



ASPAC-Market Update- Q1 2024

Mark Your Calendar-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
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 is strong and an early booking pattern continues with bookings coming in for some destinations for early 2025 already. Hotels should load their rates as early as possible.
- USA bookings have been quiet due to the weak Australian dollar but we are finally seeing some traction for travel towards the end of the year.
- Asia sales are also continuing to bounce back as have been slow until now.
- Japan hotels should please review and ensure some rates are loaded for Q1 2025 and have at least one rate plan is available that includes breakfast as the Australians don't usually go out for breakfast in Japan.
- Stays are much longer than pre-Covid so hotels should please consider longer stay rates.
- Airfares are still 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.

- The Platinum Partner rates are gaining traction in Australia so hotels should review their participation if they want to attract longer haul luxury leisure market especially if they aren't a part of any other luxury programme.
- 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 connect with Michelle Yapp in our Sydney office myapp@preferredhotels.com

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

CHINA

- In Q1 China's Ministry of Foreign Affairs announced that China will expand its 15-day visa-free entry policy to six additional European countries on a trial basis for travel between March 14 and November 30. These countries include Switzerland, Ireland, Hungary, Austria, Belgium, and Luxembourg.
- Thailand and China have now also waived permanently any visa requirements for each other's citizens.
- In the first 8 weeks of 2024 China was the top source market for foreign tourists to Thailand with 1,114,316 arrivals, so Thai hotels should join one of our China roadshows in order to gain some traction.
- Fliggy an online travel platform and subsidiary of Alibaba Group announced an expanded partnership with Amadeus and signed onto Amadeus Value Hotels. Alitrip, their corporate travel management division also signed an agreement to support its customers' corporate travel in and out of China. Its customers will be able to shop and book hospitality content via the Amadeus Travel Platform.
- Selected Chinese airlines will be allowed to boost their weekly round-trip U.S. flights to 50 starting on March 31st, up from the current 35. This marks a return to nearly one-third of pre-pandemic levels.
- During the eight-day Chinese Lunar New Year holidays that ended on February 17th. 474 million domestic trips were made which was 34% up year-on-year and the total domestic spend was up by 47%. The number of trips made represented a 19% growth from the same period in 2019.

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HONG KONG

- Greater Bay Airlines announced it would launch a new Singapore route from 26th April 2024 because of the visa free travel deal between Hong Kong and Singapore. Currently Greater Bay Airlines operate flights between Hong Kong and Thailand, Taiwan, Korea, Japan, The Philippines and Vietnam.
- The Hong Kong Tourism Board (HKTB) said that Consensus, the world's longest standing and most influential blockchain and Web3 event announced that it would stage its industry event in Feb 2025 in Hong Kong. This is the first time in five years that the influential industry event has been held outside the United States and is expected to attract 8,000 participants of which 6,000 will be long haul travellers.
- Hotels who would like to offer any leisure promotions or double IPrefer points offers should please update the GDS and share a one-pager flyer with Sylvia Mak.

Contact for this market is Sylvia Mak based in Hong Kong
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JAPAN

- Outbound travel was up 89% in January compared to same time in 2023 but is still down by 42% compared to 2019.
- The Japanese government offered the assessment in its Monthly Economic Report for February 2024 that "The Japanese economy is recovering at a moderate pace, although it recently appears to be pausing in part. Concerning short-term prospects, the economy is expected to continue recovering at a moderate pace with the improving employment and income situation, supported by the effects of the policies. However, slowing down of overseas economies is downside risk of the Japanese economy, including the effects of global monetary tightening and the concern about the prospect of the Chinese economy. Also, full attention should be given to price increases, the situation in the Middle East and fluctuations in the financial and capital markets. In addition, full attention should be given to the economic impact of the 2024 Noto Peninsula Earthquake."
- Looking at the number of Japanese departures in January 2024 by country/region, Korea had 143,152, the USA had 127,274, and Thailand had 74,205.
- For hotels interested in capturing the leisure market outbound from Japan then 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.
- 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

- The Korean Air & Asiana Air merger has been approved by the EU and there will be a new route and direct flight to and from Lisbon.
- WestJet will operate direct flights from Incheon to Calgary from May24 3 X a week. They already fly to and from Tokyo and Seoul.
- Korean travellers are easily influenced by celebrities or media to select destinations and featured accommodations so please connect with our South Korea office if you would like to know more and are interested in hosting any opportunities.

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

- A recent travel fair in Singapore in Q1 showed that travel is still "robust, strong and ongoing". Japan, South Korea, Taiwan and Europe remain perennial favourites of Singaporeans however demand for destinations farther afield is also picking up especially for Norway and Finland to see the Northern Lights.
- The next school holidays for Singapore will be for one month commencing 25 May to 23 June so families will plan for holidays during this period. Hotels targeting family travellers can send any offers to us so that we can share with our clients and agents. Please make sure that rates are loaded and bookable through Preferred Hotels and Resort channels.

