and hotel companies need to know what the competitive landscape looks like.*

In the compilation of the data, we asked our offices to not rely on available local data, but to create our own databases from scratch. Once that was done, we checked our results with institutional data providers who have comprehensive numbers on hotels, restaurants, hostels and all the rest.

We then dug deeper into each market to get an understanding of the players, and what size and scope they have. We looked at overall ranking by size in each country, by overall group (hotels and rooms) and by brand. We broke the information down by domestic and international groups and brands, and then by scale/style of hotels.

For future editions, we will look at including more ownership details, including business model and any pipeline coming into a destination. In order to standardize the data, we looked at the same KPIs across all countries using the same methodology.

We looked at the following KPIs:

- Total number of chain hotels
- Total number of chain rooms
- Average size per chain hotel in rooms
- Country hotels stock (overall supply)
- Country rooms stock (overall supply)
- Average size per hotel in rooms
- Chain penetration % by hotels
- Chain penetration % by keys
- Total number of brands
- Domestic brands
- International brands
- Second tier operated hotels
- International chain hotels *(incl. double counting)*
- Domestic chain hotels *(incl. double counting)*
- International chain rooms *(incl. double counting)*
- Domestic chain rooms *(incl. double counting)*

## Asia Pacific: Chain Hotels 2018

# *Like their European counterparts, the first statistic that stands out when looking at the chain hotel statistics, is how much bigger chain hotels are than Independents.*

For this initial report, we have looked at 11 markets across Asia Pacific: Australia, Hong Kong, India, Indonesia, Japan, Malaysia, New Zealand, Philippines, Singapore, Thailand and Vietnam.

The first statistic that stands out when looking at the chain hotel data, is how much bigger chain hotels are than Independents. This may be self-evident given the rule of thumb that you 'need' a minimum of 100 rooms to make money, certainly outside of super budget hotels, but is worth emphasising.

It's also clear that branded hotel companies are not interested in putting their flag on hotels that won't make money. For 2017, the average chain hotel had 164 rooms and the average independent hotel had just 52.

This can be seen in the overall numbers. We estimate the overall size of the market to be just over 120,000 hotels with over 4 million rooms. Chains make up just over 7.45% of the market in actual hotels with 9,676, but 34% of the keys (just over 1.4 million).

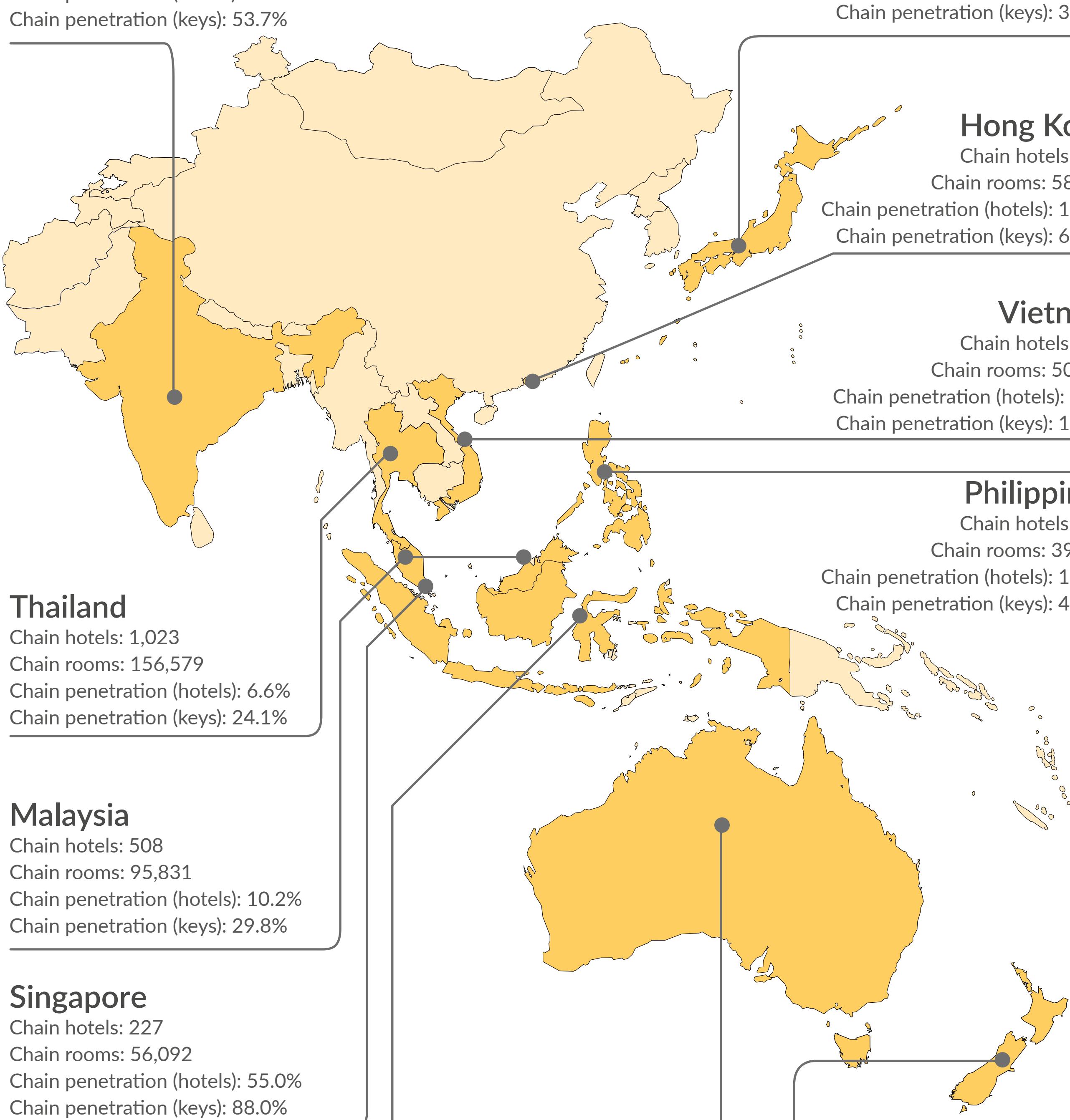
The biggest example of this is in Japan where chains make up only 5.3% of the overall supply of hotels, but 33% of rooms.

Thailand has 6% Chain hotels and 24% rooms, the Philippines has 17% chain hotels and 46% Chain rooms.

Hong Kong has 11% branded hotels making up 67% of the rooms market.

In other markets, the saturation is far more evident. Singapore has 55% branded hotels making up 88% of the room market. Indonesia has 6.5% and 33%.

*Damien Little, Director*
*Horwath HTL Australia*



## India
Chain hotels: 1,251
Chain rooms: 133,357
Chain penetration (hotels): 34.4%
Chain penetration (keys): 53.7%

## Japan
Chain hotels: 2,624
Chain rooms: 468,376
Chain penetration (hotels): 5.3%
Chain penetration (keys): 33.7%

## Hong Kong
Chain hotels: 186
Chain rooms: 58,670
Chain penetration (hotels): 10.8%
Chain penetration (keys): 67.2%

## Vietnam
Chain hotels: 356
Chain rooms: 50,686
Chain penetration (hotels): 1.7%
Chain penetration (keys): 12.1%

## Philippines
Chain hotels: 283
Chain rooms: 39,993
Chain penetration (hotels): 16.7%
Chain penetration (keys): 45.9%

## Thailand
Chain hotels: 1,023
Chain rooms: 156,579
Chain penetration (hotels): 6.6%
Chain penetration (keys): 24.1%

## Malaysia
Chain hotels: 508
Chain rooms: 95,831
Chain penetration (hotels): 10.2%
Chain penetration (keys): 29.8%

## Singapore
Chain hotels: 227
Chain rooms: 56,092
Chain penetration (hotels): 55.0%
Chain penetration (keys): 88.0%

## Indonesia
Chain hotels: 1,223
Chain rooms: 175,659
Chain penetration (hotels): 6.5%
Chain penetration (keys): 33.3%

## Australia
Chain hotels: 1,732
Chain rooms: 154,651
Chain penetration (hotels): 14.0%
Chain penetration (keys): 53.1%

## New Zealand
Chain hotels: 260
Chain rooms: 25,000
Chain penetration (hotels): 48.2%
Chain penetration (keys): 78.1%

# *Since the industry moved away from a capital intense owner/operator model, into an asset light platform of management contracts and franchises, the proliferation of brands has really taken off.*

The region represents a broad cross section of maturity and levels of saturation of branded and chain affiliated hotels. Since the industry moved away from a capital intense owner/operator model, into an asset light platform of management contracts and franchises, the proliferation of brands has really taken off.

The reasons for this are clear in an industry approaching its fourth decade as an asset class. Brands and chains not only represent quality and comfort for the traveller, they represent risk management for owners. Asia in particular has always been a region where international brands have been embraced without the snobbery that used to be prevalent in Europe.

There are two areas in the industry that are particularly interesting at the moment. The first is the amount of consolidation and M&A activity. The industry is very cyclical, from both demand/performance and financing/development standpoints, and we are at that point in the cycle where a lot of capital is trying to find a home, which is causing transactional activity to be at record levels.

Accor and Marriott have been two of the most active buyers, but not the only ones. The Thai Minor group has been very active, as well as Jin Jiang, HNA and other Chinese groups.

The other has been the development of local brands to compete with International players. Overall, there is a much more even split than we see in Western markets.

Overall, there are 1,511 brands of which 861 are domestic and 650 international. These 650 international brands equate to 2,980 hotels and 532,174 rooms. The 861 domestic brands equate to 6,616 hotels with 881,429 rooms.

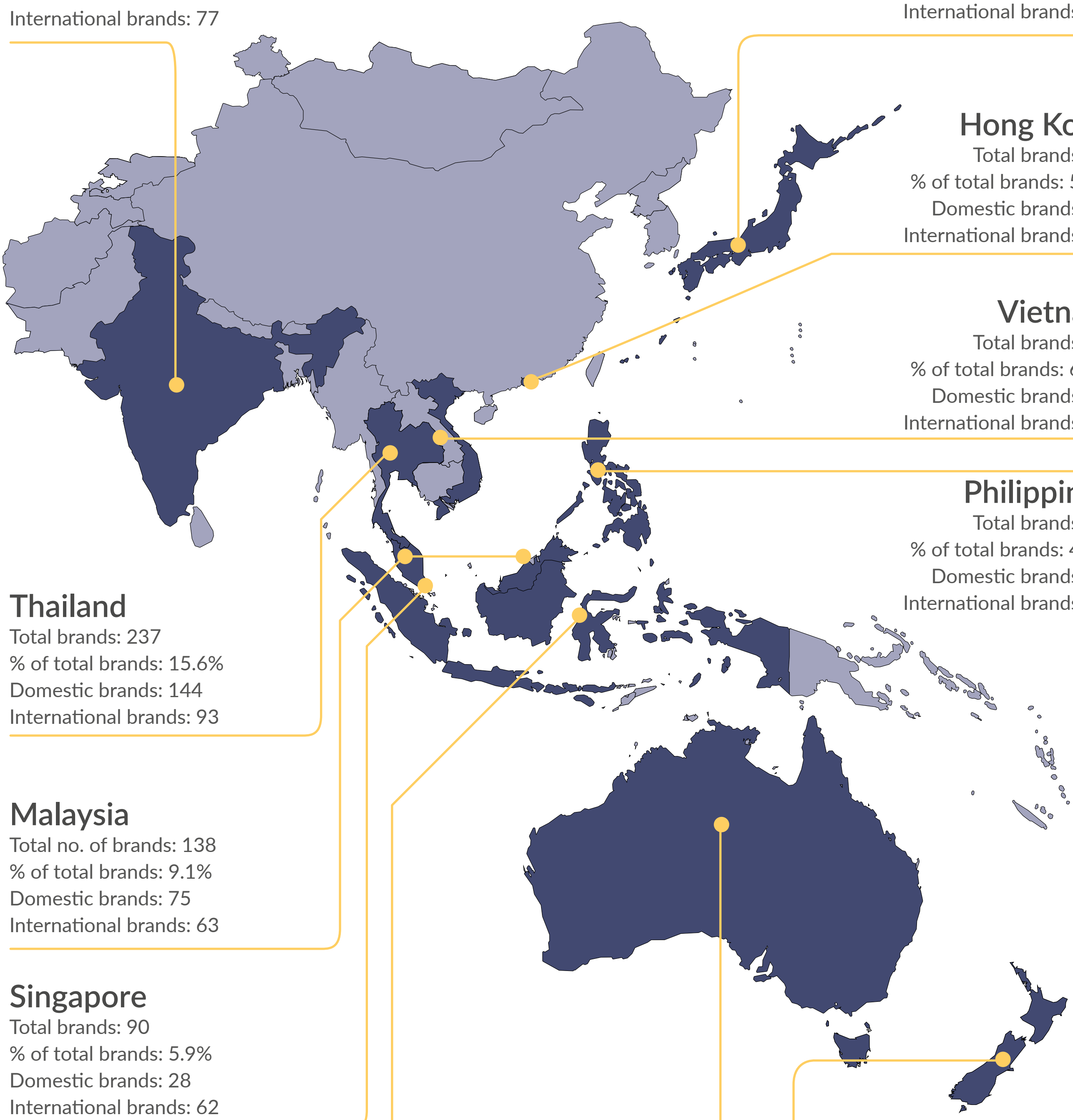
*Robert Hecker, Managing Director*
*Horwath HTL Asia Pacific*

## India
Total brands: 161
% of total brands: 10.7%
Domestic brands: 84
International brands: 77

## Japan
Total brands: 182
% of total brands: 12.0%
Domestic brands: 136
International brands: 46

## Hong Kong
Total brands: 78
% of total brands: 5.2%
Domestic brands: 34
International brands: 44

## Vietnam
Total brands: 94
% of total brands: 6.2%
Domestic brands: 52
International brands: 42



## Philippines
Total brands: 70
% of total brands: 4.6%
Domestic brands: 39
International brands: 31

## Thailand
Total brands: 237
% of total brands: 15.6%
Domestic brands: 144
International brands: 93

## Malaysia
Total no. of brands: 138
% of total brands: 9.1%
Domestic brands: 75
International brands: 63

## Singapore
Total brands: 90
% of total brands: 5.9%
Domestic brands: 28
International brands: 62

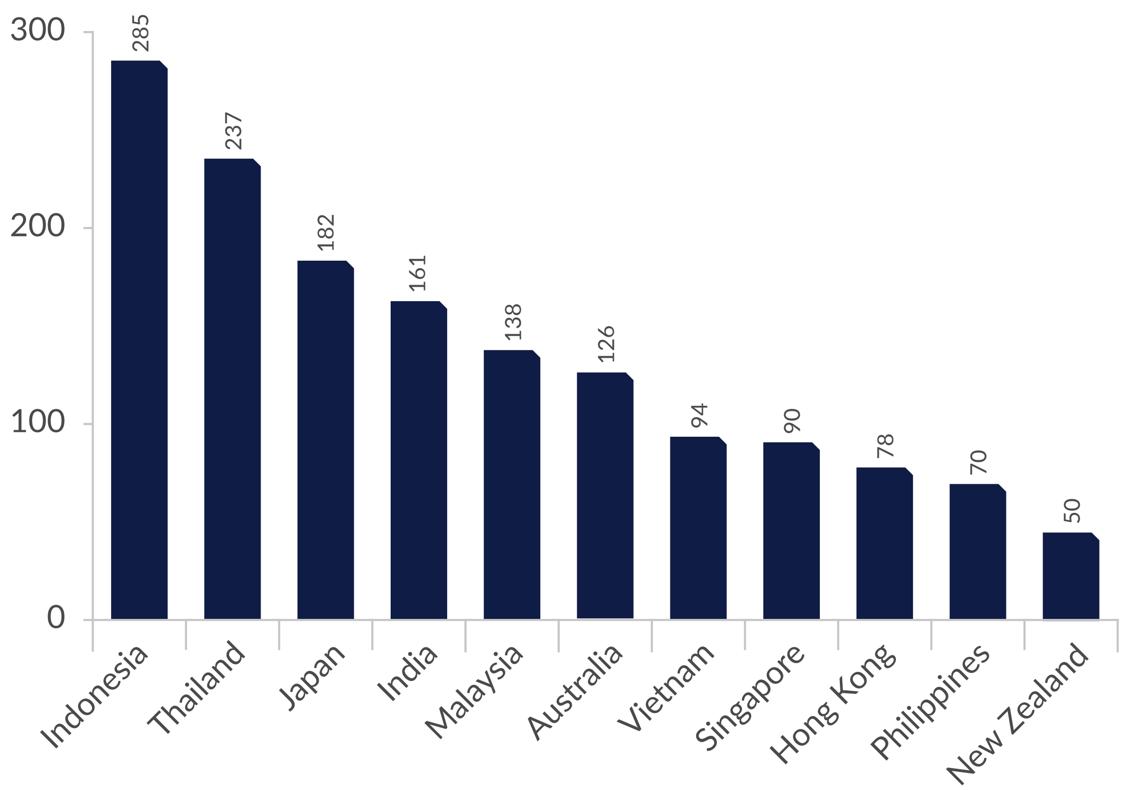
## Indonesia
Total brands: 285
% of total brands: 18.8%
Domestic brands: 197
International brands: 88

## Australia
Total brands: 126
% of total brands: 8.3%
Domestic brands: 65
International brands: 61

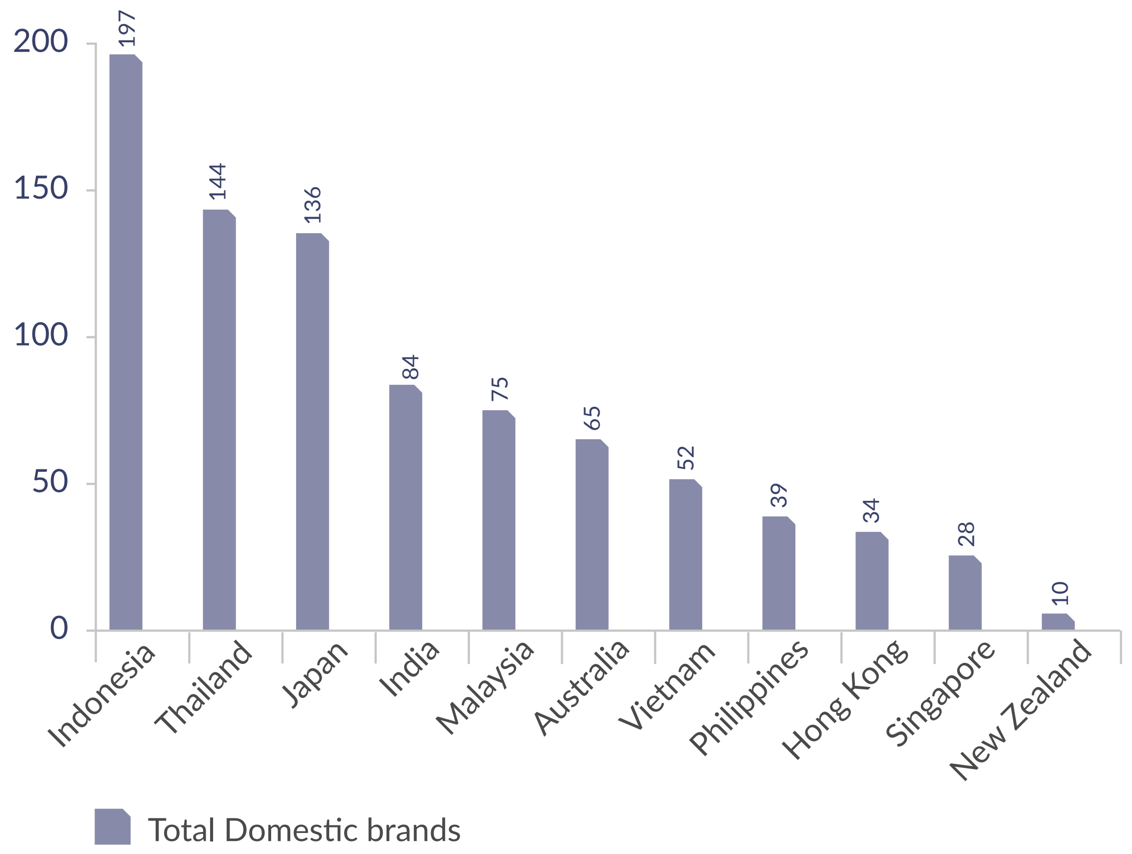
## New Zealand
Total brands: 50
% of total brands: 3.3%
Domestic brands: 10
International brands: 40

