



## **ASPAC-Market Update- Q3 2024**

### **Mark Your Calendar-2025 ASPAC Meetings and Events**

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

<b>Date</b>	<b>Type</b>	<b>Days</b>	<b>Location</b>	<b>Segments</b>
14 Feb 2025	RS/CE	5	Auckland   Melbourne   Sydney	Leisure/Corporate/MICE
19 Feb 2025	RS	2	Singapore	Leisure/Corporate/MICE
6 Mar 2025	RS	4	Hong Kong   Taipei- AMEX FHR	Leisure
14 April 2025	RS	5	Hong Kong   Shenzhen   Guangzhou	Leisure/Corporate/MICE
13 May 2025		4	Singapore – Preferred Hotels & Resorts Global Conference	
19 May 2025	CE	4	Explore South Korea   Japan	Leisure/Corporate/MICE
19 May 2025	RS	4	Shanghai   Beijing	Leisure/Corporate/MICE
30 May 2025	CE	1	Shanghai	Leisure/Corporate/MICE
30 June 2025	TS/CE	4	Singapore – ILTM Asia Pacific + Client Event	Leisure
7 July 2025	RS	2	Guangzhou   Shenzhen Post ILTM	Leisure/Corporate/MICE
7 July 2025	CE	1	Shanghai – Client Event Post ILTM	Leisure/Corporate/MICE
1 Sep 2025	RS/CE	4	Sydney   Melbourne (Week 1)	Leisure/Corporate/MICE
8 Sep 2025	RS/CE	5	Brisbane   Gold Coast   Perth   Adelaide (Week 2)	Leisure/Corporate/MICE
14 Oct 2025	RS	4	Singapore   Kuala Lumpur	Leisure/Corporate/MICE
11 Nov 2025	RS	4	Beijing   Chengdu	Leisure/Corporate/MICE
TBA	TS	4	Connections Luxury Asia-Book Direct	Leisure

## **LEISURE TRAVEL**

### **AUSTRALIA**

- Leisure travel remains strong though we can see some signs of slowing as numbers are not quite as good as they were in 2023 though they are still much higher than 2019.
- Many requests for 2025 as travellers understand they need to book early specially for Japan. Hotels should load their rates as early as possible.
- USA bookings have been slow mainly because of the upcoming US election – travellers do not wish to commit as they want to see the outcome first.
- Hotels in Asia should consider loading longer stay rates as interest is also growing for holidaying in this market even if it's a city location.
- All Japan hotels should please review and ensure some rates are loaded for Q2 2025. They should also have at least one rate plan available that includes breakfast.
- Australia is the number 2 source market for Platinum Partner rates so hotels should consider participating in this rate programme especially if they are not a Virtuoso or Signature hotel.
- 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 otherwise they risk driving all bookings through OTA channels.
- 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](mailto:myapp@preferredhotels.com) and she will send you one.

**Contact for this market is Carolyn Holmes based in Sydney, Australia**  
[cholmes@preferredhotels.com](mailto:cholmes@preferredhotels.com)

### **CHINA**

- During Golden Week in May more than 1.5 million travellers left China on international trips which reached 87% of 2019 numbers so outbound numbers are very promising.
- Q2 also reflected a broadening market base with stronger involvement from Gen Z women and the older demographic. Top destinations for outbound Chinese still include traditional favourites such as Singapore (15.6%), Thailand (13.8%), Malaysia (12%), Japan (11.7%), and South Korea (11.5%). But Q2 saw a noticeable rise in interest toward less common destinations such as Europe (10.1%) and Australia (8.2%). Alipay was the main payment method for outbound travel.
- China extended its visa-free policy to Poland, Australia, and New Zealand until the end of 2025. This initiative, which began in stages at the start of 2024, now encompasses 12 European countries. Shanghai tops the list of popular destinations for Europeans, followed by Beijing, Guangzhou, and Shenzhen. Emerging destinations include Sanya and Chengdu.
- China has agreed to extend the visa free policy for Malaysia until the end of 2025 and Malaysia has also extended its visa exemption for Chinese tourists until the end of 2026.
- Partly due to the summer Olympic games in Paris direct flights have now resumed as follows: Shanghai Airlines has increased its flights Shanghai / Marseille 3 per week, China Southern Airlines has increased to one flight per day Guangzhou / Paris and Xiamen Airlines from Xiamen / Paris five times per week.
- China Eastern Airlines has launched two new nonstop routes to Italy including the carrier's first flights to Venice. Hainan Airlines also resumed direct flights between Brussels and Shanghai and Beijing and Prague.

