



ASPAC-Market Update- Q3 2023

Mark Your Calendar-2023/2024 ASPAC Meetings and Events

KEY: TS – Tradeshow | RS – Road Show | CE – Client Event | M – Meeting | TR – Training | V – Virtual Event

Date	Type	Days	Location	Segments
29 Jan 2024	TS	1	Singapore-AMEX FHR Showcase-BOOK DIRECT	Leisure/FHR/THC
19 Feb 2024	RS/CE	4	Melbourne Sydney – Global Sales Road Show & Preferred Pride Client Event	Leisure/Corporate/MICE
21 Feb 2024	RS	2	South Korea	Leisure/Corporate/MICE
26 Feb 2024	RS	5	Brisbane Gold Coast Perth Adelaide	Leisure/Corporate/MICE
27 Feb 2024	RS	2	Singapore	Leisure/Corporate/MICE
26 March 2024	RS	3	Hong Kong & Taipei Global Sales/AMEX FHR & Luxury Leisure Roadshow	Leisure/FHR
25 Mar 2024	RS	5	Shanghai Chengdu	Leisure/MICE
10 Apr 2024	RS	2	Hong Kong	Leisure/Corporate/MICE
14 May 2024	RS	4	Shanghai Beijing Guangzhou	Leisure/MICE
10 Jun 2024	RS	2	Japan	Corporate/MICE
24 Jun 2024	RS	2	Shanghai Beijing	Leisure/MICE
1 Jul 2024	TS/CE	4	Singapore ILTM ASPAC & Client Event	Leisure
8 Jul 2024	RS	5	Guangzhou Shenzhen Hong Kong	Leisure/Corporate/MICE
20 Aug 2024	RS	4	Singapore Kuala Lumpur	Leisure/Corporate/MICE
9 Sep 2024	RS/CE	5	Shanghai Beijing Guangzhou Shenzhen	Leisure/Corporate/MICE
16 Sep 2024	RS	4	Sydney Melbourne	Leisure/Corporate/MICE
23 Sep 2024	RS	5	Brisbane Gold Coast Perth Adelaide	Leisure/Corporate/MICE
30 Sep 2024	RS	5	Tokyo Osaka	Leisure/Corporate/MICE
15 Oct 2024	RS	4	Beijing Chengdu	Leisure/MICE
21 Oct 2024	RS	2	South Korea	Leisure/Corporate/MICE

LEISURE TRAVEL

AUSTRALIA

- Leisure travel remains buoyant and there are many enquiries for Q3 2024 already. Hotels should please make sure that all rates are loaded as far ahead as possible.
- Travellers are staying much longer so hotels should please consider also loading long stay rates.
- Travel to the USA is starting to pick up for Q3 and Q4 2023 even though the Aussie dollar is weak against the USD\$.
- Airfares remain expensive particularly in the premium classes so Australian travellers remain flexible as to where and when they travel – travel patterns are not the same as pre covid and many are travelling at less peak times of the year to enjoy lower prices on both air and hotel.
- The Platinum Partner rates remain popular so hotels should review their participation if they want to attract long haul luxury leisure travel especially if they aren't a part of any other luxury programme. Please once again ensure that these rates are loaded as far ahead as possible into 2024.
- Please be reminded that Australian banks will no longer accept foreign cheques for commission so hotels wanting to attract Australian clients will need to find a new method of paying if they want to source bookings from Australian agencies.
- There are many multi-generational families travelling so hotels should please make sure that they have completed our family travel fact sheet. If you haven't completed one of these recently then please check with Michelle Yapp in Sydney myapp@preferredhotels.com and she will send you one.
- Hotels should please consider joining Singapore ILTM 2024 which will be on 1 July. Included in the costing on Preferrednet.net is a VIP travel agent event. ILTM will target 250 more buyers than last year from within the region. The main demographic is roughly 45% Australian but there are top agents from China / Singapore / Thailand / South Korea / Japan and India in attendance. Any questions please contact Carolyn Holmes in the Sydney office. The 2023 ILTM event was extremely well received by all the hotels that attended.
- Interest in Hong Kong is slowly starting to gain traction as the HKTB and Cathay Pacific have participated in a lot of trade awareness in recent months.