Contact for this market is Nicole Foo based in Singapore
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CORPORATE / BUSINESS TRAVEL

AUSTRALIA

- Domestic corporate travel is very active and international travel is also strong however the cost of airfares remains prohibitive for some international travel.
- Corporate stays from long haul international market are now much longer since airfares are expensive travellers are making the most of it and spending longer periods of time overseas unlike pre-Covid. Stays of 1 or 2 weeks are becoming more usual.
- Online Booking Tools are gaining traction as they drive compliance, which is necessary for health and safety due to post Covid protocols. Hotels should make sure their rate descriptions and images etc are up to date.
- Corporate RFPs are looking for the best rate and amenities at the first bid and may not go into a second round of negotiations. Hotels should offer their best offer in the initial stages. Corporate clients are also looking for cost savings and are reducing the number of hotels that are accepted and solicited.

Contact for this market is Carolyn Holmes based in Sydney, Australia
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CHINA

- The China Investment Corporation (CIC) released the results of their RFP for 2024 plus they also confirmed their Travel Management Company partner is China Air Service Ltd. & Deo Terather and bookings will be made via an online portal rather than in the GDS.
- Travel managers from ByteDance and Lenovo joined us for our ASPAC corporate webinar and answered questions regarding trends so please do have a look at Preferrednet.net for the recording in case you are interested to learn more.
- Preferred Hotels & Resorts participated in the ByteDance Hi Travel Fairs in Singapore and Tokyo in March where we provided information on all accepted hotels to create awareness.
- The groundbreaking ceremony of Phase IV of Volvo Cars' Asia Pacific headquarters took place in Jiading on February 21st at the Shanghai Investment Promotion Season. The planned expansion aims to increase Volvo's global footprint through full electrification and sustainable growth. According to the investment-encouraging program issued on February 18, Jiading has been working hard to create a favorable business environment for international firms. The Volvo Cars Asia Pacific Headquarters Phase IV project, an enlargement of the headquarters site, is located at 2088 Luyi Road in Jiading District.
- Sugar and ethanol firm Raizen and Chinese automaker BYD are joining forces to create a network of 600 charging stations for electric vehicles in eight Brazilian cities. The charging points will be installed under the Shell Recharge brand over the next three years in Sao Paulo, Rio de Janeiro and six other state capitals. Shell and Cosan control Raizen.

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

- It is time to work on the Strategic Transient Account Review for 2025 so hotels should please make sure their business case is relevant and targeted for each specific account.
- For hotels accepted to any RFPs for 2024 we encourage each property to reach out to their local contacts to have a greater understanding of the specific account requirements and traveller needs and to establish a strong working relationship. It also helps in creating more brand awareness locally and should then assist with any future RFP selection processes.
- If any hotels are not being solicited for the 2024 RFP some accounts allow staff travel promotions so this could also be an option to get some traction. Please do send your offer to Sylvia Mak for sharing and kindly note any offers should also be available through the Preferred booking channels such as the GDS.

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.
- 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.
- Should you have any local contracts with Japanese accounts then please contact Hideki Seguro and he will try to have the rates loaded on the GDS.

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

- For MICE groups from South Korea both Japan and Vietnam are still the top destinations plus Guam, Singapore and Macau could also be possible depending upon the client's budget.
- MICE groups prefer to travel for 3 or 4 nights within a 5-hour flying time.
- Korean corporate accounts are increasingly giving all their authorizations in handling a travel programme to a travel agent/TMC or traveller for the accommodation part.
- Increased demand of corporate travel within the defence industry but this is mainly to destinations such as Iraq, Saudi Arabia etc.

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

- Hotels should monitor Q1 production for 2024 RFP programs that they are accepted into and start work on strategies to get greater market share if they are not seeing any production. In addition, they should check that their rates are loaded correctly and are visible.
- Prior to the 2025 STAR process (Strategic Transient Account Review) hotels should work on getting production for accounts that they are working with as well as any new target accounts. For example, accounts like Shell require at least 250 room nights before they will look at reviewing a property for their RFP invitation while Johnson & Johnson require at least 100 room nights before they will consider inviting a hotel.
- The GBTA ASPAC Conference is taking place in Singapore from May 14 and 15 and it will be an opportunity to network with Travel Managers in the region as well as to stay updated on the trends for corporate travel. To register please go to the GBTA website. Preferred Hotels participated last year, and it was a great show.

Contact for this market is Nicole Foo based in Singapore
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MEETINGS AND EVENTS

ASPAC

- Outbound group travel continues to surge especially from Southeast Asia and Australia.
- Popular destinations for groups include Scandinavian countries / the Greek islands / Milan and from Australia customers are starting to look for second tier cities such as Nashville & Dallas.
- Japan has also been popular, but the lack of availability and slow response times has been a hurdle.
- Key European cities such as Paris and London are getting expensive, so demand has been slow.
- For Asean cities then Bangkok and Bali remain popular as they are economical BUT Taipei and Hong Kong are also quite frequently requested. Macau interest is growing.

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