## Total Brands: International

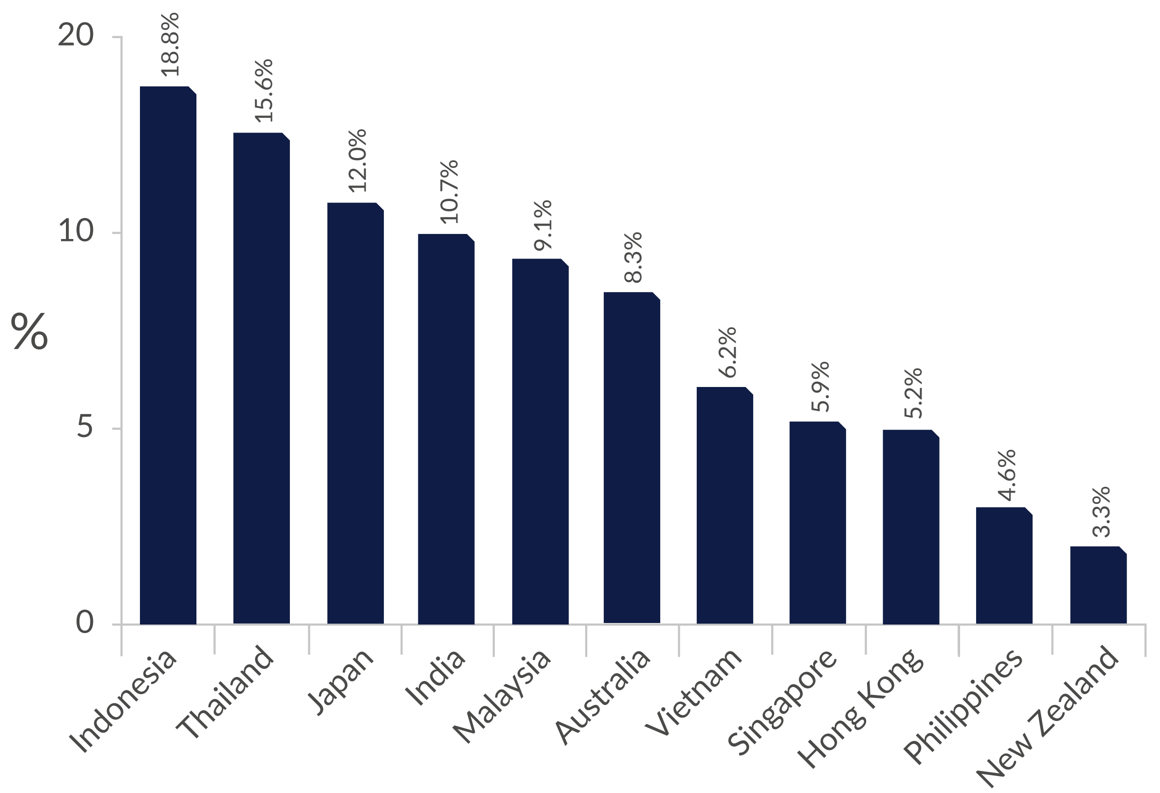

## Asia Pacific: Total brands



## Total Brands: Domestic




## Total Brands: % of Total of brands in Asia Pacific




| Key Statistics | 2017 |
|---|---|
| Total chain hotels | **1,732** |
| Total chain rooms | **154,651** |
| Average size per chain hotel in rooms | **89** |
| Country hotels stock *(overall supply)* | **12,366** |
| Country rooms Stock *(overall supply)* | **291,497** |
| Average size per hotel in rooms | **24** |
| Chain penetration % by hotels | **14.0%** |
| Chain penetration % by keys | **53.1%** |
| Total number of brands | **126** |
| Domestic brands | **65** |
| International brands | **61** |
| International chain hotels* | **762** |
| Domestic chain hotels* | **970** |
| International chain rooms* | **82,229** |
| Domestic chain rooms* | **72,422** |

** Includes double counting*

# Australia

## *Growth in international tourist arrivals in 2017 continued to be solid at 6.5%, albeit slightly lower than the compound annual average growth over the last 5 years of 7.8%. This saw international visitors to Australia reach 8.1 million.*

### The Market

International visitor nights recorded a lower growth rate of 4.8%, taking total international visitor nights to 265.2 million (5% annual average over the last 5 years), indicating a continued decline in the length-of-stay of international visitors as Asia takes up a larger portion of total visitors. Domestic visitor nights in Australia recorded a growth of 4.8% in 2017, with total domestic visitor nights reaching approximately 351 million.

Australia has a stable and mature accommodation market. The leading hotel chain, Accor, accounts for about 17% of all identified chain hotel supply in Australia and about 9% of total identified accommodation stock in the country. Accor's share is set to increase to 27% and 15% respectively following the merger with Mantra, Australia's second largest hotel chain. Of the top 10 hotel chains in the country, 6 are international chains, while 4 are homegrown. Chains such as Choice, Best Western and Golden Chain have accumulated large numbers of properties in regional and outer suburban areas mostly comprising motel accommodation.

3 homegrown brands are in the top 5 being Mantra, Quest and Oaks (although being part of Minor Oaks is classified as 'International'). These are all serviced apartment brands, reflecting the domestic market's preference for self-catering accommodation options. Accor dominates for international brands with Ibis, Novotel and Mercure all in the top 6.

Australia is in the midst of a hotel development boom, with an identified 220 projects in the pipeline representing a potential addition of about 40,000 rooms. Sydney and Melbourne have the largest pipeline and are probably the best markets able to deal with the impact, although there are question marks on how hard Melbourne may be hit. Brisbane and Perth have the next largest pipelines, and given that these markets are currently depressed, new supply should continue to depress market performance in the coming years.

### Key points

- **Accor is the leader**
  The leading hotel chain, Accor, accounts for 17% of all identified chain hotel supply. This is set to increase to 27% and 15% respectively following the merger with Mantra, Australia's second largest hotel chain.

- **International vs. domestic brand mix**
  Of the top 10 hotel chains in the country, 6 are international chains, while 4 are homegrown.

- **Boom time for development**
  Australia is in the midst of a hotel development boom, with an identified 220 projects in the pipeline representing a potential addition of about 40,000 rooms.

*Ron de Wit, Managing Director*
*Horwath HTL Australia*

## Australia: Ranking by size

| | CHAINS | | |
|---|---|---|---|
| Rank | Chain Groups | Hotels | Rooms |
| 1 | Accor | 205 | 27,643 |
| 2 | Mantra Hotels | 118 | 14,849 |
| 3 | Choice Hotels | 188 | 8,604 |
| 4 | IHG | 29 | 6,980 |
| 5 | TFE Hotels | 54 | 6,978 |
| 6 | Event Hospitality | 40 | 6,746 |
| 7 | Minor | 46 | 6,705 |
| 8 | Best Western | 132 | 5,374 |
| 9 | Quest Apartment Hotels | 78 | 4,987 |
| 10 | Marriott International | 16 | 4,621 |

| | BRANDS | | |
|---|---|---|---|
| Rank | Chain Brands | Hotels | Rooms |
| 1 | Mantra | 69 | 9,954 |
| 2 | Quest | 120 | 8,092 |
| 3 | ibis | 64 | 7,705 |
| 4 | Oaks | 45 | 6,542 |
| 5 | Novotel | 29 | 6,285 |
| 6 | Mercure | 44 | 5,696 |
| 7 | Best Western | 132 | 5,374 |
| 8 | Rydges | 29 | 5,103 |
| 9 | Meriton Suites | 17 | 4,504 |
| 10 | Quality | 63 | 3,844 |

| | Domestic Chain Groups | Hotels | Rooms |
|---|---|---|---|
| 1 | Mantra Hotels | 118 | 14,849 |
| 2 | TFE Hotels | 54 | 6,978 |
| 3 | Event Hospitality | 40 | 6,746 |
| 4 | Quest Apartment Hotels | 78 | 4,987 |
| 5 | Meriton Suites | 17 | 4,504 |
| 6 | Crown Hotels | 6 | 2,785 |
| 7 | Golden Chain | 93 | 2,722 |
| 8 | Discovery Parks | 59 | 2,644 |
| 9 | Next Story Group | 32 | 2,379 |
| 10 | ALH Group | 88 | 1,627 |

| | Domestic Chain Brands | Hotels | Rooms |
|---|---|---|---|
| 1 | Mantra | 69 | 9,954 |
| 2 | Quest | 120 | 8,092 |
| 3 | Oaks | 45 | 6,542 |
| 4 | Rydges | 29 | 5,103 |
| 5 | Meriton Suites | 17 | 4,504 |
| 6 | Crown | 6 | 2,785 |
| 7 | Discovery | 57 | 2,576 |
| 8 | Peppers | 20 | 2,314 |
| 9 | Adina | 21 | 2,053 |
| 10 | BreakFree | 22 | 1,608 |

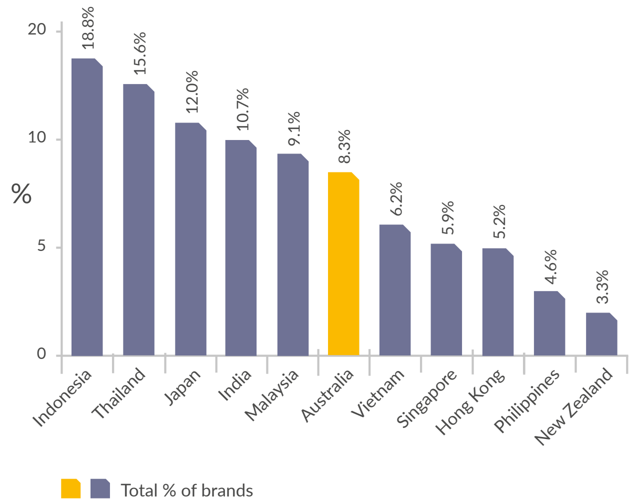
| | International Chain Groups | Hotels | Rooms |
|---|---|---|---|
| 1 | Accor | 205 | 27,643 |
| 2 | Choice Hotels | 188 | 8,604 |
| 3 | IHG | 29 | 6,980 |
| 4 | Minor | 46 | 6,705 |
| 5 | Best Western | 132 | 5,374 |
| 6 | Marriott International | 16 | 4,621 |
| 7 | Ascott | 46 | 3,761 |
| 8 | Hilton | 13 | 3,508 |
| 9 | Hyatt | 7 | 2,622 |
| 10 | Wyndham | 23 | 2,078 |

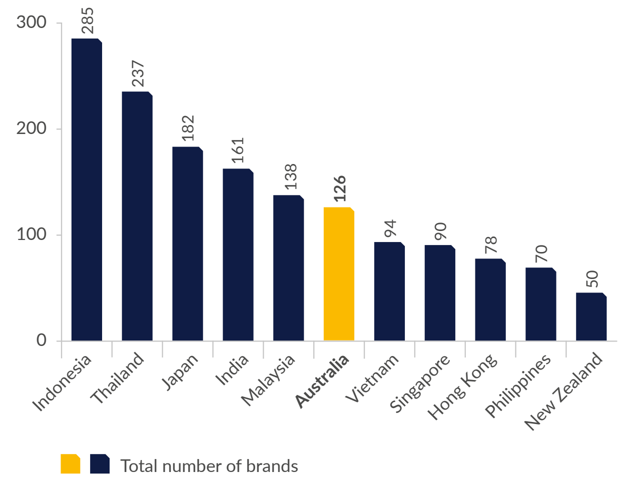
| | International Chain Brands | Hotels | Rooms |
|---|---|---|---|
| 1 | ibis | 64 | 7,705 |
| 2 | Novotel | 29 | 6,285 |
| 3 | Mercure | 44 | 5,696 |
| 4 | Best Western | 132 | 5,374 |
| 5 | Quality | 63 | 3,844 |
| 6 | Comfort Inn | 91 | 3,372 |
| 7 | Travelodge | 16 | 2,747 |
| 8 | Pullman | 14 | 2,611 |
| 9 | Crowne Plaza | 10 | 2,551 |
| 10 | Hilton | 8 | 2,475 |

## Australia: Ranking per scale & size

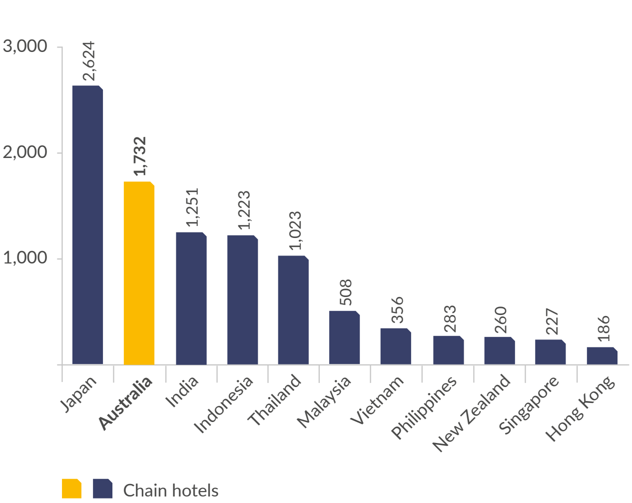
| CHAINS | | | | | CHAIN HOTELS | | CHAIN ROOMS | |
|---|---|---|---|---|---|---|---|---|
| | Hotels | Rooms | % | Avg Size | Intl. | Dom. | Intl. | Dom. |
| Budget & Economy | 50 | 3,600 | 2.3% | 72 | 8 | 42 | 727 | 2873 |
| Midscale | 606 | 27,331 | 17.7% | 45 | 230 | 376 | 13,407 | 13,924 |
| Upscale & Upper-Upscale | 948 | 93,100 | 60.2% | 98 | 454 | 494 | 49,814 | 43,286 |
| Luxury | 128 | 30,620 | 19.8% | 239 | 70 | 58 | 18,281 | 12,339 |
| **TOTAL** | **1,732** | **154,651** | | **89** | **762** | **970** | **82,229** | **72,422** |

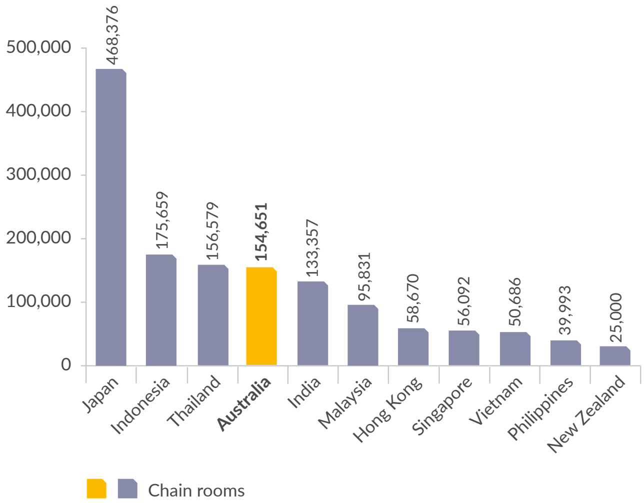
## Australia: Total brands




## Australia: Chain hotels & rooms




| Key Statistics | 2017 |
|---|---|
| Total chain hotels | **186** |
| Total chain rooms | **58,670** |
| Average size per chain hotel in rooms | **315** |
| Country hotels stock *(overall supply)* | **1,727** |
| Country rooms Stock *(overall supply)* | **87,306** |
| Average size per hotel in rooms | **51** |
| Chain penetration % by hotels | **10.8%** |
| Chain penetration % by keys | **67.2%** |
| Total number of brands | **78** |
| Domestic brands | **34** |
| International brands | **44** |
| International chain hotels* | **73** |
| Domestic chain hotels* | **113** |
| International chain rooms* | **25,463** |
| Domestic chain rooms* | **33,207** |

** Includes double counting*

# Hong Kong

## *Hong Kong has been ranked the world's freest economy for 23 consecutive years, according to the latest Index of Economic Freedom. This services-oriented economy accounts for more than 90% of its GDP in 2017.*

### The Market

As a global financial centre and a gateway city, Hong Kong has one of the strongest-performing hotel markets in the Asia Pacific region. As of the end of 2017, there are 277 licensed hotels in Hong Kong* and 186 properties are chain hotels, representing 74% of the total rooms. Among the chain hotel rooms, home-grown chains and international chains account for 43% and 57% respectively.

The top two chains in terms of the key count are both home-grown chains. Harbour Plaza Hotels & Resorts is the largest home-grown chain with 11 hotels or 7,527 rooms in operation, followed by Regal Hotels International, which has 9 hotels or 4,909 rooms. Marriott International has the largest room supply among the international chains with 4,550 rooms, followed by IHG with 3,740 rooms. The chains which ranked from the fifth to the tenth place are Dorsett Hospitality International, L'hotel Group, Accor, Sino Hotels, Shangri-La Hotels & Resorts and Sun Hung Kai.

Over the past five years, the market saw stable supply increase with a compound annual growth rate of only 4%. During the same time, the occupancy has been consistently strong, ranging between 88% and 91%. However, the market ADR experienced YOY declines from 2013 to 2016, largely due to the shrinking visitor arrivals from Mainland and the appreciation of HK dollar against currencies of major source markets.

* *Source: Home Affairs Department, HKSAR*

In 2017, with the growth of visitor arrivals and favourable economic conditions, the market ADR bounced back to HKD 1,220 or USD 157. Looking forward, the market is expected to have a stable supply growth with an annual growth rate of just 3% from 2018 to 2021, according to Hong Kong Tourism Board. Notable supply additions include: the 413-room Rosewood (expected to open in end 2018), the 129-room St Regis Hong Kong (expected to open in early 2019) and the rebranding and re-opening of the Regent Hotel (currently the InterContinental) in 2021.