Contact for this market is Carolyn Holmes based in Sydney, Australia
cholmes@preferredhotels.com

CHINA

- China announced the removal of all pre-entry COVID-19 testing requirements.
- In Q3 Thailand approved a visa-free period for Chinese tourists from September 25th - February 29, 2024. We hope this will encourage more Chinese to visit Thailand so hotels should send us their offers.
- China is currently holding the 19th Asian Games in Hangzhou so thousands of athletes from around Asia have gathered to compete in 481 events. These games were postponed from 2022.
- Ant Group officially welcomed 7 new leading e-wallets and payment apps from Asia to the "Alipay+-in-China" (A+China) Program in Q3. Users of mPay (Macau SAR, China), Hipay (Mongolia), Changi Pay (Singapore), OCBC (Singapore), Naver Pay (South Korea), Toss Pay (South Korea) and TrueMoney (Thailand) will be able to use their familiar home e-wallets on their own phone to enjoy a seamless mobile payment experience in China across Alipay's merchant network. This will encourage more inbound travellers to China from within the region.
- Australia is welcoming back Chinese group tours and visa processing for Approved Destination Status (ADS) scheme travel has recommenced in Q3. Data released by the Australian Bureau of Statistics confirmed

there were around 79000 China arrivals in July making it an increase of more than 100% compared to June 2023. This is the highest monthly figure since Australia's borders reopened in February 2022.

- Under a current agreement between the USA and China airlines from each country can collectively operate 12 weekly round trip flights but as of October 29 numbers will increase to 24 weekly round trip flights. So once again we expect increased traction of travellers from all segments between the 2 countries so hotels should be aware. Please join us for our roadshow as China will be a great market moving forward.

Contact for this market is Cheryl Siow based in Shanghai, China
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HONG KONG

- Greater Bay Airlines joined the Sabre GDS in Q3 plus they are expanding their regional network from Hong Kong to destinations such as Tokyo, Osaka, Seoul, Taipei, Bangkok and Ho Chi Minh City. Once again we expect this to increase traveller demand from these countries so hotels should be aware and send us any offers.
- Even though there is more airline supply in the market there remains a shortage of flights versus pre-Covid so flight prices remain high.
- Regional travel to Japan is still the top pick for leisure travellers followed by Taiwan, Thailand and South Korea.
- Hotels should please evaluate if seasonal promotion like stay pay would be beneficial or agency bonus commissions are suitable to targeted agencies in a particular market or segment.
- Please contact Sylvia Mak for any promotions as required.

Contact for this market is Sylvia Mak based in Hong Kong
smak@preferredhotels.com

JAPAN

- According to preliminary figures from the Immigration Agency of Japan, outbound Japanese travellers in July 2023 was 891,614 which was an increase of 190,000 from the previous month. While this represents an increase it is still down by 46% compared to the same period in 2019.
- Comparing January – July 2019 to year-on-year 2023 the number of overseas Japanese travellers is still down by 60% due to the weaker yen, the cost of airfares and lack of confidence. Japan has been much slower to recover than other ASPAC markets.
- The top 3 destinations in July 2023 were Korea, the USA and Taiwan so once again properties in these places may wish to join us for one of our roadshows?
- For hotels interested in capturing the outbound leisure traveller from Japan it is imperative to work with the local tour operators handling the Japanese market. For most destinations, the major travel agencies in Japan source and book the hotel rooms through local tour operators and it is hardly ever the case where these agents' source and contract directly.
- According to AMEX Platinum / Centurion their top 10 destinations for 2023 thus far are Seoul, Honolulu, Bangkok, Singapore, Taipei, Paris, Dubai, Hong Kong, Kuala Lumpur and New York. It is quite unusual for Paris to be the only European city in the top 10 but this is probably due to the weak Japanese yen and accommodation in Europe getting much more expensive.
- Please contact hseguro@preferredhotels.com if you have any promotional offers so that the Japan office can share with relevant agencies.

