



Numbers and Future

Can you future-proof Thailand?

Thailand Tourism Forum 2020

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Benchmarking
↑ your world

China growth softening, but increases from e.g. India, Japan, Korea and USA - Building on MICE and broad customer base. The new norm? 3-5% growth, not 10%+

50,000 new rooms on the way
Over 16,000 in Bangkok

Incorporating physical, regulatory and market risks of sustainability into hotel development planning

Strong THB and an expected **Economic Extended Stagnation** creating headwinds

2018 growth
2019 declines
2020 BKK pickup

Diversify Arrivals

Navigate Economic Uncertainty

Manage new Supply

Drive Performance


Long-term Sustainability



Keeping Thailand Tourism Resilient

Key factors 2020 and beyond

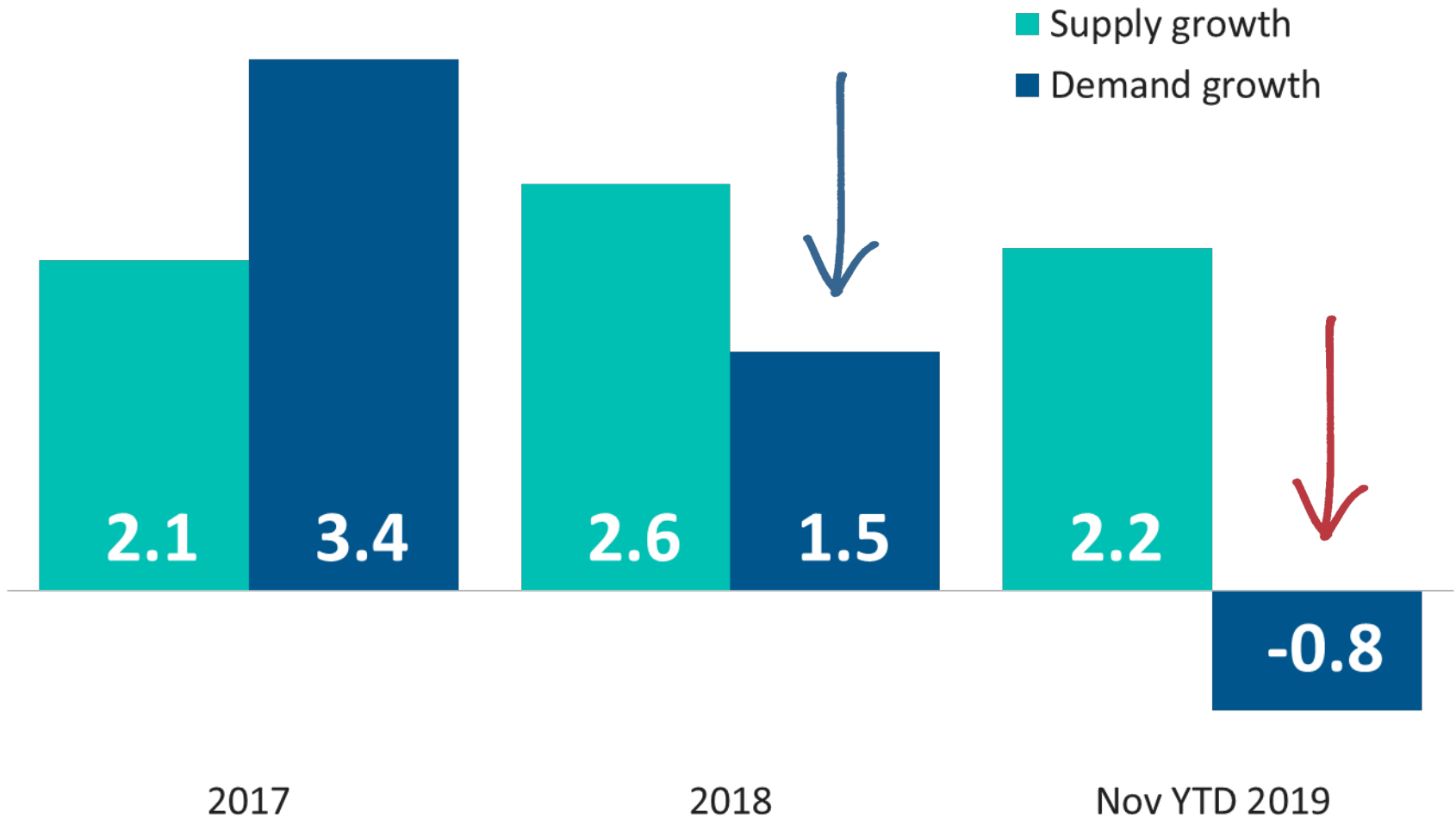
2018

Demand growth  Supply growth

2019

Demand growth  Supply growth

But in Thailand it was already the case since 2018

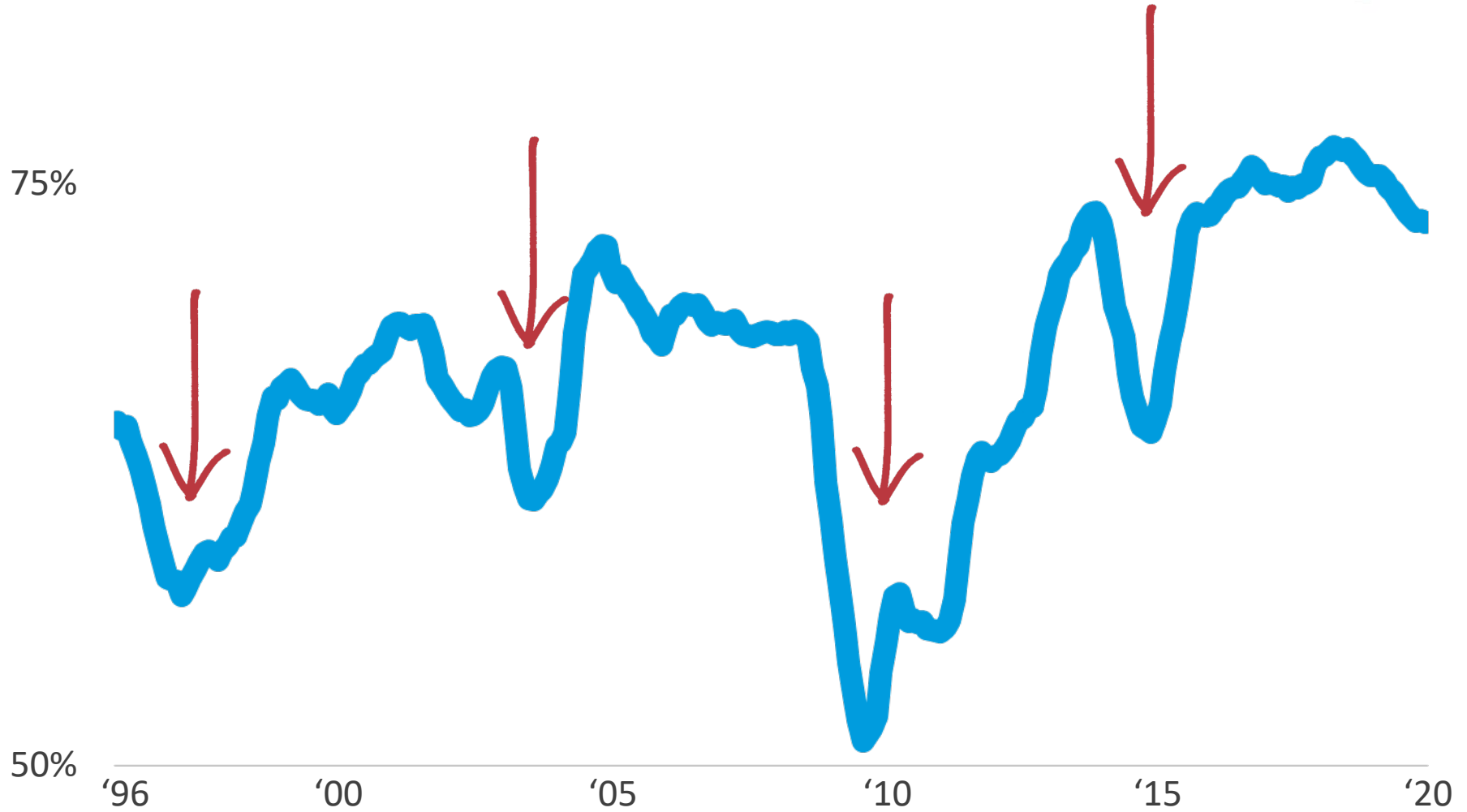




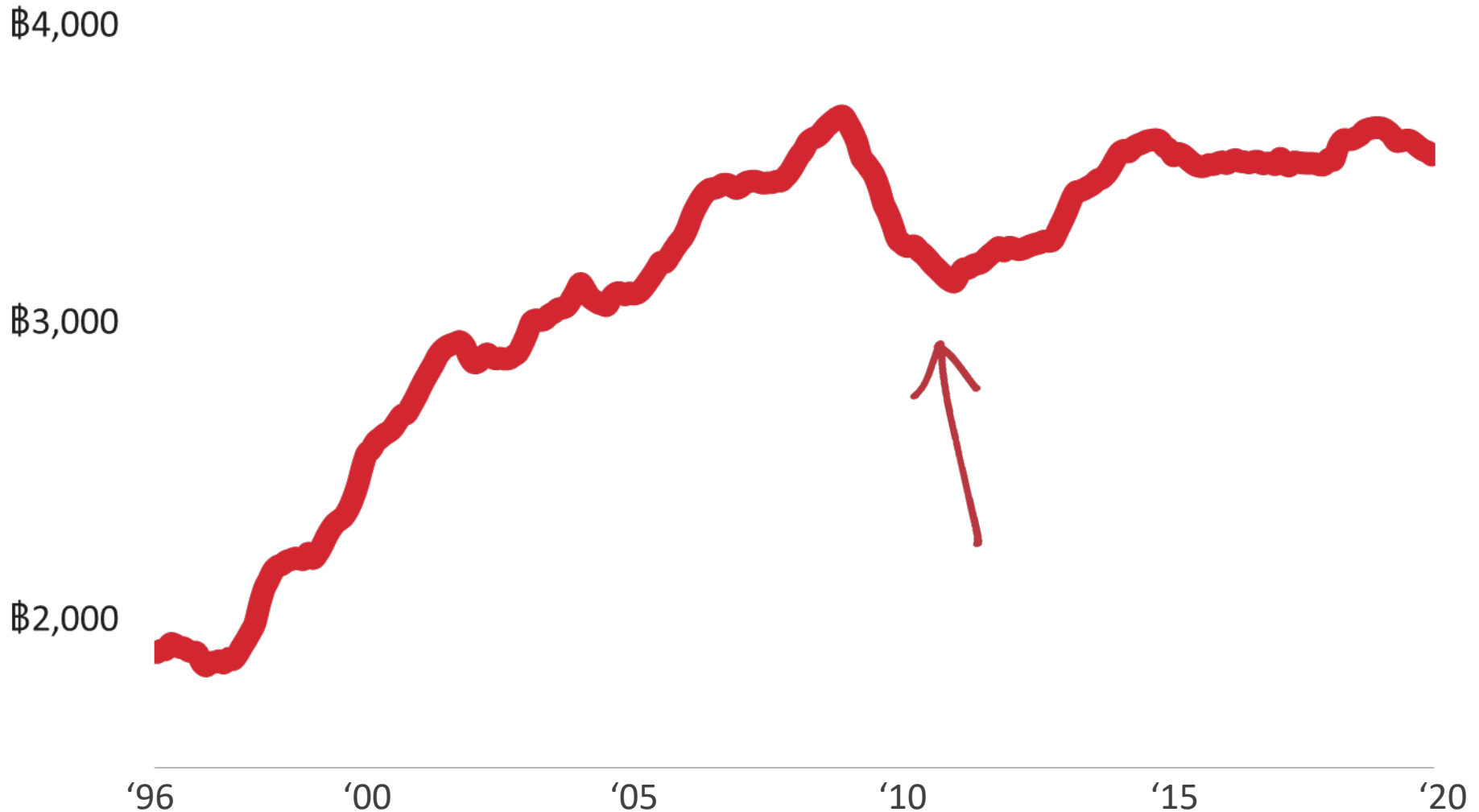
-5.6%

Total Thailand YTD Nov 2019 RevPAR growth year-over-year (THB)