### Key points

- **Chains dominate the market**
  There are 277 licensed hotels in Hong Kong* and 186 properties are chain hotels, representing 74% of the total rooms.

- **Strong domestic brands**
  The top two chains in terms of the key count are both home-grown chains. Harbour Plaza Hotels & Resorts followed by Regal Hotels.

- **Supply growth projections stable**
  The market is expected to have a stable supply growth with an annual growth rate of just 3% from 2018 to 2021, according to Hong Kong Tourism Board.

*Gloria Chang, Executive Director*
*Horwath HTL Hong Kong*

# Hong Kong: Ranking by size

| | CHAINS | | |
|---|---|---|---|
| Rank | Chain Groups | Hotels | Rooms |
| 1 | Harbour Plaza | 11 | 7,527 |
| 2 | Regal Hotels International | 9 | 4,909 |
| 3 | Marriott International | 9 | 4,550 |
| 4 | IHG | 12 | 3,740 |
| 5 | Dorsett Hospitality Int. | 10 | 3,009 |
| 6 | L'hotel Group | 6 | 2,746 |
| 7 | Accor | 5 | 2,554 |
| 8 | Sino Hotels | 6 | 2,182 |
| 9 | Shangri-La Hotels & Resorts | 4 | 2,082 |
| 10 | Sun Hung Kai | 3 | 1,830 |

| | BRANDS | | |
|---|---|---|---|
| Rank | Chain Brands | Hotels | Rooms |
| 1 | Harbour Plaza | 6 | 4,512 |
| 2 | Regal | 5 | 3,884 |
| 3 | L'hotel | 4 | 2,569 |
| 4 | Royal | 3 | 1,830 |
| 5 | Dorsett | 4 | 1,647 |
| 6 | Rambler | 2 | 1,622 |
| 7 | Best Western | 5 | 1,599 |
| 8 | Marco Polo | 3 | 1,459 |
| 9 | Harbour Grand | 2 | 1,383 |
| 10 | Shangri-La | 2 | 1,253 |

| | Domestic Chain Groups | Hotels | Rooms |
|---|---|---|---|
| 1 | Harbour Plaza | 11 | 7,527 |
| 2 | Regal Hotels International | 9 | 4,909 |
| 3 | Dorsett Hospitality Int. | 10 | 3,009 |
| 4 | L'hotel Group | 6 | 2,746 |
| 5 | Sino Hotels | 6 | 2,182 |
| 6 | Sun Hung Kai | 3 | 1,830 |
| 7 | Wharf Hotels | 4 | 1,795 |
| 8 | Tang's Living Group | 9 | 1,334 |
| 9 | HK CTS Hotels Co. | 3 | 1,183 |
| 10 | Rosedale Hotels | 3 | 828 |

| | Domestic Chain Brands | Hotels | Rooms |
|---|---|---|---|
| 1 | Harbour Plaza | 6 | 4,512 |
| 2 | Regal | 5 | 3,884 |
| 3 | L'hotel | 4 | 2,569 |
| 4 | Royal | 3 | 1,830 |
| 5 | Dorsett | 4 | 1,647 |
| 6 | Rambler | 2 | 1,622 |
| 7 | Marco Polo | 3 | 1,459 |
| 8 | Harbour Grand | 2 | 1,383 |
| 9 | Metropark | 3 | 1,183 |
| 10 | Silka | 4 | 1,058 |

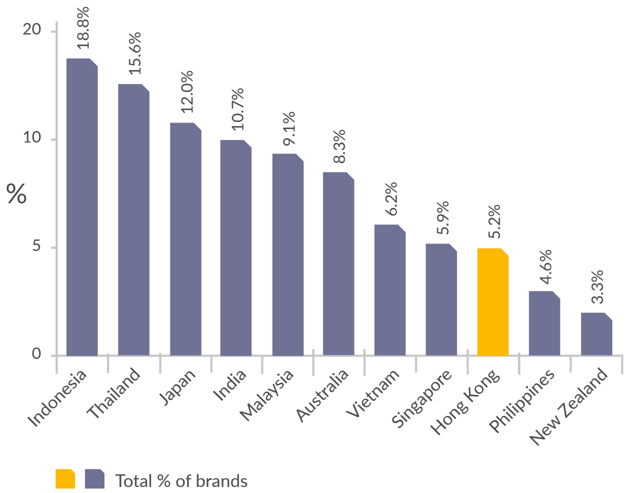
| | International Chain Groups | Hotels | Rooms |
|---|---|---|---|
| 1 | Marriott International | 9 | 4,550 |
| 2 | IHG | 12 | 3,740 |
| 3 | Accor | 5 | 2,554 |
| 4 | Shangri-La Hotels & Resorts | 4 | 2,082 |
| 5 | Langham Hotels | 3 | 1,631 |
| 6 | Best Western | 5 | 1,599 |
| 7 | Hyatt | 3 | 1,485 |
| 8 | Mandarin Oriental | 3 | 1,483 |
| 9 | Rosewood Hotels | 3 | 1,457 |
| 10 | Walt Disney World Resorts | 2 | 1,000 |

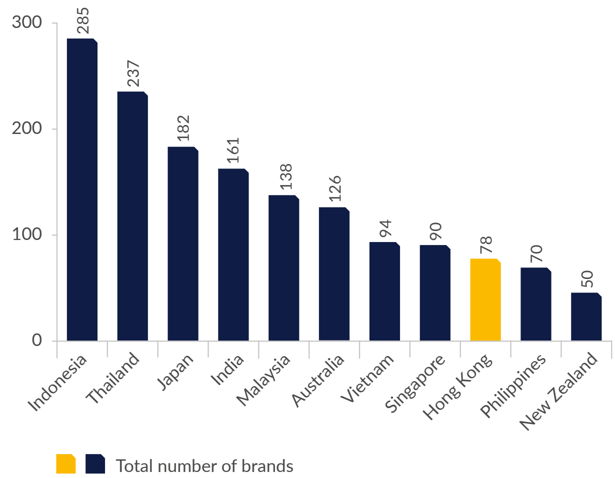
| | International Chain Brands | Hotels | Rooms |
|---|---|---|---|
| 1 | Best Western | 5 | 1,599 |
| 2 | Shangri-La | 2 | 1,253 |
| 3 | InterContinental | 2 | 1,071 |
| 4 | HI Express | 4 | 1,003 |
| 5 | Penta | 2 | 993 |
| 6 | Hyatt Regency | 2 | 943 |
| 7 | Novotel | 2 | 897 |
| 8 | Renaissance | 1 | 861 |
| 9 | Pullman | 1 | 832 |
| 10 | ibis | 2 | 825 |

## Hong Kong: Ranking per scale & size

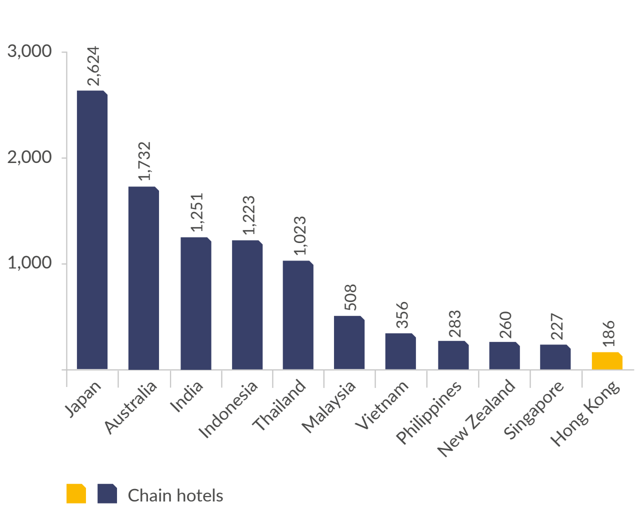
| CHAINS | | | | | CHAIN HOTELS | | CHAIN ROOMS | |
|---|---|---|---|---|---|---|---|---|
| | Hotels | Rooms | % | Avg Size | Intl. | Dom. | Intl. | Dom. |
| Budget & Economy | 2 | 69 | 0.1% | 35 | 1 | 1 | 48 | 21 |
| Midscale | 70 | 14,391 | 24.5% | 206 | 19 | 51 | 4,811 | 9580 |
| Upscale & Upper-Upscale | 90 | 33,095 | 56.4% | 368 | 35 | 55 | 10,957 | 22,138 |
| Luxury | 24 | 11,115 | 18.9% | 463 | 18 | 6 | 9,647 | 1,468 |
| **TOTAL** | **186** | **58,670** | | **315** | **73** | **113** | **25,463** | **33,207** |

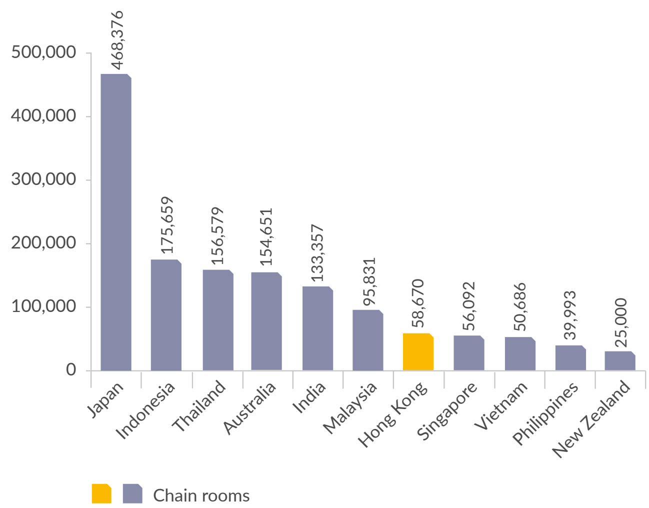
## Hong Kong: Total brands




## Hong Kong: Chain hotels & rooms




| Key Statistics | 2017 |
|---|---|
| Total chain hotels | **1251** |
| Total chain rooms | **133,357** |
| Average size per chain hotel in rooms | **107** |
| Total number of brands | **161** |
| Domestic brands | **84** |
| International brands | **77** |
| International chain hotels* | **490** |
| Domestic chain hotels* | **761** |
| International chain rooms* | **70,027** |
| Domestic chain rooms* | **63,330** |

** Includes double counting*

# India

## *For a country of the size and range of opportunity which India has, the hotel sector is notably under-served, particularly as it relates to chain affiliated hotels.*

## The Market

Room supply with chain affiliated hotels stood at 133,357 rooms (1,251 hotels) as at 31 December 2017. While there has been substantial supply increase in this segment over the last about 12 years (100,000 rooms added in 982 hotels), the longer-term potential is still very substantial. India has sizeable hotel supply by way of independent hotels, estimated at about 111,000 rooms (2,300 hotels). On the other hand, fresh supply is largely being added in the chain affiliated segment arising from requirements of lenders and digital marketing challenges.

Chain affiliated supply comprises about 47% from home grown chains (Taj Hotels being the largest with 14,000 rooms) supply share of the international chains has increased from 18% in 2001 to 53% in 2017. Marriott International (benefitting from its Starwood merger leads the supply with over 20,000 rooms; however, Taj hotels has the highest number of hotel properties).

Travel volumes have been benefitted from material growth in FTA which crossed 10 million in 2017. Domestic travel is extremely robust with 1,614 million visits made in 2016; importantly, less than 2% domestic travel uses hotels for stay during their visit.

## Key points

- **Still far to go**
  India overall room supply stood at 244,000 rooms (3,551 hotels) as at 31 December 2017. Compared to Australia with 291,497 rooms (12,366 hotels), Indonesia with 527,176 rooms (18,829 hotels), and Japan at 1,388,076 rooms (49,230 hotels) gives some idea of the potential growth for hotels in India.

- **Domestic chain supply**
  Chain affiliated supply comprises about 47% from home grown chains (Taj Hotels being the largest with 14,000 rooms).

- **Domestic travel trends**
  Domestic travel trends are extremely robust with 1,614 million visits made in 2016; importantly, less than 2% domestic travel uses hotels for stay during their visit.

*Vijay Thacker, Managing Director*
*Horwath HTL India*

# India: Ranking by size

| | CHAINS | | |
|---|---|---|---|
| Rank | Chain Groups | Hotels | Rooms |
| 1 | Marriott International | 98 | 20,480 |
| 2 | Taj Hotels & Palaces | 130 | 14,842 |
| 3 | Radisson Hotel Group | 87 | 9,931 |
| 4 | Accor | 56 | 9,618 |
| 5 | Hyatt | 27 | 6,931 |
| 6 | Louvre Hotels Group | 85 | 6,025 |
| 7 | IHG | 31 | 5,995 |
| 8 | ITC Hotels | 96 | 5,757 |
| 9 | Lemon Tree Hotels | 44 | 4,562 |
| 10 | Oberoi Hotels & Resorts | 24 | 3,627 |

| | BRANDS | | |
|---|---|---|---|
| Rank | Chain Brands | Hotels | Rooms |
| 1 | Taj | 37 | 5,302 |
| 2 | Radisson Blu | 34 | 5,201 |
| 3 | Ginger | 44 | 3,689 |
| 4 | Vivanta | 23 | 3,402 |
| 5 | Novotel | 17 | 3,331 |
| 6 | ibis | 17 | 3,234 |
| 7 | Luxury Collection | 11 | 3,172 |
| 8 | Hyatt Regency | 10 | 3,026 |
| 9 | Sarovar Portico | 42 | 2,891 |
| 10 | JW Marriott | 9 | 2,816 |

| | Domestic Chain Groups | Hotels | Rooms |
|---|---|---|---|
| 1 | Taj Hotels & Palaces | 130 | 14,842 |
| 2 | ITC Hotels | 96 | 5,757 |
| 3 | Lemon Tree Hotels | 44 | 4,562 |
| 4 | Oberoi Hotels & Resorts | 24 | 3,627 |
| 5 | Royal Orchid Hotels | 44 | 3,089 |
| 6 | Leela Palaces Hotels Resorts | 9 | 2,689 |
| 7 | CHPL Hotels & Resorts | 51 | 2,488 |
| 8 | Lalit Suri Hospitality Group | 15 | 2,366 |
| 9 | Clarks Inn Group | 44 | 1,961 |
| 10 | Keys Hotels | 22 | 1,935 |

| | Domestic Chain Brands | Hotels | Rooms |
|---|---|---|---|
| 1 | Taj | 37 | 5,302 |
| 2 | Ginger | 44 | 3,689 |
| 3 | Vivanta | 23 | 3,402 |
| 4 | The Leela | 9 | 2,689 |
| 5 | The Gateway | 26 | 2,449 |
| 6 | LaLIT | 12 | 2,200 |
| 7 | Lemon Tree | 26 | 2,190 |
| 8 | Trident | 10 | 2,167 |
| 9 | Keys Select | 15 | 1,553 |
| 10 | Clarks Inn | 36 | 1,427 |

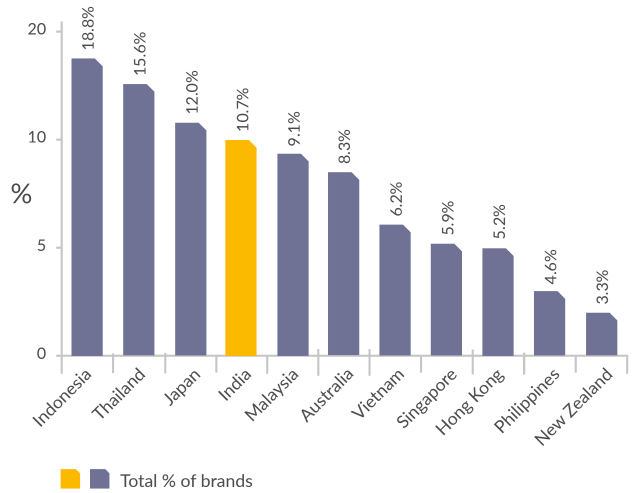
| | International Chain Groups | Hotels | Rooms |
|---|---|---|---|
| 1 | Marriott International | 98 | 20,480 |
| 2 | Radisson Hotel Group | 87 | 9,931 |
| 3 | Accor | 56 | 9,618 |
| 4 | Hyatt | 27 | 6,931 |
| 5 | Louvre Hotels Group | 85 | 6,025 |
| 6 | IHG | 31 | 5,995 |
| 7 | Wyndham | 34 | 3,152 |
| 8 | Hilton | 16 | 2,533 |
| 9 | Choice Hotels | 25 | 1,051 |
| 10 | Best Western | 15 | 754 |

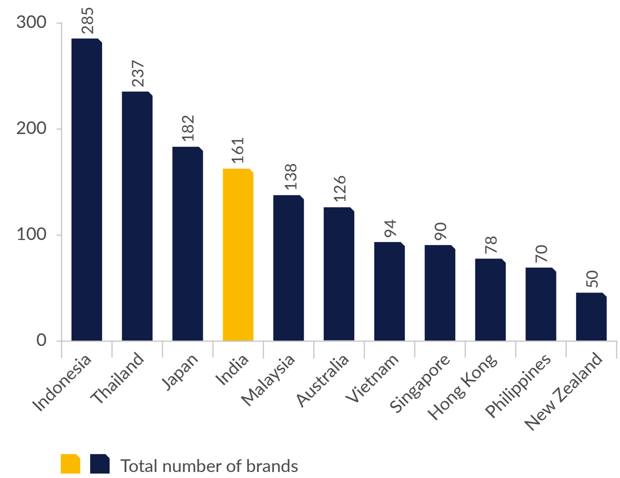
| | International Chain Brands | Hotels | Rooms |
|---|---|---|---|
| 1 | Radisson Blu | 34 | 5,201 |
| 2 | Novotel | 17 | 3,331 |
| 3 | ibis | 17 | 3,234 |
| 4 | Luxury Collection | 11 | 3,172 |
| 5 | Hyatt Regency | 10 | 3,026 |
| 6 | Sarovar Portico | 42 | 2,891 |
| 7 | JW Marriott | 9 | 2,816 |
| 8 | Ramada | 27 | 2,652 |
| 9 | Crowne Plaza | 11 | 2,596 |
| 10 | Courtyard | 14 | 2,285 |

## India: Ranking per scale & size

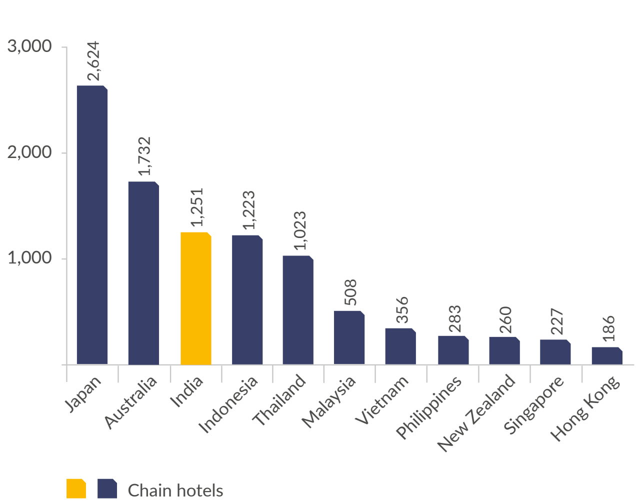
| CHAINS | | | | | CHAIN HOTELS | | CHAIN ROOMS | |
|---|---|---|---|---|---|---|---|---|
| | Hotels | Rooms | % | Avg Size | Intl. | Dom. | Intl. | Dom. |
| Budget & Economy | 64 | 6,551 | 4.9% | 102 | 12 | 52 | 1,593 | 4,958 |
| Midscale | 358 | 24,267 | 18.2% | 68 | 126 | 232 | 11,268 | 12,999 |
| Upscale & Upper-Upscale | 562 | 53,190 | 39.9% | 95 | 208 | 354 | 26,114 | 27,076 |
| Luxury | 267 | 49,349 | 37.0% | 185 | 144 | 123 | 31,052 | 18,297 |
| **TOTAL** | **1,251** | **133,357** | | **107** | **490** | **761** | **70,027** | **63,330** |