Contact for this market is Hideki Seguro based in Tokyo, Japan
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SOUTH KOREA

- Greater Bay Airlines now operates Incheon/Hong Kong 7 X times a week from Q3. Jeju Airlines has also resumed flights between Incheon/Macau daily. Hotels should be aware of possible increased traction and visitors so should send us any special offers.
- Theme programs or Special Interest Travel is increasing. Cruising is also gaining traction with musical and F&B tours of most interest.
- Credit Card collaborations with airlines, duty free shops and travel agencies are becoming more popular. Singapore Airlines launched a Krisflyer credit card offer with Shinhan Card with an ad hoc special airfare to be booked via Mastercard as an example.
- Vietnam and Japan are top destinations to Korean in 2023.
- Due to winter being on the horizon overseas destinations are gaining traction. Golf is always popular so places such as Vietnam and Thailand are in demand.
- One month stay as local experience is getting popular. Vietnam, Taiwan or Hawaii for English study or relaxation.

Contact for this market is Alice Choi based in Seoul, South Korea
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SOUTHEAST ASIA

- The top five destinations among Singaporean travellers are Japan, Thailand, Indonesia, South Korea and the USA.
- School holidays in Singapore start at end of October for secondary schools and mid-November for primary schools. Agencies are seeing requests for Japan, Korea and Taiwan plus some are already looking at plans for the 2024 June holidays.
- Stay / Pay offers remain popular with SEA market so any hotels with such offers should also send them to Singapore office for sharing with agents.
- AMEC FHR/THC properties can contact Nicole if they are interested in participating in the 2024 Supplier Showcase in Singapore and Bangkok for more details. The Singapore Showcase will be on 29 June 2024 which is the weekend before ILTM APAC 2024 so hotels should consider doing both if they are able.

Contact for this market is Nicole Foo based in Singapore
nfoo@preferredhotels.com

CORPORATE / BUSINESS TRAVEL

AUSTRALIA

- Corporate travel is firmly back on track though airfare cost in some cases remains prohibitive.
- Once again stays are longer as business combines multiple visits into one longer stay to save cost.
- The Australian dollar is weak against the USD\$ / EURO and GBP making corporate accommodation expensive so hotels should bear this in mind when completing RFPs.

Contact for this market is Carolyn Holmes based in Sydney, Australia
cholmes@preferredhotels.com

CHINA

- The ByteDance global RFP 2024 launched in Q3 through Cvent with a submission date of 2 Oct. Hotels should please submit on time. Their second RFP which is for domestic properties within China will launch in Q4 (late October). This account also uses our Preferred Hotels Corporate Rate Chain program but VCC payments are mandatory.
- The Alibaba and Tencent 2024 RFPs both launched in Q3 with accept and declines released in November.
- More than 70 Chinese firms attended the IAA MOBILITY 2023 trade fair in Munich in Q3. Major brands such as BYD, Nio Xpeng, Hongqi, Lynk & Co and Geely attended because they are trying to gain more traction overseas particularly within the international electric car marketplace.
- BYD has cancelled its plan to invest US\$ 1 billion in India as their investment and development proposal for the manufacturing of electric vehicles in India was rejected by the Indian Government.

Contact for this market is Cheryl Siow based in Shanghai, China
csiow@preferredhotels.com

HONG KONG

- A gentle reminder for member hotels to submit their Lanyon bids for RFPs in a timely manner. They should also bear in mind time differences. As the RFP season continues and more and more re-negotiations launch hotels should ensure they have a dedicated person for Lanyon to avoid any submissions being missed.
- LVMH, AIA, Richemont, Natixis, Marsh & McLennan RFPs are in the re-negotiation process.
- UBS, Morgan Stanley and Bank of America will be sending out their RFP and re-negotiations shortly.
- For new hotels please approach Sylvia Mak to discuss any opening offers that could be offered to corporate accounts for their personal travel. Please provide a one-pager flyer which should include GDS and vipagent@preferredhotels.com booking instructions. Any offers need to be bookable through these channels.