- ITB China 2024 was held in Shanghai in May and for the first time a segment on China Inbound Travel was introduced. There were over 600 exhibitors attracting more than 1,000 selected buyers and 240 members of the press. Hotels may wish to consider for 2025 so should please check with Cheryl Siow.
- Air China and China Southern now have 10 new flights in between London Gatwick and China reducing cost of travel and increasing opportunity. Qatar Airways and China Southern Airlines also signed an agreement strengthening their partnership and allowing China Southern to launch a new direct route from Guangzhou to Doha. This will bring increased traction and greater visitor numbers to both regions over time.

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## **HONG KONG**

- The Chinese expansion of visa-free travel to the mainland has given tourism a boost both into and out of Hong Kong. Hong Kong has struggled to revive its inbound tourism industry since Covid restrictions were lifted. Visitor figures have yet to return to pre-pandemic levels and tourism-related sectors have said recovery is being stalled by a manpower shortage. It is expected that Hong Kong will get more tourists this year but they will be spending less per head.
- Hotels could consider promoting themselves to the Hong Kong market especially if they are offering any leisure promotions or double I Prefer points. Please also 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**

- Japanese outbound travel remains stagnant and is 30-40% down versus 2019 mainly because of a weak Japanese Yen.
- Top markets are South Korea / the USA followed by Thailand in third place.
- For hotels interested in capturing the outbound leisure market it is imperative to work with a 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](mailto:hseguro@preferredhotels.com) if you have any promotional offers so that the Japan office can share with relevant agencies.

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## **SOUTH KOREA**

- Because of a great rate of exchange Japan is still the number one outbound destination for Koreans followed by Vietnam. Food and beverage as well as shopping are the main reasons South Koreans love to travel.

- Low-cost carriers increased their routes from Korea to tier 2 and tier 3 cities in Japan, Vietnam and The Philippines opening these destinations so hotels in these locations should send us any promotions
- USA is becoming more popular with South Koreans with the average length of stay being 8.3days. Hotels should consider attending our roadshow to promote themselves.
- The new trend is for major travel agents to create premium packages with 4 & 5-star hotels however due to budget issues and transport accessibility for coaches agents prefer to have hotels on the outskirts of cities.

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## **SOUTH EAST ASIA**

- American Express TLS Malaysia and Thailand will both hold showcases in October and Preferred will attend on behalf of our FHR and THC hotels. If any hotel has any special offers on either of these rate codes, they should please ensure they are loaded in the GDS and let Nicole know so that she can share during the events.
- The next public holiday for Singapore is October 31 so hotels within the region should share any offers with Nicole for distribution. And ensure they are bookable and loaded through Preferred Hotels and Resorts channels such as GDS. They should also ensure offers are not available or the same as OTAs.
- 2024 ILTM Asia Pacific was well received with 21 member hotels participating in the booth with three full days of over 70 VIP travel agent guests. The dates for 2025 ILTM Asia Pacific will be June 30-July 3, 2025 so hotels interested in meeting with luxury travel agents from the region including Australia, China, India and Singapore should register on Preferrednet.net now in order to confirm 2024 pricing.

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## **CORPORATE / BUSINESS TRAVEL**

### **AUSTRALIA**

- Corporate travel is slowing as companies struggle with inflation and cost saving measures.
- 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.
- Please note that if you are after corporate business but if you are not in the Flight Centre consortia programme then you can expect very limited traction as they actively bias against hotels that do not participate. If you are not in the programme but are accepted to a clients NEG corporate rate programme, they can still bias against you and have you placed lowest out of all the accepted hotels within your city. They will also bias against you if you are a late paying commission hotel.