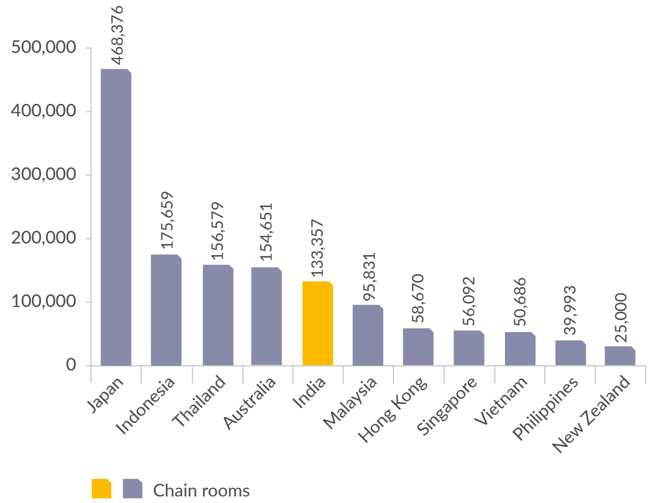
## India: Total brands




## India: Chain hotels & rooms




| Key Statistics | 2017 |
|---|---|
| Total chain hotels | **1,223** |
| Total chain rooms | **175,659** |
| Average size per chain hotel in rooms | **144** |
| Country hotels stock *(overall supply)* | **18,829** |
| Country rooms Stock *(overall supply)* | **527,176** |
| Average size per hotel in rooms | **28** |
| Chain penetration % by hotels | **6.5%** |
| Chain penetration % by keys | **33.3%** |
| Total number of brands | **285** |
| Domestic brands | **197** |
| International brands | **88** |
| International chain hotels* | **355** |
| Domestic chain hotels* | **868** |
| International chain rooms* | **65,915** |
| Domestic chain rooms* | **109,744** |

** Includes double counting*

# Indonesia

*Indonesia continues to attract growing numbers of international travellers every year. In 2017, the Southeast Asia country welcomed more than 14 million international visitors, an increase of 21.9% YOY.*

## The Market

With a growing disposable income together with improved connectivity, Indonesians travel around the country like never before. This was reflected in strong hotel performance as occupancy grew at 6.2%, surpassing the supply growth for the year at 3%. (Source: STR).

Indonesia is dominated by home-grown hotels, contributing 71% of total hotels in the market. Archipelago International and Santika Indonesia Hotels & Resorts lead the market with 120 hotels and 101 hotels respectively. Meanwhile, Accor is the international chain that has the largest portfolio with 114 hotels.

Demand for hotel accommodation is expected to grow significantly in the coming years as tourist arrivals continue to grow. Intensifying trade integration in the ASEAN region and increasingly affordable airfares will benefit hotels in Indonesia and should help the industry overcome current challenges of oversupply in some areas.

To achieve their aggressive target of 20 million foreign tourist arrivals and 300 million domestic trips by 2019, the Indonesia government is focusing their effort on 10 destinations, dubbed 'the new Balis'. Thus, opportunities for new developments are no longer limited to holiday resorts in Bali or hotels and convention centres in Jakarta. Some provincial capitals are developing into important regional business hubs, while other areas are keen to establish themselves as unspoilt tourist destinations.

## Key points

- **Domestic travel strong**
  Indonesians travel around the country like never before. This was reflected in strong hotel performance as occupancy grew at 6.2%, surpassing the supply growth for the year at 3%.

- **Domestic hotels dominate**
  Indonesia is dominated by home-grown hotels, contributing 71% of total hotels in the market. Archipelago International and Santika Indonesia Hotels & Resorts lead the market with 120 hotels.

- **Strong development opportunity**
  To achieve their aggressive target of 20 million foreign tourist arrivals and 300 million domestic trips by 2019, the Indonesia government is focusing their effort on 10 destinations, dubbed 'the new Balis'.

*Matt Gebbie, Executive Director*
*Horwath HTL Australia*

# Indonesia: Ranking by size

| | CHAINS | | |
|---|---|---|---|
| Rank | Chain Groups | Hotels | Rooms |
| 1 | Accor | 114 | 22,800 |
| 2 | Archipelago | 120 | 16,354 |
| 3 | Santika Indonesia Hot. & Res. | 101 | 12,118 |
| 4 | Swiss-Belhotel International | 65 | 10,254 |
| 5 | Tauzia Hotels | 55 | 8,920 |
| 6 | Marriott International | 42 | 8,517 |
| 7 | Metropolitan Golden Mgt. | 41 | 4,773 |
| 8 | IHG | 20 | 4,769 |
| 9 | PT. HIN | 21 | 3,509 |
| 10 | Menteng Group | 15 | 3,406 |

| | BRANDS | | |
|---|---|---|---|
| Rank | Chain Brands | Hotels | Rooms |
| 1 | ibis | 51 | 8,826 |
| 2 | Aston | 40 | 6,655 |
| 3 | Amaris | 62 | 6,373 |
| 4 | Favehotel | 47 | 5,702 |
| 5 | Hotel Santika | 35 | 5,161 |
| 6 | Swiss-Belhotel | 29 | 4,582 |
| 7 | Novotel | 23 | 4,537 |
| 8 | Mercure | 19 | 3,976 |
| 9 | Harris | 21 | 3,865 |
| 10 | POP | 22 | 3,121 |

| | Domestic Chain Groups | Hotels | Rooms |
|---|---|---|---|
| 1 | Archipelago | 120 | 16,354 |
| 2 | Santika Indonesia Hot. & Res. | 101 | 12,118 |
| 3 | Tauzia Hotels | 55 | 8,920 |
| 4 | Metropolitan Golden Mgt. | 41 | 4,773 |
| 5 | PT. HIN | 21 | 3,509 |
| 6 | Menteng Group | 15 | 3,406 |
| 7 | Sahid Hotels & Resorts | 23 | 3,185 |
| 8 | Parador Hotels & Resorts | 9 | 2,323 |
| 9 | Dafam Hotel Management | 22 | 2,296 |
| 10 | Aryaduta Hotel Group | 10 | 2,168 |

| | Domestic Chain Brands | Hotels | Rooms |
|---|---|---|---|
| 1 | Aston | 40 | 6,655 |
| 2 | Amaris | 62 | 6,373 |
| 3 | Favehotel | 47 | 5,702 |
| 4 | Hotel Santika | 35 | 5,161 |
| 5 | Harris | 21 | 3,865 |
| 6 | POP | 22 | 3,121 |
| 7 | Sahid | 20 | 3,064 |
| 8 | Aryaduta | 10 | 2,168 |
| 9 | Hotel Neo | 17 | 1,993 |
| 10 | Atria Hotel | 4 | 1,665 |

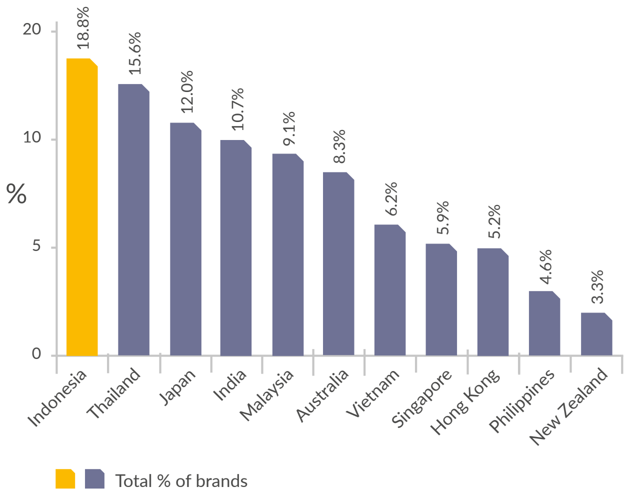
| | International Chain Groups | Hotels | Rooms |
|---|---|---|---|
| 1 | Accor | 114 | 22,800 |
| 2 | Swiss-Belhotel International | 65 | 10,254 |
| 3 | Marriott International | 42 | 8,517 |
| 4 | IHG | 20 | 4,769 |
| 5 | Best Western | 13 | 2,237 |
| 6 | Melia Hotels International | 8 | 1,922 |
| 7 | Louvre Hotels Group | 15 | 1,743 |
| 8 | Hilton | 5 | 1493 |
| 9 | Ascott | 8 | 1,378 |
| 10 | Hyatt | 3 | 1,332 |

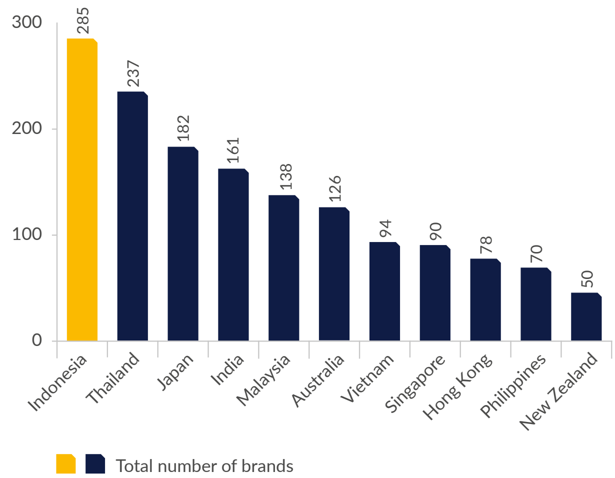
| | International Chain Brands | Hotels | Rooms |
|---|---|---|---|
| 1 | ibis | 51 | 8,826 |
| 2 | Swiss-Belhotel | 29 | 4,582 |
| 3 | Novotel | 23 | 4,537 |
| 4 | Mercure | 19 | 3,976 |
| 5 | Swiss-Belinn | 20 | 2,803 |
| 6 | Best Western | 13 | 2,237 |
| 7 | Grand Mercure | 5 | 1,764 |
| 8 | Four Points | 8 | 1,675 |
| 9 | HI Express | 8 | 1,591 |
| 10 | Sheraton | 7 | 1,497 |

## Indonesia: Ranking per scale & size

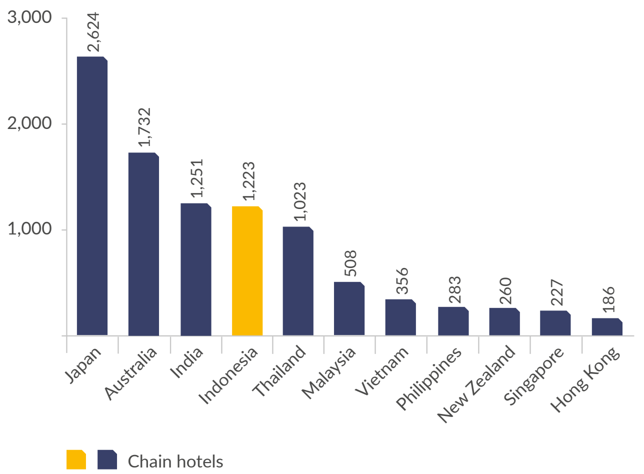
| CHAINS | | | | | CHAIN HOTELS | | CHAIN ROOMS | |
|---|---|---|---|---|---|---|---|---|
| | Hotels | Rooms | % | Avg Size | Intl. | Dom. | Intl. | Dom. |
| Budget & Economy | 52 | 5,043 | 2.9% | 97 | 7 | 45 | 922 | 4121 |
| Midscale | 656 | 79,282 | 45.1% | 121 | 125 | 531 | 20,219 | 59,063 |
| Upscale & Upper-Upscale | 386 | 68,214 | 38.8% | 177 | 149 | 237 | 29,461 | 38,753 |
| Luxury | 129 | 23,120 | 13.2% | 179 | 74 | 55 | 15,313 | 7,807 |
| **TOTAL** | **1,223** | **175,659** | | **144** | **355** | **868** | **65,915** | **109,744** |

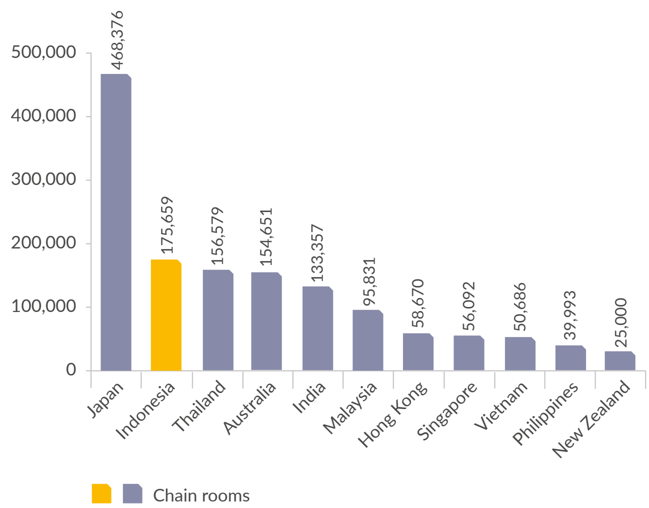
## Indonesia: Total brands




## Indonesia: Chain hotels & rooms




| Key Statistics | 2017 |
|---|---|
| Total chain hotels | **2,624** |
| Total chain rooms | **468,376** |
| Average size per chain hotel in rooms | **178** |
| Country hotels stock *(overall supply)* | **49,230** |
| Country rooms Stock *(overall supply)* | **1,388,076** |
| Average size per hotel in rooms | **28** |
| Chain penetration % by hotels | **5.3%** |
| Chain penetration % by keys | **33.7%** |
| Total number of brands | **182** |
| Domestic brands | **136** |
| International brands | **46** |
| International chain hotels* | **245** |
| Domestic chain hotels* | **2,379** |
| International chain rooms* | **61,991** |
| Domestic chain rooms* | **406,385** |

** Includes double counting*

# Japan

*Japan continues to attract growing numbers of international travellers. In 2017, Japan welcomed more than 28 million international visitors, an increase of 19.3% from previous year and more than 3.4 times against the figure in 2012.*

## The Market

In recent years, hotel rates are on the rise due to the rapid increase of foreign travellers' lodging demand, and situations have arisen that domestic business travellers feel difficulties to make lodging reservations when they plan their trips to major cities such as Tokyo and Osaka.

Japan is dominated by home-grown hotels, contributing over 90% of total hotels in the market. Tokyo Inn, Route-Inn Hotels, and APA Hotels & Resorts lead the market with 269, 284, and 171 hotels respectively. Meanwhile, Marriott International is the international chain that has the largest full-service portfolio with 41 hotels. On the other hand, Choice Hotels is the largest limited-service portfolio with 50 hotels in Japan.

Demand for hotel accommodation is expected to grow significantly in the coming years as tourist arrivals continue to grow. The Japanese government has set a goal of attracting 40 million foreign visitors to Japan during 2020 when the Tokyo Olympic Games will be held and is implementing measures to achieve the goal. On the other hand, in recent years, many hotel pipelines are being promoted mainly in cities where the historical performance has been rising against the backdrop of vigorous accommodation demand such as Tokyo, Osaka and Kyoto. International chains are eager to introduce their new hotel brands to the major cities and resorts in Japan, too.

## Key points

- **Foreign demand extremely high**
  Japan welcomed more than 28 million international visitors, an increase of 19.3% from previous year and more than 3.4 times against the figure in 2012.

- **Domestic brands dominate**
  Japan is dominated by home-grown hotels, contributing over 90% of total hotels in the market.

- **International brands**
  Marriott International is the international chain that has the largest full-service portfolio with 41 hotels. On the other hand, Choice Hotels is the largest limited-service portfolio with 50 hotels.

*Koji Takabayashi, Managing Director*
*Horwath HTL Japan*

# Japan: Ranking by size

| | CHAINS | | |
|---|---|---|---|
| Rank | Chain Groups | Hotels | Rooms |
| 1 | Tokyo Inn Co | 269 | 50,330 |
| 2 | Route-Inn Hotels | 284 | 46,570 |
| 3 | APA Hotels & Resorts | 171 | 35,376 |
| 4 | Prince Hotels & Resorts | 45 | 17,444 |
| 5 | Super Hotel Co. Ltd | 126 | 13,717 |
| 6 | Okura Nikko Hotels | 46 | 12,761 |
| 7 | Marriott International | 41 | 12,192 |
| 8 | Tokyu Hotels | 44 | 11,863 |
| 9 | JR Hotel Group | 62 | 11,738 |
| 10 | Hotel Mystays | 63 | 10,681 |

| | BRANDS | | |
|---|---|---|---|
| Rank | Chain Brands | Hotels | Rooms |
| 1 | Tokyo Inn | 269 | 50,330 |
| 2 | Route-Inn | 271 | 43,750 |
| 3 | APA | 171 | 35,376 |
| 4 | Super Hotel | 126 | 13,717 |
| 5 | Prince Hotel | 29 | 12,888 |
| 6 | Hotel AZ | 77 | 10,462 |
| 7 | Daiwa Roynet | 46 | 10,007 |
| 8 | Hotel Alpha-One | 48 | 9,587 |
| 9 | Comfort Hotel | 50 | 8,114 |
| 10 | Hotel Sunroute | 50 | 8,095 |

| | Domestic Chain Groups | Hotels | Rooms |
|---|---|---|---|
| 1 | Tokyo Inn Co | 269 | 50,330 |
| 2 | Route-Inn Hotels | 284 | 46,570 |
| 3 | APA Hotels & Resorts | 171 | 35,376 |
| 4 | Prince Hotels & Resorts | 45 | 17,444 |
| 5 | Super Hotel Co. Ltd | 126 | 13,717 |
| 6 | Okura Nikko Hotels | 46 | 12,761 |
| 7 | Tokyu Hotels | 44 | 11,863 |
| 8 | JR Hotel Group | 62 | 11,738 |
| 9 | Hotel Mystays | 63 | 10,681 |
| 10 | Fujita Kanko | 33 | 10,477 |

| | Domestic Chain Brands | Hotels | Rooms |
|---|---|---|---|
| 1 | Tokyo Inn | 269 | 50,330 |
| 2 | Route-Inn | 271 | 43,750 |
| 3 | APA | 171 | 35,376 |
| 4 | Super Hotel | 126 | 13,717 |
| 5 | Prince Hotel | 29 | 12,888 |
| 6 | Hotel AZ | 77 | 10,462 |
| 7 | Daiwa Roynet | 46 | 10,007 |
| 8 | Hotel Alpha-One | 48 | 9,587 |
| 9 | Hotel Sunroute | 50 | 8,095 |
| 10 | Daiwa Royal | 28 | 7,770 |