Contact for this market is Sylvia Mak based in Hong Kong
smak@preferredhotels.com

JAPAN

- The recovery of corporate travel from Japan is slower than expected due to high airfares and the weakness of the Japanese Yen.
- Due to Covid restrictions during the pandemic and lack of current resources some corporate accounts have given up outsourcing their hotel programmes because of cost – those companies include Astellas Pharma. Many are also still in discussion as to whether they will launch a 2024 RFP or just extend current rates.
- Most major Japanese corporate accounts are yet to establish a global hotel program launched out of a head office within Japan. Hotels should note that most corporate hotel bookings from Japan are still made through local offices even when negotiated corporate rates are loaded on the GDS. This is one of the reasons why a local corporate relationship is imperative regardless of whether the hotel is in the program or not. Hotels should advise Preferred Hotels and Resorts Japan office (hseguro@preferredhotels.com) about any local contracts they hold for Japanese companies so that it can be followed up locally.
- The NTT 2024 RFP will launch early in Q4 so any interested hotels should please connect with Hideki Seguro at hseguro@preferredhotels.com with a strong business case. Please also complete the Corporate Survey.
- If you are targeting the corporate segment from Japan, please consider joining our roadshow in June 2024 which we will visit most of the major TMCs in Japan, as well as some MICE agencies and corporate accounts.

Contact for this market is Hideki Seguro based in Tokyo, Japan

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SOUTH KOREA

- EcoProm confirmed they will build a factory in Montreal Canada and SBTM is the appointed TMC and will be preparing the 2024 hotel RFP shortly.
- Samsung business has decreased and is expected to remain down until mid 2024.
- There is increased corporate travel demand from Saudi Arabia so hotels should take note.
- Vietnam is the top destination for South Korean corporations to build factories and this includes Samsung and LG who have more than 500 room nights into the Hanoi area.
- Naver is arranging their own accommodation in Tokyo for employees due to a cost saving strategy and many challenges with bookings.

Contact for this market is Alice Choi based in Seoul, South Korea

achoi@preferredhotels.com

SOUTHEAST ASIA

- The GBTA APAC conference took place in Singapore in Q3 with 400 attendees from 17 countries. There were 120 travel managers / bookers / planners from within the region, so it was a great opportunity for exposure of Preferred Hotels and to meet new people across the corporate segment. The forecast is that business travel within region will show significant growth into 2024 and travel spend will gain 41% to US\$567 billion this year rising to US\$800 billion by 2027. In 2024 the GBTA conference will be held in Singapore in May (13 & 14) so hotels targeting corporate business should consider participating as it will provide opportunities to meet with the travel managers within region. Please ask Nicole for more information.

- Despite the increased cost of airfares and accommodation corporate travel in 2023 has grown versus same period 2022 however some companies have a directive to reduce or maintain current cost into 2024.
- 2024 RFPs are launching now so if your property has not received any production usually the account will not consider inviting a hotel to their RFP. SCB indicated that properties not currently on their accepted list must propose rates at least 20% less than published BAR / Consortia to be competitive in the market. J&J expect prices to remain flat or reduced, they will not accept significantly inflated rates.

Contact for this market is Nicole Foo based in Singapore
nfoo@preferredhotels.com

MEETINGS AND EVENTS

ASPAC

- Larger group sizes are trending out of Singapore. One RFP from BCD Meetings and Events side was looking to accommodate over 500 persons. Destinations considered are Kuala Lumpur, Bangkok and Jakarta.
- Japan continues to be a very popular destination for 2024 and beyond especially during cherry blossom. Hotels in Japan are quite busy already with transient guests and often are unable to accommodate so it could bring opportunities for secondary cities or other destinations.
- Korea is experiencing strong outbound travel especially in the entertainment arena with K-pop groups. Many are heading to Europe and there is a lot of interest in key cities. Please check with Alice in South Korea office if you wish to know more about K-pop and the South Korea market.
- Australia meeting planners are largely staying domestic because of the weak Australian dollar and the cost of long-haul air travel. However, there are still a few requests for Honolulu / New York and Europe from incentive houses. If Asia is sourced, then destinations such as Singapore and Tokyo are the most requested.
- Q4 will be when incentive houses will start bidding for incentive groups for 2024 so they should reply quickly with their proposals and include as many details as possible.

Contact for this market is Andrew Kuek based in Sydney
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