**Contact for this market is Carolyn Holmes based in Sydney, Australia**  
[cholmes@preferredhotels.com](mailto:cholmes@preferredhotels.com)

## **CHINA**

- The Lenovo 2025 RFP launched this quarter through Cvent and the client gave “target rates”. For further information or any questions please connect with Cheryl in China team.
- ByteDance shared their procurement process will be the same in 2025 as 2024. For non-mainland China hotels HRS are authorized to source on their behalf and domestic hotels will be sourced internally via their own procurement tool. Hotels should please ensure they have already submitted their business cases via the corporate survey if they are targeting this account.
- PricewaterhouseCoopers is reducing its workforce across its China operations following a significant decline in corporate clients within China.
- A new mega factory for Tesla has been given a construction permit and it will be built in Lingang a free trade zone in the Shanghai area. It will be Teslas first energy storage mega factory outside of the USA and it is expected to commence production in the first quarter of 2025.
- Novartis has started construction on its second site in China with total investment of roughly 600 million yuan (US\$84.6 million). The company said the new site at the Industrial Park in Haiyan County is set to be operational by 2026.
- Reckitt is investing 300 million yuan (US\$41.7 million) setting up a global research and development center in Shanghai. It is expected to be fully operational in 2026.
- Miniso the leading Chinese lifestyle retailer is expanding its presence in overseas markets. They have roughly 6,630 stores worldwide with 217 stores added in this last quarter. In China they have 4,034 stores.
- GAC Aion said it planned to build an electric vehicle assembly plant in Indonesia in partnership with local distributor Indomobil Group. The factory would be GAC Aion’s second in southeast Asia. They will begin production in their new Thailand plant later this year.

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

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## **HONG KONG**

- The Richemont RFP launched this quarter through HRS.
- The Bank of America RFP will also launch this quarter.
- The Bloomberg procurement team had a global call to discuss requirements for 2025. Please check with Sylvia Mak for further information
- The coming three months are the peak period for RFP roll outs and negotiation processes. We encourage hotels to check Lanyon Cvent periodically to avoid missing any bid deadlines.
- For any local contract or unsolicited bids please do send your offer to Sylvia Mak for sharing and kindly note any offers.

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

**[smak@preferredhotels.com](mailto:smak@preferredhotels.com)**

## **JAPAN**

- The recovery of corporate travel from Japan remains slow because of 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](mailto: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 we 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**

- Naver and Line have selected a new TMC for 2025. Previously they were handled by Redcap but now Naver has appointed SBTM and Line has appointed SM C&C. The changes are in affect already.
- The Samsung RFP launched this quarter. Their top 10 cities for production are Hanoi, Suwon, Putrajaya, San Jose, Ho-Chi-Minh, Noida, Budapest, Xian, Suzhou and Camel.
- Because of the strong US dollar destinations such as Hawaii and The Maldives have seen a drop in business. Singapore also has less business leads.

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

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## **SOUTHEAST ASIA**

- Some corporate clients require half year 2024 production numbers for reviewing prior to launching of their 2025 RFP so please ensure that such requests are submitted in a timely manner. If there is no production, then please flag with a Preferred sales contact so that we can try and work with you in increasing traction and getting you invited again next RFP.
- Please ensure all Corporate Surveys are up to date as many client review meetings are coming up in the next few months.
- Shell have shared that in 2024 they achieved USD\$1 billion in cost savings and that for 2025 their target is USD\$2-3 billion. This will indirectly affect the travel budget considering that air fares and room rates have increased thus hotels in the programs may see reduced production due to lesser travel or shorter stays. However, they have shared the pipeline of future projects in this [update link](#) so hotels in these locations should submit your corporate survey and reach out if there is potential.

**Contact for this market is Nicole Foo based in Singapore**

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## **MEETINGS AND EVENTS**

### **ASPAC**

- The group pipeline within region is gaining traction with many enquiries coming through. Japan group enquiries are increasing but lack of availability is an issue
- Leisure tour group series enquiries are also increasing within region.

- Hotels should always ensure a timely reply for availability in the initial stages as this will increase their chances of winning the business.
- More and more agents are using Cvent to RFP for their groups business.

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