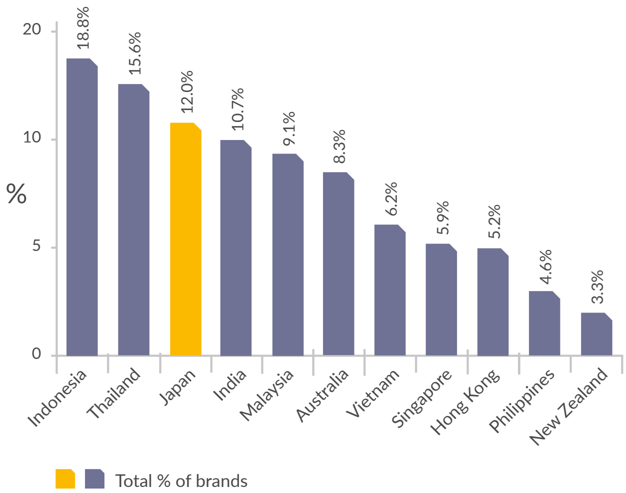
| | International Chain Groups | Hotels | Rooms |
|---|---|---|---|
| 1 | Marriott International | 41 | 12,192 |
| 2 | IHG | 33 | 10,016 |
| 3 | Choice Hotels | 52 | 8,307 |
| 4 | Hilton | 14 | 6,721 |
| 5 | Hyatt | 10 | 3,131 |
| 6 | Accor | 12 | 3,064 |
| 7 | Best Western | 13 | 1,679 |
| 8 | Red Planet Hotels | 4 | 585 |
| 9 | Gloria Hotels & Resorts | 2 | 556 |
| 10 | Ascott | 3 | 490 |

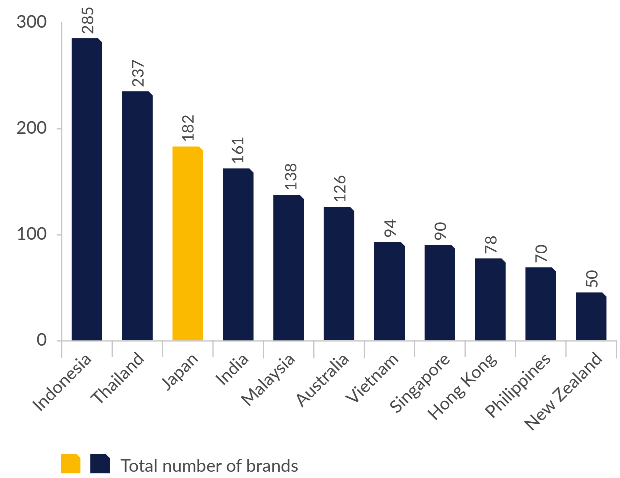
| | International Chain Brands | Hotels | Rooms |
|---|---|---|---|
| 1 | Comfort Hotel | 50 | 8,114 |
| 2 | Hilton | 10 | 5,709 |
| 3 | Crowne Plaza | 18 | 5,274 |
| 4 | Sheraton | 9 | 4,022 |
| 5 | InterContinental | 7 | 2,896 |
| 6 | Marriott | 9 | 2,509 |
| 7 | Westin | 7 | 2,139 |
| 8 | Hyatt Regency | 6 | 2,033 |
| 9 | Best Western | 13 | 1,679 |
| 10 | Mercure | 6 | 1,276 |

# Japan: Ranking per scale & size

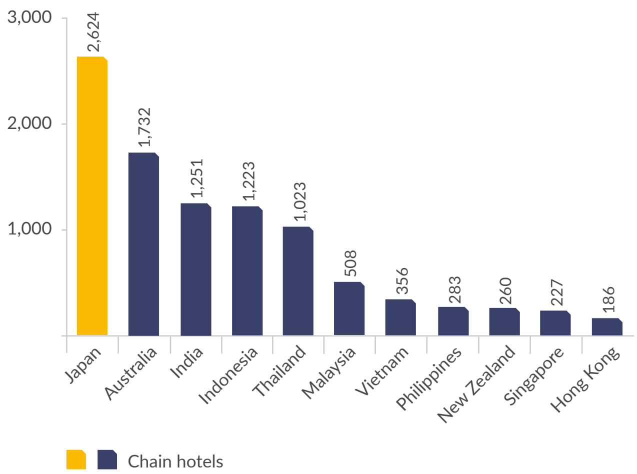
| CHAINS | | | | | CHAIN HOTELS | | CHAIN ROOMS | |
|---|---|---|---|---|---|---|---|---|
| | Hotels | Rooms | % | Avg Size | Intl. | Dom. | Intl. | Dom. |
| Budget & Economy | 113 | 15,742 | 3.4% | 139 | 0 | 113 | - | 1,5742 |
| Midscale | 2,240 | 379,534 | 81.0% | 169 | 122 | 2,118 | 22,189 | 357,345 |
| Upscale & Upper-Upscale | 219 | 66,524 | 14.2% | 304 | 95 | 124 | 34,642 | 31,882 |
| Luxury | 52 | 6,576 | 1.4% | 126 | 28 | 24 | 5,160 | 1,416 |
| **TOTAL** | **2,624** | **468376** | | **178** | **245** | **2,379** | **61,991** | **406,385** |

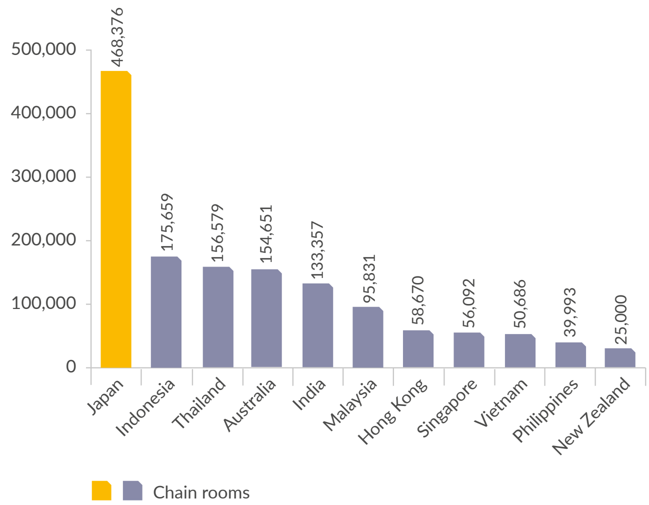
# Japan: Total brands




# Japan: Chain hotels & rooms




| Key Statistics | 2017 |
|---|---|
| Total chain hotels | **508** |
| Total chain rooms | **95,831** |
| Average size per chain hotel in rooms | **189** |
| Country hotels stock *(overall supply)* | **4,961** |
| Country rooms Stock *(overall supply)* | **321,972** |
| Average size per hotel in rooms | **65** |
| Chain penetration % by hotels | **10.2%** |
| Chain penetration % by keys | **29.8%** |
| Total number of brands | **138** |
| Domestic brands | **75** |
| International brands | **63** |
| International chain hotels* | **151** |
| Domestic chain hotels* | **357** |
| International chain rooms* | **51,152** |
| Domestic chain rooms* | **44,679** |

** Includes double counting*

# Malaysia

*Despite a weak Ringgit that was perceived to boost inbound tourism, foreign tourist arrivals to Malaysia totalled 25.9m in 2017, significantly below the targeted 31m tourists.*

## The Market

Between 2013 and 2015, the Malaysian hotel market witnessed double-digit growth in room supply before slowing down in 2016 *(Source: Tourism Malaysia)*. The repercussion of the significant addition to supply, together with impacts from Malaysia Airlines incidents, affected the hotel market, resulting in a decreasing RevPAR of 1% and 9%t in 2014 and 2015 respectively. However, Malaysia's hotel market showed sign of recovery in 2017, with a RevPAR increase of 11% YOY, driven by improved occupancy and ADR.

By the end of 2016, the market recorded more than 320,000 rooms with majority of the supply located in Kuala Lumpur (18% of total room supply) and Johor Bharu (10% of total room supply) *(Source: Tourism Malaysia)*. The level of international brand penetration in the Malaysia market is relatively low, accounting for 10% of total supply. Amongst the international chains, Resorts World leads the market in terms of available rooms, while Marriott International has the largest portfolio in the market with 25 hotels.

The Malaysian market is in development phase, with more than 37,000 rooms in the pipeline between 2017 and 2022. We expect the international chain's penetration will grow significantly in the next 5 years *(Source: STR)*.

## Key points

- **Signs of recovery**
  Malaysia's hotel market showed sign of recovery in 2017, with a RevPAR increase of 11% YOY, driven by improved occupancy and ADR.

- **International brand penetration low**
  The level of international brand penetration in the Malaysia market is relatively low, accounting for 10% of total supply.

- **Strong development coming**
  More than 37,000 rooms in the pipeline between 2017 and 2022. We expect the international chain's penetration will grow significantly in the next 5 years.

*Sen Soon Mun, Director*
*Horwath HTL Malaysia*

# Malaysia: Ranking by size

| | CHAINS | | |
|---|---|---|---|
| Rank | Chain Groups | Hotels | Rooms |
| 1 | Resorts World | 7 | 9,399 |
| 2 | Marriott International | 25 | 7,770 |
| 3 | Accor | 16 | 4,944 |
| 4 | Shangri-La Hotels & Resorts | 8 | 3,641 |
| 5 | Hilton | 8 | 3,125 |
| 6 | Sunway Hotels & Resorts | 9 | 3,036 |
| 7 | Berjaya Hotels & Resorts | 10 | 2,813 |
| 8 | Swiss-Garden International | 10 | 2,509 |
| 9 | Tune Hotels | 12 | 2,292 |
| 10 | Hotel Seri Malaysia | 21 | 2,261 |

| | BRANDS | | |
|---|---|---|---|
| Rank | Chain Brands | Hotels | Rooms |
| 1 | Sunway | 8 | 3,011 |
| 2 | Shangri-La | 5 | 2,344 |
| 3 | Tune | 12 | 2,292 |
| 4 | Hotel Seri Malaysia | 21 | 2,261 |
| 5 | Pullman | 5 | 2,113 |
| 6 | Swiss-Garden | 7 | 2,053 |
| 7 | Berjaya | 5 | 1,998 |
| 8 | Royale Chulan | 7 | 1,888 |
| 9 | Hilton | 4 | 1,662 |
| 10 | Holiday Villa | 7 | 1,472 |

| | Domestic Chain Groups | Hotels | Rooms |
|---|---|---|---|
| 1 | Sunway Hotels & Resorts | 9 | 3,036 |
| 2 | Berjaya Hotels & Resorts | 10 | 2,813 |
| 3 | Tune Hotels | 12 | 2,292 |
| 4 | Hotel Seri Malaysia | 21 | 2,261 |
| 5 | CHM Hotels | 6 | 2,058 |
| 6 | Royale Chulan Hot. & Res. | 7 | 1,888 |
| 7 | Holiday Villa Hotels & Resorts | 9 | 1,687 |
| 8 | Lexis Hotel Group | 4 | 1,446 |
| 9 | Hatten Group | 3 | 1,374 |
| 10 | Sun Inns Group | 21 | 1,305 |

| | Domestic Chain Brands | Hotels | Rooms |
|---|---|---|---|
| 1 | Sunway | 8 | 3,011 |
| 2 | Tune | 12 | 2,292 |
| 3 | Hotel Seri Malaysia | 21 | 2,261 |
| 4 | Berjaya | 5 | 1,998 |
| 5 | Royale Chulan | 7 | 1,888 |
| 6 | Holiday Villa | 7 | 1,472 |
| 7 | Lexis | 4 | 1,446 |
| 8 | Sun Inns Hotel | 21 | 1,305 |
| 9 | Grand Continental | 6 | 1,201 |
| 10 | Crystal Crown | 5 | 1,183 |

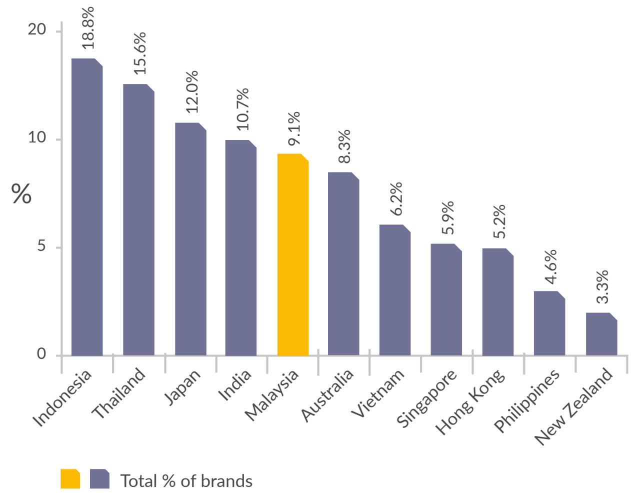
| | International Chain Groups | Hotels | Rooms |
|---|---|---|---|
| 1 | Resorts World | 7 | 9,399 |
| 2 | Marriott International | 25 | 7,770 |
| 3 | Accor | 16 | 4,944 |
| 4 | Shangri-La Hotels & Resorts | 8 | 3,641 |
| 5 | Hilton | 8 | 3,125 |
| 6 | Swiss-Garden International | 10 | 2,509 |
| 7 | Dorsett Hospitality Int. | 7 | 1,933 |
| 8 | IHG | 5 | 1,738 |
| 9 | Ascott | 8 | 1,728 |
| 10 | St Giles | 3 | 1,452 |

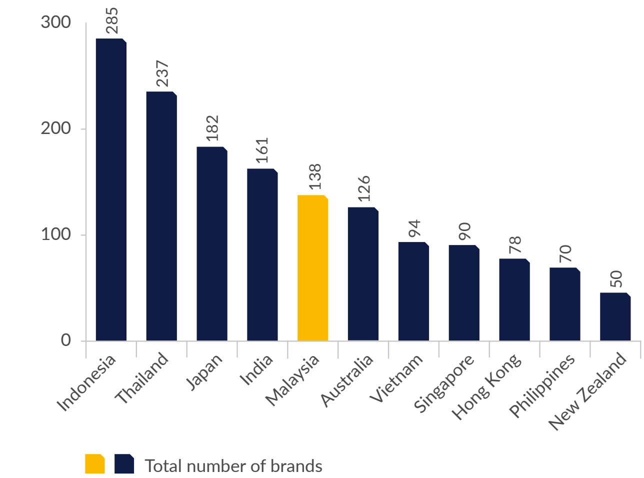
| | International Chain Brands | Hotels | Rooms |
|---|---|---|---|
| 1 | Shangri-La | 5 | 2,344 |
| 2 | Pullman | 5 | 2,113 |
| 3 | Swiss-Garden | 7 | 2,053 |
| 4 | Hilton | 4 | 1,662 |
| 5 | DoubleTree | 4 | 1,463 |
| 6 | Renaissance | 2 | 1,255 |
| 7 | Hotel Equatorial | 2 | 1,117 |
| 8 | Le Meridien | 3 | 1,101 |
| 9 | ibis | 4 | 1,045 |
| 10 | Parkroyal | 3 | 1,022 |

## Malaysia: Ranking per scale & size

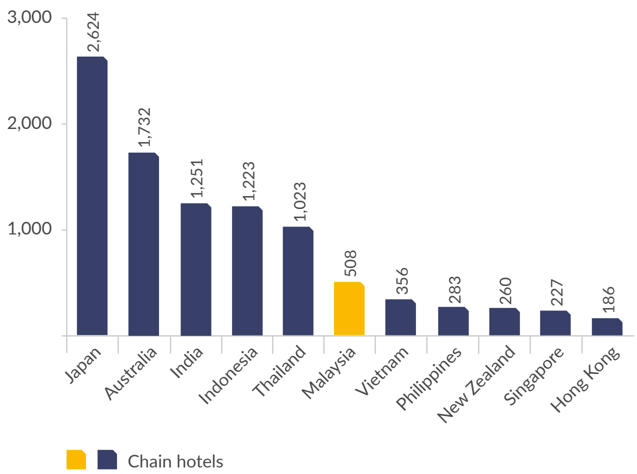
| CHAINS | | | | | CHAIN HOTELS | | CHAIN ROOMS | |
|---|---|---|---|---|---|---|---|---|
| | Hotels | Rooms | % | Avg Size | Intl. | Dom. | Intl. | Dom. |
| Budget & Economy | 60 | 2,988 | 3.1% | 50 | 0 | 60 | - | 2,988 |
| Midscale | 261 | 34,851 | 36.4% | 134 | 36 | 225 | 13,551 | 21,300 |
| Upscale & Upper-Upscale | 131 | 38,726 | 40.4% | 296 | 70 | 61 | 21,507 | 17,219 |
| Luxury | 56 | 19,266 | 20.1% | 344 | 45 | 11 | 16,094 | 3,172 |
| **TOTAL** | **508** | **95,831** | | **189** | **151** | **357** | **51,152** | **44,679** |

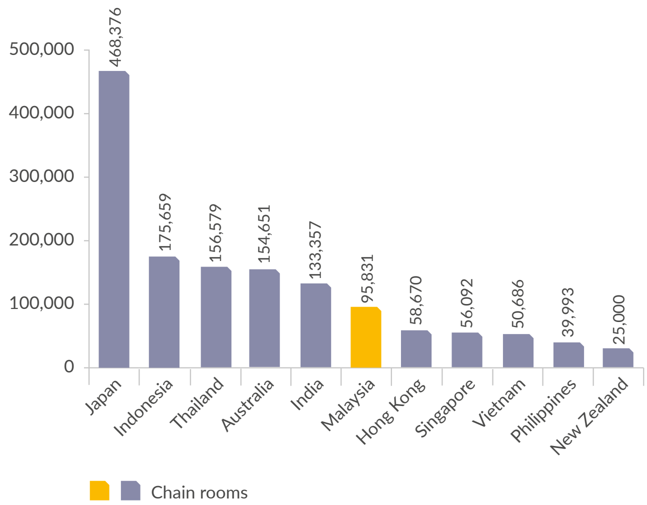
## Malaysia: Total brands




## Malaysia: Chain hotels & rooms




| Key Statistics | 2017 |
|---|---|
| Total chain hotels | **260** |
| Total chain rooms | **25,000** |
| Average size per chain hotel in rooms | **96** |
| Country hotels stock *(overall supply)* | **540** |
| Country rooms Stock *(overall supply)* | **32,000** |
| Average size per hotel in rooms | **59** |
| Chain penetration % by hotels | **48.2%** |
| Chain penetration % by keys | **78.1%** |
| Total number of brands | **50** |
| Domestic brands | **10** |
| International brands | **40** |
| International chain hotels | **180** |
| Domestic chain hotels | **80** |
| International chain rooms | **17,500** |
| Domestic chain rooms | **7,500** |

# New Zealand

*78% of hotel rooms are operated under international and local brands, and this ratio will increase - a 50% increase in room supply is expected by 2022, driven mainly by continuing increases in international visitor arrivals.*

## The Market

Growth in inbound visitors is the key driver of increasing hotel demand. International visitor arrivals grew by 6.7% in 2017, with international visitor nights increasing by 3.1%. The reduction in Average Length of Stay of international visitors was consistent with a long-term trend. We estimate that domestic overnight visits and visitor nights grew by 3.0% in 2017.

We estimate a total of 134 million international and domestic visitor nights spent in 2017. The Accommodation Survey (published by Stats NZ) shows that 40 million guest nights were spent in commercial accommodation (30% of the total) of which 14 million were spent in hotels, which was an increase of 2.4% over the previous year.

Average hotel occupancy, as reported by Stats NZ, increased from 68.4% to 69.8%. Occupancy in major hotels (reported by Tourism Industry Aotearoa member hotels) (TIA) increased from 80.8% to 81.2%. Major hotels represent approximately 60% of total hotel inventory in New Zealand.

In the main centres where many of the international and local brands are well represented, average occupancies are higher. For example, Stats NZ reported that AOR in Auckland hotels in 2017 was 81.6% and in Queenstown was 81.9%. The AOR of the major hotels in those centres was reported by TIA to be 86.6% and 82.5% respectively.

Average achieved room rates increased relatively strongly in 2017. Major hotels achieved an average increase in ADR of 9.2%. The increase in Auckland was 11.6% and in Queenstown was 15.7%.

## Key points

- **Domestic brands comprise 30%**
  Local New Zealand-based brands comprised 30% of all branded rooms, with the largest local operator being Scenic Hotel Group (with 21% of the locally branded hotel rooms).

- **Increase in franchising**
  Franchising of international brands in New Zealand increased in 2017.

- **Strong development pipeline**
  There is now a strong development pipeline, with approximately a 50% increase in room inventory expected in the five main hotel centres by 2022.

*Stephen Hamilton, Managing Director*
*Horwath HTL New Zealand*

# New Zealand: Ranking by size

| | CHAINS | | |
|---|---|---|---|
| Rank | Chain Groups | Hotels | Rooms |
| 1 | AccorHotels | 31 | 4,366 |
| 2 | Millennium & Copthorne | 20 | 2,537 |
| 3 | Scenic Hotel Group | 16 | 1,571 |
| 4 | IHG | 7 | 1,457 |
| 5 | Quest Apartments | 33 | 1,413 |
| 6 | Event Hospitality | 8 | 1,341 |
| 7 | Distinction Hotels | 12 | 1,296 |
| 8 | Heritage Hotels | 18 | 1,238 |
| 9 | Choice Hotels | 25 | 1,213 |
| 10 | Hilton | 6 | 895 |

| | BRANDS | | |
|---|---|---|---|
| Rank | Chain Brands | Hotels | Rooms |
| 1 | Novotel | 8 | 1,437 |
| 2 | Quest | 33 | 1,413 |
| 3 | Distinction | 11 | 1,242 |
| 4 | ibis | 8 | 1,134 |
| 5 | Copthorne | 10 | 1,127 |
| 6 | Rydges | 6 | 1,093 |
| 7 | Millennium | 5 | 992 |
| 8 | Scenic | 8 | 864 |
| 9 | Mercure | 8 | 797 |
| 10 | Quality | 13 | 789 |

| | Domestic Chain Groups | Hotels | Rooms |
|---|---|---|---|
| 1 | Scenic Hotel Group | 16 | 1,571 |
| 2 | Distinction Hotels | 12 | 1,296 |
| 3 | Heritage Hotels | 18 | 1,238 |
| 4 | VR Hotels | 10 | 671 |
| 5 | Sudima Hotels | 3 | 649 |
| 6 | SKYCITY | 2 | 635 |
| 7 | CPG Hotels | 9 | 551 |
| 8 | Jet Park | 2 | 284 |
| 9 | Plaza Hotels | 2 | 178 |
| 10 | Haka Hotels | 2 | 114 |

| | Domestic Chain Brands | Hotels | Rooms |
|---|---|---|---|
| 1 | Distinction | 11 | 1,242 |
| 2 | Scenic | 8 | 864 |
| 3 | Sudima | 3 | 649 |
| 4 | Heartland | 7 | 607 |
| 5 | SKYCITY | 2 | 635 |
| 6 | Heritage | 4 | 440 |
| 7 | VR | 6 | 362 |
| 8 | Jet Park | 2 | 284 |
| 9 | CityLife | 2 | 228 |
| 10 | Plaza | 2 | 178 |

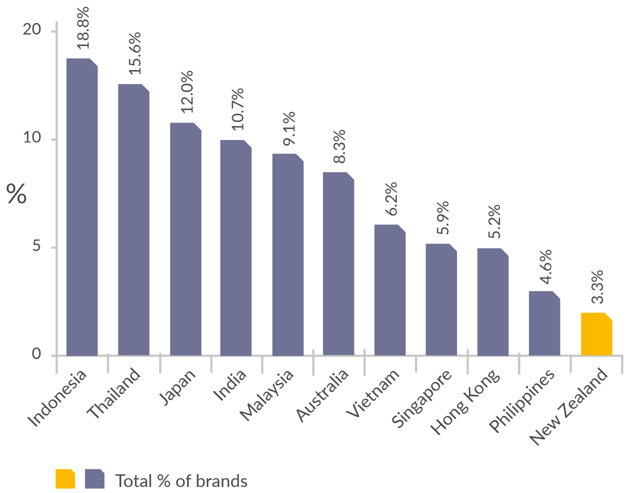
| | International Chain Groups | Hotels | Rooms |
|---|---|---|---|
| 1 | AccorHotels | 31 | 4,366 |
| 2 | Millennium & Copthorne | 20 | 2,537 |
| 3 | IHG | 7 | 1,457 |
| 4 | Quest Apartments | 33 | 1,413 |
| 5 | Event Hospitality | 8 | 1,341 |
| 6 | Choice Hotels | 25 | 1,213 |
| 7 | Hilton | 6 | 895 |
| 8 | Mantra Hotels | 9 | 705 |
| 9 | TFE Hotels | 3 | 463 |
| 10 | Waldorf Apartment Hotels | 7 | 458 |

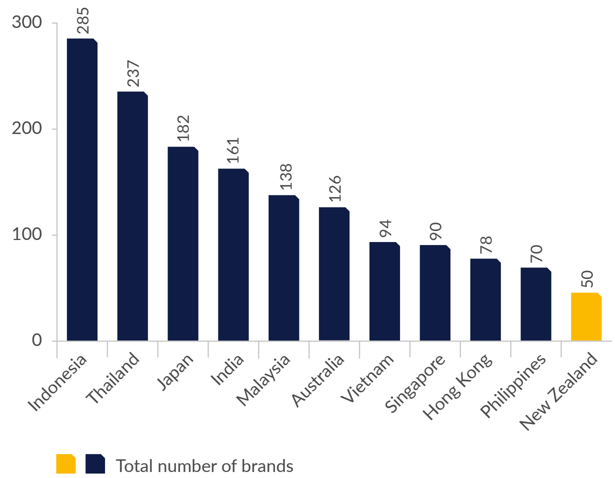
| | International Chain Brands | Hotels | Rooms |
|---|---|---|---|
| 1 | Novotel | 8 | 1,437 |
| 2 | Quest | 33 | 1,413 |
| 3 | ibis | 8 | 1,134 |
| 4 | Copthorne | 10 | 1,127 |
| 5 | Rydges | 6 | 1,093 |
| 6 | Millennium | 5 | 992 |
| 7 | Mercure | 8 | 797 |
| 8 | Quality | 13 | 789 |
| 9 | Crowne Plaza | 3 | 695 |
| 10 | Holiday Inn | 3 | 528 |

## New Zealand: Ranking per scale & size

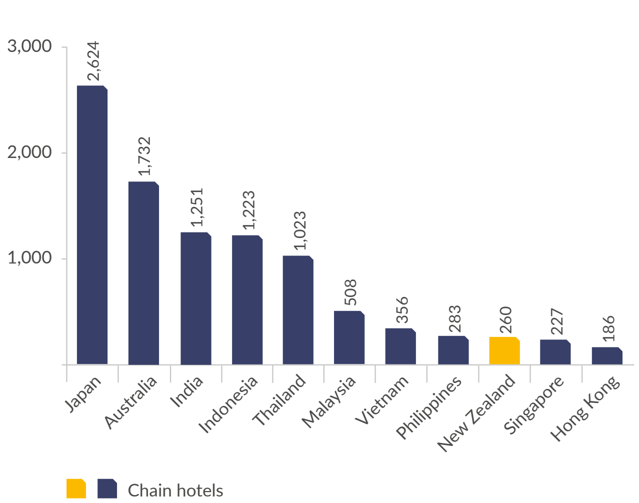
| CHAINS | | | | | CHAIN HOTELS | | CHAIN ROOMS | |
|---|---|---|---|---|---|---|---|---|
| | Hotels | Rooms | % | Avg Size | Intl. | Dom. | Intl. | Dom. |
| Budget & Economy | - | - | - | - | - | - | - | - |
| Midscale | 60 | 4,000 | 16.0% | 67 | 30 | 30 | 2,500 | 1,500 |
| Upscale & Upper-Upscale | 180 | 17,825 | 71.3% | 99 | 131 | 49 | 12,139 | 5,688 |
| Luxury | 20 | 3,175 | 12.7% | 159 | 19 | 1 | 2,861 | 312 |
| **TOTAL** | **260** | **25,000** | | **96** | **180** | **80** | **17,500** | **7,500** |

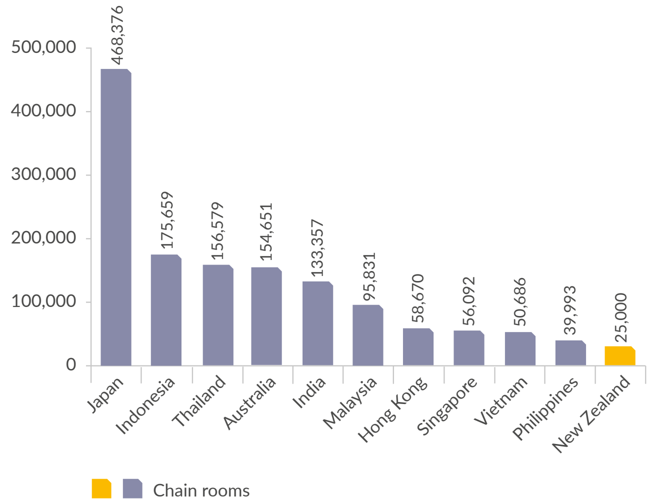
## New Zealand: Total brands




## New Zealand: Chain hotels & rooms




| Key Statistics | 2017 |
|---|---|
| Total chain hotels | **283** |
| Total chain rooms | **39,993** |
| Average size per chain hotel in rooms | **141** |
| Country hotels stock *(overall supply)* | **1,690** |
| Country rooms Stock *(overall supply)* | **87,039** |
| Average size per hotel in rooms | **52** |
| Chain penetration % by hotels | **16.8%** |
| Chain penetration % by keys | **45.9%** |
| Total number of brands | **70** |
| Domestic brands | **39** |
| International brands | **31** |
| International chain hotels* | **77** |
| Domestic chain hotels* | **206** |
| International chain rooms* | **17,183** |
| Domestic chain rooms* | **22,810** |

** Includes double counting*

# Philippines

*In 2017, the Philippines attracted more than 6.6 million foreign tourists. Improved air routes, travel infrastructure development and tourism investments contributed to the unprecedented growth of the tourism industry.*

## The Market

Making up the bulk of tourists in the Philippines are tourists from Korea, followed by tourists from China, USA, Japan, and Australia. The market for tourists from China was observed to have remarkable 43% growth, driven by added air routes, and the Visa Upon Arrival option for Chinese nationals.

The home-grown chain Hotel Sogo dominates the market with 3,161 rooms. Meanwhile, Shangri-La is the largest international chain with 2,961 rooms.

The country's hotel market used to be dominated by home-grown brands, but the booming tourist market of recent years has increased the importance of international chain hotels. International chain's hotel development is expected to accelerate between now and 2021, especially in top city destinations. In the coming years, Bay City is expected to be the leading area for hotel construction with 2,700 rooms *(Source: The Philippines Star)*.

Other important developing areas include: Makati City, Bonifacio Global City, and Newport City. With the rise in demand for hotel rooms, the gaming industry is also expected to benefit with many mixed-use and casino developments have been developed or announced.

## Key points

- **Boom time**
  The market for tourists from China was observed to have remarkable 43% growth, driven by added air routes, and the Visa Upon Arrival option for Chinese nationals.

- **Domestic brands lead...for now**
  The home-grown chain Hotel Sogo dominates the market with 3,161 rooms. Meanwhile, Shangri-La is the largest international chain with 2,961 rooms.

- **Gaming industry taking advantage of hotel demand**
  With the rise in demand for hotel rooms, the gaming industry is also expected to benefit with many mixed-use and casino developments have been developed or announced.

*Damien Little, Director*
*Horwath HTL Australia*

## Philippines: Ranking by size

| | CHAINS | | |
|---|---|---|---|
| Rank | Chain Groups | Hotels | Rooms |
| 1 | Hotel Sogo | 34 | 3,161 |
| 2 | Shangri-La Hotels & Resorts | 6 | 2,961 |
| 3 | Robinsons Hotels & Resorts | 18 | 2,720 |
| 4 | Red Planet Hotels | 12 | 2,037 |
| 5 | Henann Group of Resorts | 7 | 1,773 |
| 6 | IHG | 4 | 1,608 |
| 7 | Accor | 5 | 1,585 |
| 8 | Wyndham | 19 | 1,512 |
| 9 | Seda Hotels | 7 | 1,409 |
| 10 | GV Hotels Philippines | 22 | 1,360 |

| | BRANDS | | |
|---|---|---|---|
| Rank | Chain Brands | Hotels | Rooms |
| 1 | Hotel Sogo | 34 | 3,161 |
| 2 | Shangri-La | 5 | 2,649 |
| 3 | Go Hotels | 15 | 2,320 |
| 4 | Red Planet | 12 | 2,037 |
| 5 | Henann | 7 | 1,773 |
| 6 | Seda | 7 | 1,409 |
| 7 | GV Hotel | 22 | 1,360 |
| 8 | Crown Regency | 9 | 1,069 |
| 9 | New World | 2 | 956 |
| 10 | Microtel | 13 | 927 |

| | Domestic Chain Groups | Hotels | Rooms |
|---|---|---|---|
| 1 | Hotel Sogo | 34 | 3,161 |
| 2 | Robinsons Hotels & Resorts | 18 | 2,720 |
| 3 | Henann Group of Resorts | 7 | 1,773 |
| 4 | Seda Hotels | 7 | 1,409 |
| 5 | GV Hotels Philippines | 22 | 1,360 |
| 6 | Crown Regency Hot. & Res. | 9 | 1,069 |
| 7 | Eurotel | 9 | 839 |
| 8 | Crimson Hotels & Resorts | 3 | 827 |
| 9 | City Garden Hotels | 4 | 729 |
| 10 | Icon Hotels | 6 | 646 |

| | Domestic Chain Brands | Hotels | Rooms |
|---|---|---|---|
| 1 | Hotel Sogo | 34 | 3,161 |
| 2 | Go Hotels | 15 | 2,320 |
| 3 | Henann | 7 | 1,773 |
| 4 | Seda | 7 | 1,409 |
| 5 | GV Hotel | 22 | 1,360 |
| 6 | Crown Regency | 9 | 1,069 |
| 7 | Microtel | 13 | 927 |
| 8 | Eurotel | 9 | 839 |
| 9 | Crimson | 3 | 827 |
| 10 | City Garden | 4 | 729 |

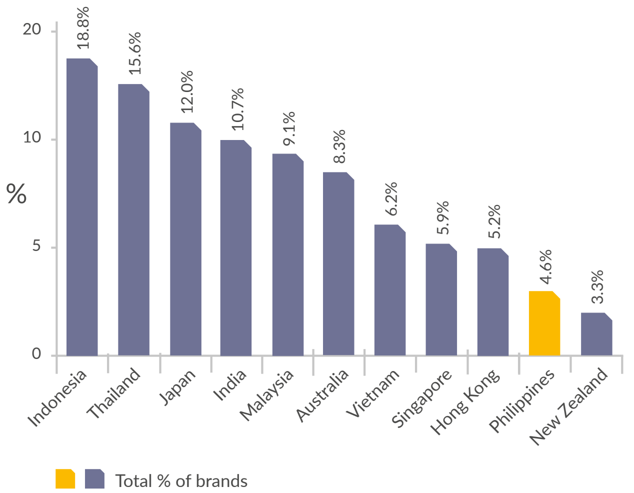
| | International Chain Groups | Hotels | Rooms |
|---|---|---|---|
| 1 | Shangri-La Hotels & Resorts | 6 | 2,961 |
| 2 | Red Planet Hotels | 12 | 2,037 |
| 3 | IHG | 4 | 1,608 |
| 4 | Accor | 5 | 1,585 |
| 5 | Wyndham | 19 | 1,512 |
| 6 | Ascott | 6 | 1,172 |
| 7 | Rosewood Hotels | 2 | 956 |
| 8 | Wharf Hotels | 3 | 890 |
| 9 | Marriott International | 2 | 869 |
| 10 | Radisson Hotel Group | 3 | 752 |

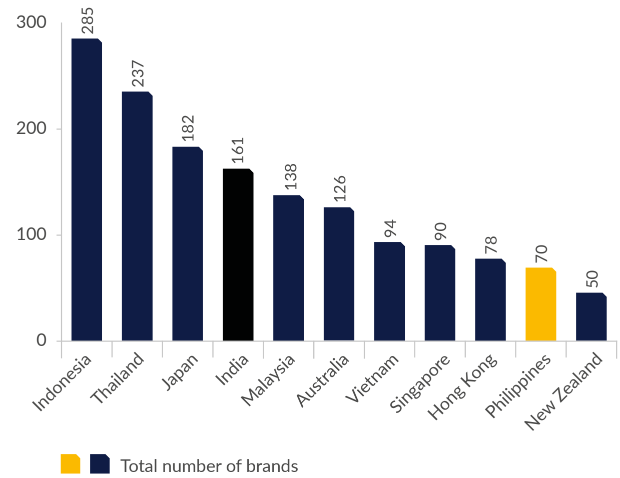
| | International Chain Brands | Hotels | Rooms |
|---|---|---|---|
| 1 | Shangri-La | 5 | 2,649 |
| 2 | Red Planet | 12 | 2,037 |
| 3 | New World | 2 | 956 |
| 4 | Marco Polo | 3 | 890 |
| 5 | Marriott | 2 | 869 |
| 6 | Holiday Inn | 2 | 633 |
| 7 | Best Western | 7 | 616 |
| 8 | Sofitel | 1 | 609 |
| 9 | Mövenpick | 2 | 557 |
| 10 | Ascott | 2 | 526 |

## Philippines: Ranking per scale & size

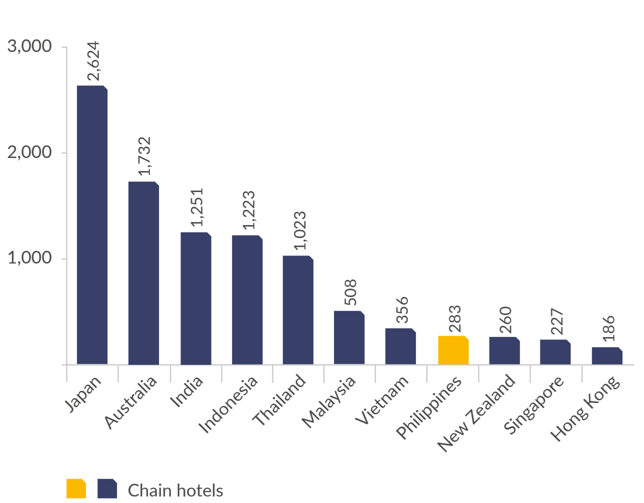
| CHAINS | | | | | CHAIN HOTELS | | CHAIN ROOMS | |
|---|---|---|---|---|---|---|---|---|
| | Hotels | Rooms | % | Avg Size | Intl. | Dom. | Intl. | Dom. |
| Budget & Economy | 49 | 3,978 | 9.9% | 81 | 0 | 49 | - | 3,978 |
| Midscale | 155 | 15,385 | 38.5% | 99 | 39 | 116 | 4,957 | 10,428 |
| Upscale & Upper-Upscale | 51 | 10,569 | 26.4% | 207 | 19 | 32 | 4,541 | 6,028 |
| Luxury | 28 | 10,061 | 25.2% | 359 | 19 | 9 | 7,685 | 2,376 |
| **TOTAL** | **283** | **39,993** | | **141** | **77** | **206** | **17,183** | **22,810** |

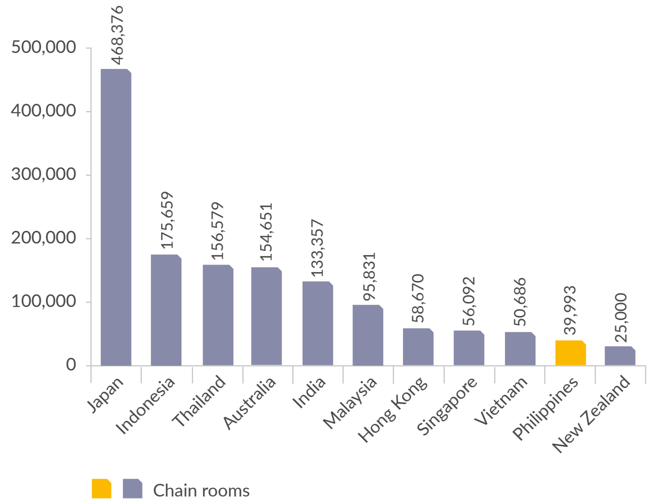
## Philippines: Total brands




## Philippines: Chain hotels & rooms




| Key Statistics | 2017 |
|---|---|
| Total chain hotels | **227** |
| Total chain rooms | **56,092** |
| Average size per chain hotel in rooms | **247** |
| Country hotels stock *(overall supply)* | **413** |
| Country rooms Stock *(overall supply)* | **63,620** |
| Average size per hotel in rooms | **154** |
| Chain penetration % by hotels | **54.9%** |
| Chain penetration % by keys | **88.1%** |
| Total number of brands | **90** |
| Domestic brands | **28** |
| International brands | **62** |
| International chain hotels* | **113** |
| Domestic chain hotels* | **114** |
| International chain rooms* | **37,772** |
| Domestic chain rooms* | **18,320** |

** Includes double counting*

# Singapore

## *As a key global commerce, finance, and transport hub in the region, Singapore is one of the leading hotel markets in the Asia Pacific region. The hotel market is dominated by chain hotels, representing 83% of total gazetted hotel rooms.*

### The Market

From the 90 brands currently presented in the market, more than 72% are international. Amongst the international chains, Accor has the largest room supply in the market with 12 hotels and 5,404 rooms. Meanwhile, Far East Hospitality is the largest home-grown brand with 17 hotels with 3,647 rooms.

As a mature market, Singapore's market average occupancy has been consistently strong over the past seven years, hovering between 83 and 84%. Meanwhile, the country's RevPAR moved sideways for two years since 2013 before entering a 3-year decline and currently stands at SGD 182 in 2017.

According to STB, there are 420 gazetted hotels with a total of 67,085 available rooms as of December 2017. The room supply more than doubled between 2007 and 2017. However, a different picture emerges in the next few years as supply growth will taper off significantly, which is mainly due to the Urban Redevelopment Authority's (URA) deliberate strategy to slow the pace of hotel development in the city state.

List of notable supply expected to come online in 2018 includes: the two Six Senses (49 rooms and 120 rooms) properties and the re-opening of the Raffles Hotel (115 rooms) mid-year after an extensive restoration. Looking further ahead to 2019, many new projects are expected to complete including the Dusit Thani (206 rooms) at the Laguna National Golf and Country Club, potentially the Capitol Singapore (157 rooms), two Far East Hospitality projects in Sentosa – The Outpost (193 rooms) and the Village Hotel Sentosa (606 rooms). Other hotels scheduled to open in 2019 are the EDITION by Marriott (190 keys), Singapore's second YOTEL at Changi Jewel (130 keys) and the Capri by Fraser (306 rooms) at China Square Central.

### Key points

- **Chains are king**
  The hotel market is dominated by chain hotels, representing 83% of total gazetted hotel rooms.

- **International brands and Accor dominate**
  From the 90 brands currently presented in the market, more than 72% are international. Amongst the international chains, Accor has the largest room supply in the market with 12 hotels and 5,404 rooms.

- **Strong demand being managed**
  Supply growth will taper off significantly, which is mainly due to the Urban Redevelopment Authority's (URA) deliberate strategy to slow the pace of hotel development in the city state.

*Robert Hecker, Managing Director*
*Horwath HTL Asia Pacific*

## Singapore: Ranking by size

| | CHAINS | | |
|---|---|---|---|
| Rank | Chain Groups | Hotels | Rooms |
| 1 | Accor | 12 | 5,404 |
| 2 | Marriott International | 13 | 4,058 |
| 3 | Far East Hospitality | 17 | 3,647 |
| 4 | Forward Land | 6 | 3,297 |
| 5 | IHG | 8 | 3,047 |
| 6 | PPHG | 8 | 2,637 |
| 7 | Millennium & Copthorne Int. | 6 | 2,608 |
| 8 | Las Vegas Sands Corporation | 1 | 2,560 |
| 9 | Hotel 81 | 24 | 2,495 |
| 10 | Shangri-La Hotels & Resorts | 5 | 2,392 |

| | BRANDS | | |
|---|---|---|---|
| Rank | Chain Brands | Hotels | Rooms |
| 1 | Sands | 1 | 2,560 |
| 2 | Hotel 81 | 24 | 2,495 |
| 3 | Swissotel | 2 | 1,737 |
| 4 | Fragrance | 21 | 1,540 |
| 5 | Village | 8 | 1,539 |
| 6 | Parkroyal | 4 | 1,335 |
| 7 | Shangri-La | 3 | 1,328 |
| 8 | Carlton | 2 | 1,326 |
| 9 | Pan Pacific | 4 | 1,302 |
| 10 | V Hotel | 2 | 1,160 |

| | Domestic Chain Groups | Hotels | Rooms |
|---|---|---|---|
| 1 | Far East Hospitality | 17 | 3,647 |
| 2 | Forward Land | 6 | 3,297 |
| 3 | Hotel 81 | 24 | 2,495 |
| 4 | Global Premium Hotels Ltd. | 24 | 1,997 |
| 5 | Meritus Hotels & Resorts | 2 | 1,652 |
| 6 | Carlton Hotels | 2 | 1,326 |
| 7 | Park Avenue Hotels & Suites | 4 | 743 |
| 8 | Hotel Royal Limited | 2 | 562 |
| 9 | Crescendas Hosp. Man. | 7 | 480 |
| 10 | The Uncharted Co. | 6 | 272 |

| | Domestic Chain Brands | Hotels | Rooms |
|---|---|---|---|
| 1 | Hotel 81 | 24 | 2,495 |
| 2 | Fragrance | 21 | 1,540 |
| 3 | Village | 8 | 1,539 |
| 4 | Carlton | 2 | 1,326 |
| 5 | V Hotel | 2 | 1,160 |
| 6 | Oasia | 3 | 882 |
| 7 | Park Avenue | 4 | 743 |
| 8 | Value Hotel | 3 | 637 |
| 9 | Hotel Royal | 2 | 562 |
| 10 | Aqueen | 6 | 457 |

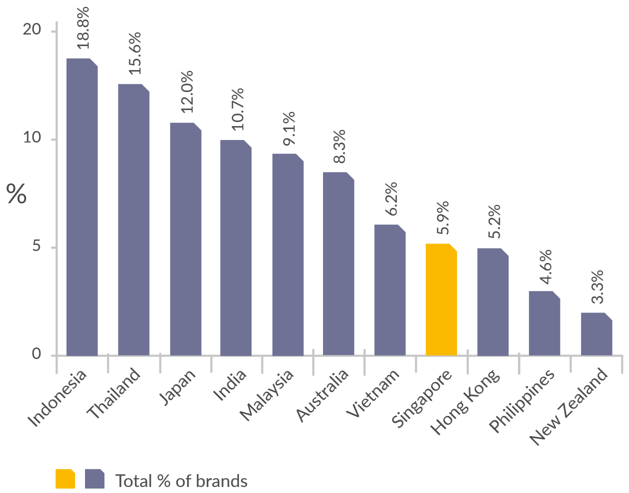
| | International Chain Groups | Hotels | Rooms |
|---|---|---|---|
| 1 | Accor | 12 | 5,404 |
| 2 | Marriott International | 13 | 4,058 |
| 3 | IHG | 8 | 3,047 |
| 4 | PPHG | 8 | 2,637 |
| 5 | Millennium & Copthorne Int. | 6 | 2,608 |
| 6 | Las Vegas Sands Corporation | 1 | 2,560 |
| 7 | Shangri-La Hotels & Resorts | 5 | 2,392 |
| 8 | Resorts World | 7 | 2,168 |
| 9 | Park Hotel Group | 6 | 2,039 |
| 10 | Hilton | 3 | 1,256 |

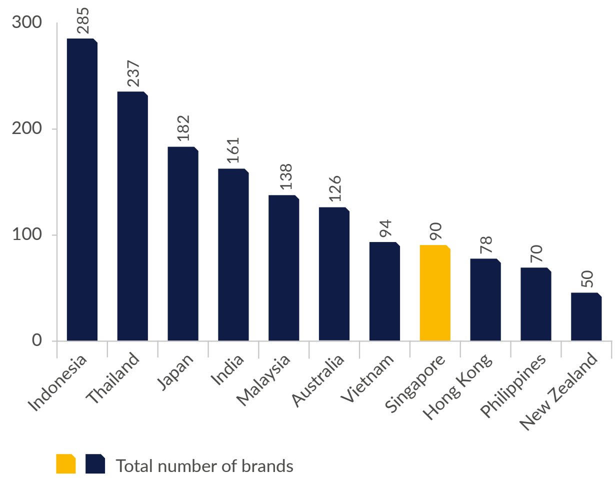
| | International Chain Brands | Hotels | Rooms |
|---|---|---|---|
| 1 | Sands | 1 | 2,560 |
| 2 | Swissotel | 2 | 1,737 |
| 3 | Parkroyal | 4 | 1,335 |
| 4 | Shangri-La | 3 | 1,328 |
| 5 | Pan Pacific | 4 | 1,302 |
| 6 | HI Express | 3 | 1,114 |
| 7 | Park Hotel | 3 | 1,098 |
| 8 | ibis | 3 | 1,077 |
| 9 | Jen | 2 | 1,064 |
| 10 | Furama | 2 | 1,060 |

## Singapore: Ranking per scale & size

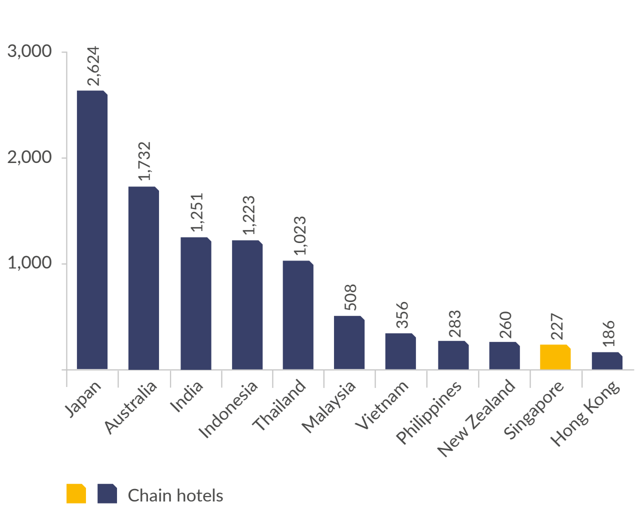
| CHAINS | | | | | CHAIN HOTELS | | CHAIN ROOMS | |
|---|---|---|---|---|---|---|---|---|
| | Hotels | Rooms | % | Avg Size | Intl. | Dom. | Intl. | Dom. |
| Budget & Economy | 37 | 3,274 | 5.8% | 88 | 6 | 31 | 272 | 3,002 |
| Midscale | 76 | 12,620 | 22.5% | 166 | 22 | 54 | 5,794 | 6,826 |
| Upscale & Upper-Upscale | 65 | 20,177 | 36.0% | 310 | 41 | 24 | 14,221 | 5,956 |
| Luxury | 49 | 20,021 | 35.7% | 409 | 44 | 5 | 17,485 | 2,536 |
| **TOTAL** | **227** | **56,092** | | **247** | **113** | **114** | **37,772** | **18,320** |

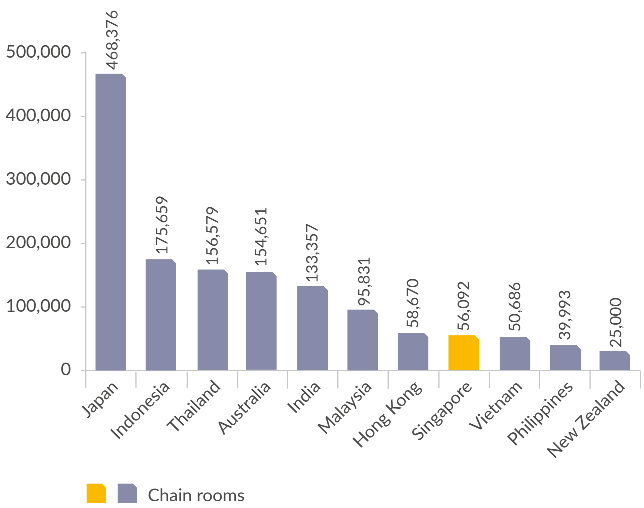
## Singapore: Total brands




## Singapore: Chain hotels & rooms




| Key Statistics | 2017 |
|---|---|
| Total chain hotels | **1,023** |
| Total chain rooms | **156,579** |
| Average size per chain hotel in rooms | **153** |
| Country hotels stock *(overall supply)* | **15,469** |
| Country rooms Stock *(overall supply)* | **650,643** |
| Average size per hotel in rooms | **42** |
| Chain penetration % by hotels | **6.6%** |
| Chain penetration % by keys | **24.1%** |
| Total number of brands | **237** |
| Domestic brands | **144** |
| International brands | **93** |
| International chain hotels* | **317** |
| Domestic chain hotels* | **706** |
| International chain rooms* | **68,862** |
| Domestic chain rooms* | **87,717** |

** Includes double counting*

# Thailand

*Thailand is the ninth most-visited country in the world and the most visited country in Southeast Asia. The country recorded 9% growth in tourist arrivals in 2017, predominantly driven by the growth of Chinese tourists (12% growth YOY).*

## The Market

While Thailand still offers value for money, it has now become a hotspot for luxury with more five-star resorts, spas, and hotels as well as a center for medical tourism and wellness.

Historically, the majority of hotel development were concentrated in Bangkok, the hub of tourism and traveling in Thailand. However, the country has developed/ upgraded international airports in other provinces to support their tourism growth, which led to a rise in hotel development including Pattaya, Phuket, Chiang Mai, Krabi, and Koh Samui (Surat Thani). The number of rooms supply more than doubled between 2000 and 2015 (Source: Bank of Ayudhya, UNWTO). This expansion comprises home-grown hotel chains, independent hotels, and international hotel chains.

In Thailand, home-grown chain hotels tend to be smaller than international chain hotels by number of rooms. Thus, despite the relatively low penetration by number of hotels at 6.6%, the international chain's penetration by number of rooms is 24%.

Amongst the international chains, Accor dominates the market with the largest portfolio and largest room supply, with three of its brands placed in the top 10 (Novotel, Ibis, and Pullman). Marriott International and IHG are in second and third place.

Meanwhile, Centara Hotel Group is the largest home-grown chain with close to 6,300 rooms across the country, of which Centara Grand and Centara contribute 47% and 40% of total rooms respectively. Aspira Hospitality has the largest portfolio with 41 hotels, however, their properties tend to be much smaller than other brands.

## Key points

- **Strong demand means rooms**
  Thailand is the ninth most-visited country in the world and the most visited country in Southeast Asia.

- **Fewer but bigger**
  Overall supply of chain hotels is small, with only 6% of the market, but they make up 24% of the rooms. The chain hotels are much larger than their domestic rivals, averaging 153 rooms, versus 42 for independent hotels.

- **Accor strong. Again**
  Amongst the international chains, Accor dominates the market with the largest portfolio and largest room supply, with three of its brands placed in the top 10.

*Nikhom Jensiriratanakorn, Director*
*Horwath HTL Asia Pacific*

# Thailand: Ranking by size

| | CHAINS | | |
|---|---|---|---|
| Rank | Chain Groups | Hotels | Rooms |
| 1 | Accor | 73 | 16,993 |
| 2 | Marriott International | 44 | 11,885 |
| 3 | IHG | 22 | 6,262 |
| 4 | Centara Hotels | 32 | 6,249 |
| 5 | Onyx Hospitality Group | 29 | 5,188 |
| 6 | Minor | 21 | 3,875 |
| 7 | Cape & Kantary Hotels | 22 | 3,658 |
| 8 | Compass Hospitality | 28 | 3,444 |
| 9 | Dusit Hotels & Resorts | 12 | 3,285 |
| 10 | Centre Point Hospitality | 10 | 3,158 |

| | BRANDS | | |
|---|---|---|---|
| Rank | Chain Brands | Hotels | Rooms |
| 1 | Novotel | 20 | 5,129 |
| 2 | Ibis | 16 | 3,706 |
| 3 | Holiday Inn | 10 | 3,688 |
| 4 | Amari | 13 | 3,125 |
| 5 | Marriott | 8 | 3,082 |
| 6 | Centara Grand | 9 | 2,955 |
| 7 | Centara | 17 | 2,516 |
| 8 | Hop Inn | 30 | 2,425 |
| 9 | Pullman | 7 | 2,271 |
| 10 | Anantara | 14 | 2,196 |

| | Domestic Chain Groups | Hotels | Rooms |
|---|---|---|---|
| 1 | Centara Hotels | 32 | 6,249 |
| 2 | Cape & Kantary Hotels | 22 | 3,658 |
| 3 | Compass Hospitality | 28 | 3,444 |
| 4 | Centre Point Hospitality | 10 | 3,158 |
| 5 | Imperial Hotels & Resorts | 21 | 3,109 |
| 6 | Hop Inn Hotels | 30 | 2,425 |
| 7 | B2 Hotels | 32 | 2,115 |
| 8 | LK Group | 19 | 1,865 |
| 9 | Sawasdee & Woraburi Group | 16 | 1,860 |
| 10 | Aspira Hospitality | 41 | 1,781 |

| | Domestic Chain Brands | Hotels | Rooms |
|---|---|---|---|
| 1 | Centara Grand | 9 | 2,955 |
| 2 | Centara | 17 | 2,516 |
| 3 | Hop Inn | 30 | 2,425 |
| 4 | B2 | 32 | 2,115 |
| 5 | Compass Collection | 21 | 2,097 |
| 6 | Kantary Collection | 10 | 2,007 |
| 7 | Grande Centre Point | 4 | 1,714 |
| 8 | LK | 17 | 1,592 |
| 9 | Asia Hotel | 4 | 1,537 |
| 10 | The Imperial | 10 | 1,494 |

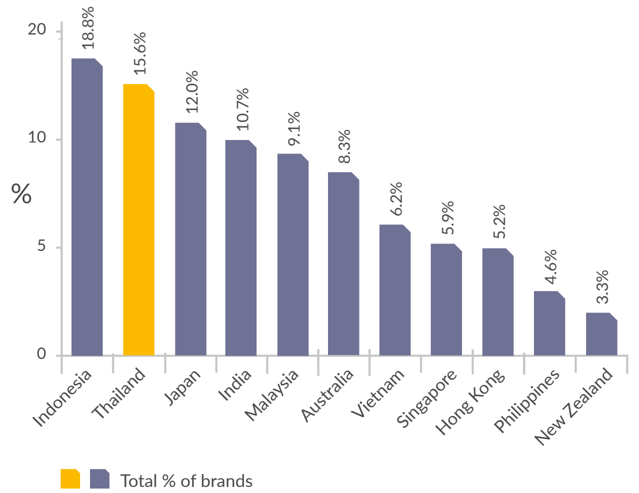
| | International Chain Groups | Hotels | Rooms |
|---|---|---|---|
| 1 | Accor | 73 | 16,993 |
| 2 | Marriott International | 44 | 11,885 |
| 3 | IHG | 22 | 6,262 |
| 4 | Onyx Hospitality Group | 29 | 5,188 |
| 5 | Minor | 21 | 3,875 |
| 6 | Dusit Hotels & Resorts | 12 | 3,285 |
| 7 | Hilton | 10 | 2,834 |
| 8 | Ascott | 11 | 2,091 |
| 9 | Wyndham | 8 | 1,814 |
| 10 | Mövenpick Hotels & Resorts | 8 | 1,474 |

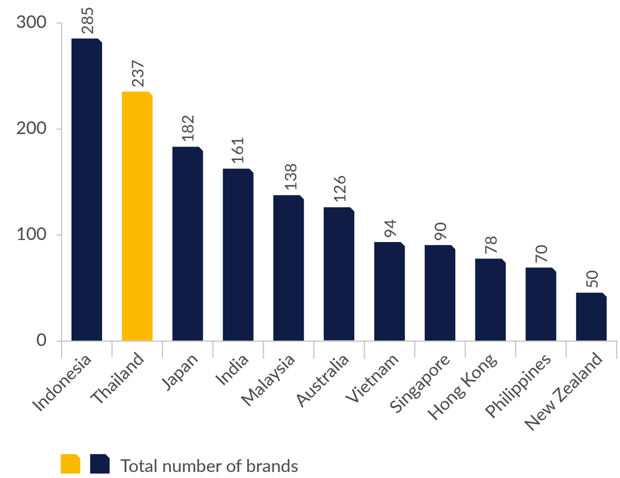
| | International Chain Brands | Hotels | Rooms |
|---|---|---|---|
| 1 | Novotel | 20 | 5,129 |
| 2 | ibis | 16 | 3,706 |
| 3 | Holiday Inn | 10 | 3,688 |
| 4 | Amari | 13 | 3,125 |
| 5 | Marriott | 8 | 3,082 |
| 6 | Pullman | 7 | 2,271 |
| 7 | Anatara | 14 | 2,196 |
| 8 | Hilton | 5 | 2,075 |
| 9 | Dusit Thani | 6 | 2,058 |
| 10 | Le Meridien | 7 | 1,968 |

## Thailand: Ranking per scale & size

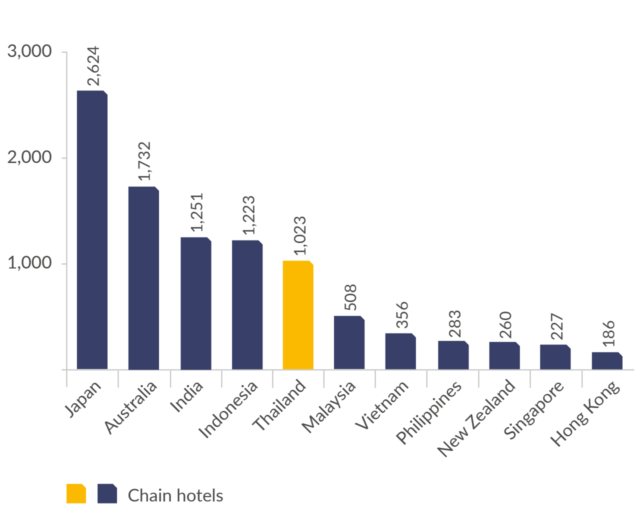
| CHAINS | | | | | CHAIN HOTELS | | CHAIN ROOMS | |
|---|---|---|---|---|---|---|---|---|
| | Hotels | Rooms | % | Avg Size | Intl. | Dom. | Intl. | Dom. |
| Budget & Economy | 20 | 1,285 | 0.8% | 64 | 0 | 20 | - | 1285 |
| Midscale | 424 | 45,779 | 29.2% | 108 | 62 | 362 | 10,605 | 35,174 |
| Upscale & Upper-Upscale | 393 | 68,225 | 43.6% | 174 | 134 | 259 | 29,743 | 38,482 |
| Luxury | 186 | 41,290 | 26.4% | 222 | 121 | 65 | 28,514 | 12,776 |
| **TOTAL** | **1,023** | **156,579** | | **153** | **317** | **706** | **68,862** | **87,717** |

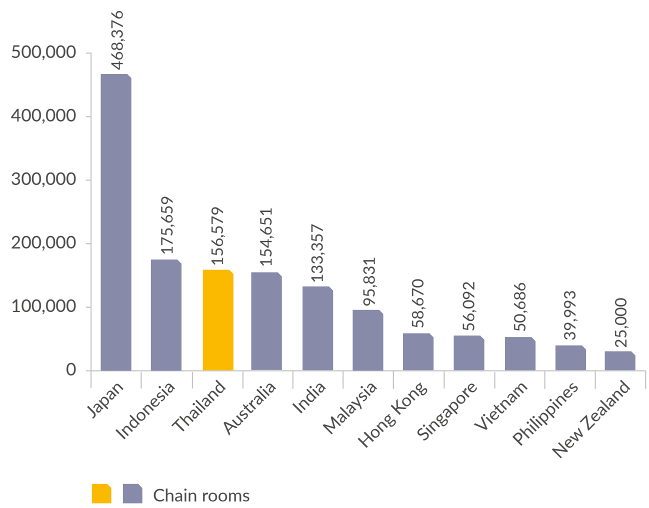
## Thailand: Total brands




## Thailand: Chain hotels & rooms




| Key Statistics | 2017 |
|---|---|
| Total chain hotels | **356** |
| Total chain rooms | **50,686** |
| Average size per chain hotel in rooms | **142** |
| Country hotels stock *(overall supply)* | **21,000** |
| Country rooms Stock *(overall supply)* | **420,000** |
| Average size per hotel in rooms | **20** |
| Chain penetration % by hotels | **1.7%** |
| Chain penetration % by keys | **12.1%** |
| Total number of brands | **94** |
| Domestic brands | **52** |
| International brands | **42** |
| International chain hotels* | **80** |
| Domestic chain hotels* | **276** |
| International chain rooms* | **17,645** |
| Domestic chain rooms* | **33,041** |

** Includes double counting*

# Vietnam

## *Vietnam has become one of the world's great development success stories. Reforms launched in 1986 transformed an inward-looking country to one of the fastest growing emerging economies in Southeast Asia.*

### The Market

In 2017, Vietnam recorded impressive GDP growth of 6.8%. The tourism industry has made considerable progresses over the past decades, thanks to the "Vietnam – Timeless Charm" campaign, the entrance of international hotel operators, improved air connectivity, visa exemption policy, and growing infrastructure investments.

2017 has been a record-breaking year for tourism as foreign visitors to Vietnam surged 29.1% over the previous year, reaching an all-time high of 12.9 million. The industry has maintained this strong momentum into 2018, with tourist arrivals increasing by 29.5% YOY for the first four months of the year.

The hotel Market in Vietnam is still in the developing stage with the majority of hotels being independent hotels or home-grown brands. While only 1. % of all hotels and 12.1% of all hotel rooms are affiliated with an international chain, the increase of international hotels brands has increased significantly over recent years and is set to welcome a slew of new hotel openings in the coming years.

Accor has the largest portfolio in the country with 24 hotels and 5,448 rooms. Meanwhile, Vinpearl dominates the home-grown chain with 7,129 rooms in 19 hotels.

### Key points

- **Huge demand for the country**
  2017 has been a record-breaking year for tourism as foreign visitors to Vietnam surged 29.1% over the previous year.

- **Chain hotels barely scratching the surface**
  The majority of hotels being independent hotels or home-grown brands. While only 1. % of all hotels and 12.1% of all hotel rooms are affiliated with an international chain.

- **Accor leads the way**
  Accor has the largest portfolio in the country with 24 hotels and 5,448 rooms. Meanwhile, Vinpearl dominates the home-grown chain with 7,129 rooms in 19 hotels.

*Damien Little, Director*
*Horwath HTL Australia*

# Vietnam: Ranking by size

| | **CHAINS** | | |
|---|---|---|---|
| Rank | Chain Groups | Hotels | Rooms |
| 1 | Vinpearl | 19 | 7,129 |
| 2 | Mường Thanh Hospitality | 35 | 6,728 |
| 3 | Accor | 24 | 5,448 |
| 4 | IHG | 9 | 2,782 |
| 5 | Marriott International | 7 | 2,437 |
| 6 | Saigon Tourist | 10 | 1,569 |
| 7 | FLC Hotels & Resorts | 5 | 1,428 |
| 8 | Diamond Bay | 4 | 1,269 |
| 9 | A25 Hotel Group | 39 | 1,181 |
| 10 | PGS Hotels & Resorts | 3 | 1,106 |

| | **BRANDS** | | |
|---|---|---|---|
| Rank | Chain Brands | Hotels | Rooms |
| 1 | Vinpearl | 19 | 7,129 |
| 2 | Mường Thanh | 15 | 2,260 |
| 3 | Mường Thanh Luxury | 7 | 2,035 |
| 4 | Mường Thanh Grand | 9 | 1,981 |
| 5 | InterContinental | 6 | 1,719 |
| 6 | Novotel | 6 | 1,656 |
| 7 | FLC | 5 | 1,428 |
| 8 | Diamond Bay | 4 | 1,269 |
| 9 | A25 Hotel | 39 | 1,181 |
| 10 | Pullman | 4 | 1,089 |

| | Domestic Chain Groups | Hotels | Rooms |
|---|---|---|---|
| 1 | Vinpearl | 19 | 7,129 |
| 2 | Mường Thanh Hospitality | 35 | 6,728 |
| 3 | Saigon Tourist | 10 | 1,569 |
| 4 | FLC Hotels & Resorts | 5 | 1,428 |
| 5 | Diamond Bay | 4 | 1,269 |
| 6 | A25 Hotel Group | 39 | 1,181 |
| 7 | PGS Hotels & Resorts | 3 | 1,106 |
| 8 | H&K Hospitality | 12 | 1,093 |
| 9 | Odyssea Hospitality | 8 | 993 |
| 10 | TCC Hotels | 10 | 967 |

| | Domestic Chain Brands | Hotels | Rooms |
|---|---|---|---|
| 1 | Vinpearl | 19 | 7,129 |
| 2 | Mường Thanh | 15 | 2,260 |
| 3 | Mường Thanh Luxury | 7 | 2,035 |
| 4 | Mường Thanh Grand | 9 | 1,981 |
| 5 | FLC | 5 | 1,428 |
| 6 | Diamond Bay | 4 | 1,269 |
| 7 | A25 Hotel | 39 | 1,181 |
| 8 | TCC Premium | 7 | 815 |
| 9 | Liberty Central | 4 | 707 |
| 10 | Bavico | 4 | 649 |

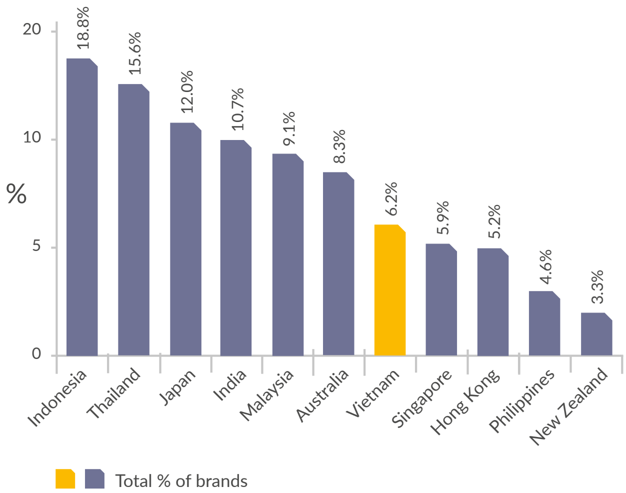
| | International Chain Groups | Hotels | Rooms |
|---|---|---|---|
| 1 | Accor | 24 | 5,448 |
| 2 | IHG | 9 | 2,782 |
| 3 | Marriott International | 7 | 2,437 |
| 4 | Ascott | 7 | 1,050 |
| 5 | Melia Hotels International | 4 | 802 |
| 6 | Hyatt | 2 | 620 |
| 7 | Lotte Hotels | 2 | 601 |
| 8 | Okura Nikko Hotels | 2 | 591 |
| 9 | Rosewood Hotels | 1 | 533 |
| 10 | PPHG | 2 | 459 |

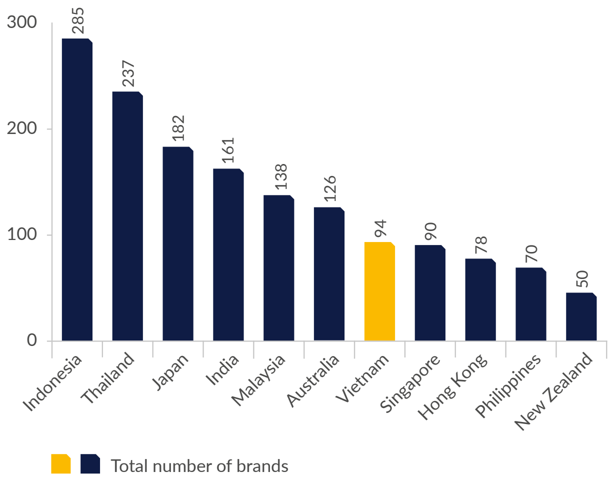
| | International Chain Brands | Hotels | Rooms |
|---|---|---|---|
| 1 | InterContinental | 6 | 1,719 |
| 2 | Novotel | 6 | 1,656 |
| 3 | Pullman | 4 | 1,089 |
| 4 | Sheraton | 3 | 1,064 |
| 5 | Crowne Plaza | 3 | 1,063 |
| 6 | Somerset | 7 | 1,050 |
| 7 | ibis | 3 | 725 |
| 8 | JW Marriott | 2 | 694 |
| 9 | Lotte | 2 | 601 |
| 10 | Nikko | 2 | 591 |

## Vietnam: Ranking per scale & size

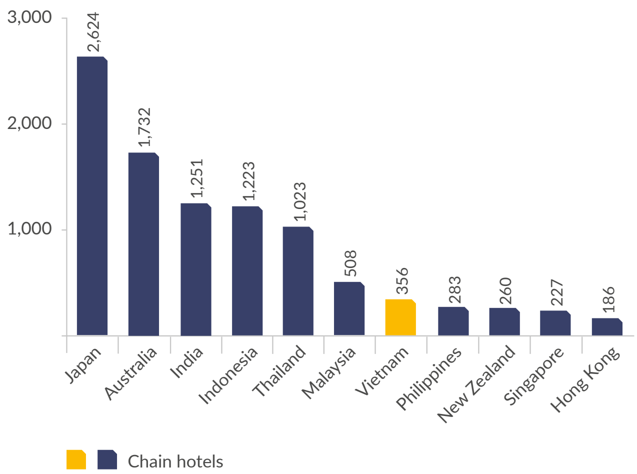
| CHAINS | | | | | CHAIN HOTELS | | CHAIN ROOMS | |
|---|---|---|---|---|---|---|---|---|
| | Hotels | Rooms | % | Avg Size | Intl. | Dom. | Intl. | Dom. |
| Budget & Economy | 29 | 757 | 1.5% | 26 | 0 | 29 | - | 757 |
| Midscale | 135 | 9,577 | 18.9% | 71 | 5 | 130 | 843 | 8,734 |
| Upscale & Upper-Upscale | 140 | 27,340 | 53.9% | 195 | 44 | 96 | 9,064 | 18,276 |
| Luxury | 52 | 13,012 | 25.7% | 250 | 31 | 21 | 7,738 | 5,274 |
| **TOTAL** | **356** | **50,686** | | **142** | **80** | **276** | **17,645** | **33,041** |

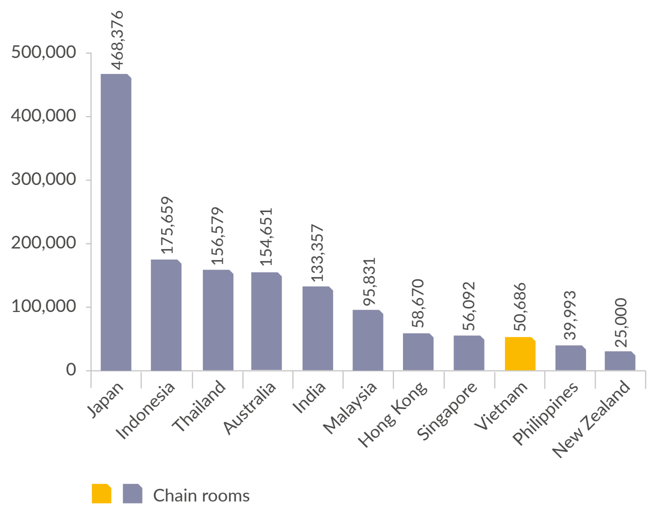
## Vietnam: Total brands




## Vietnam: Chain hotels & rooms



Horwath HTL

*Hotel, Tourism and Leisure*

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**EUROPE**
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Ireland
Italy
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Switzerland
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