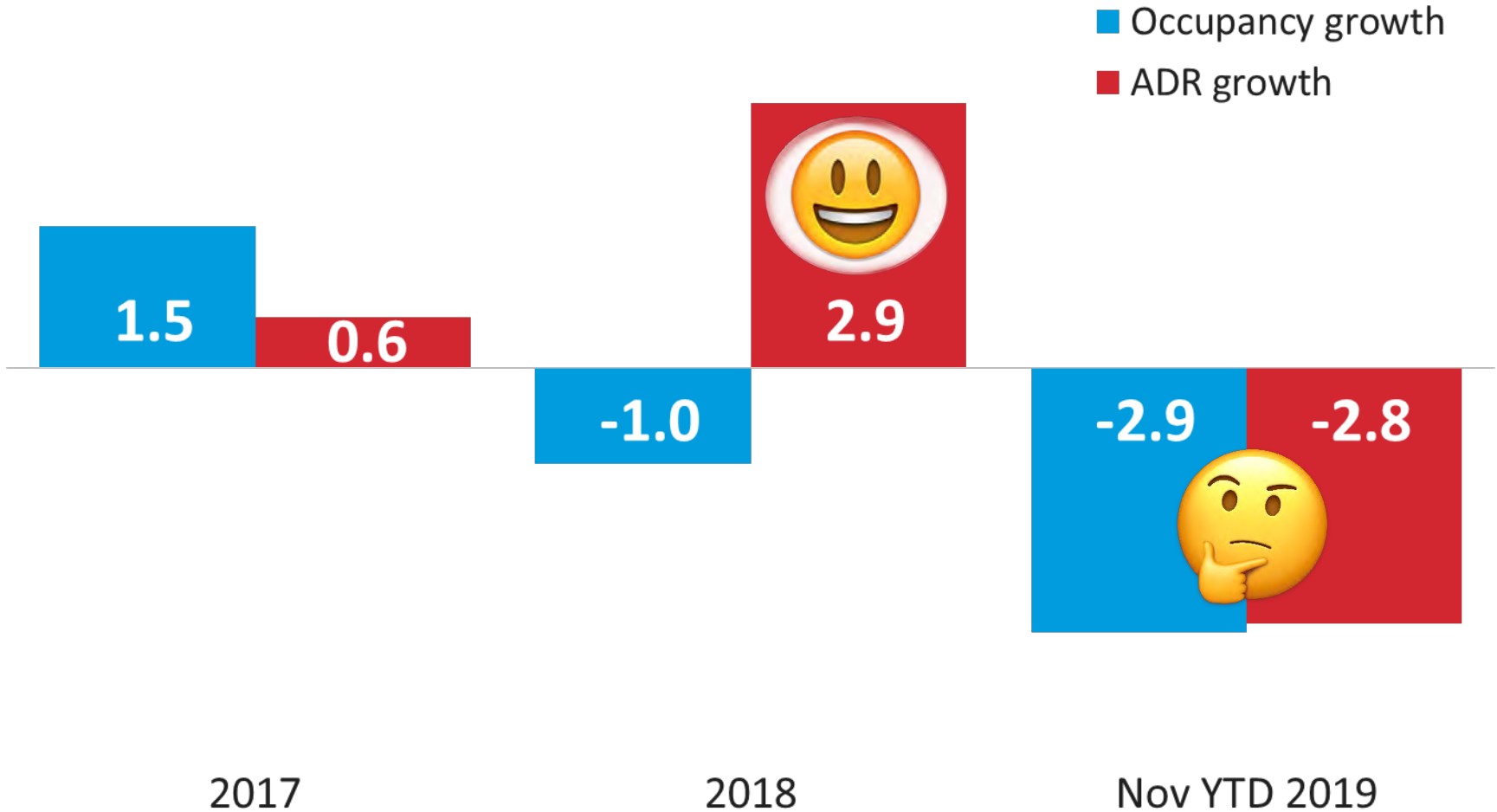
When Demand drops during the past 25 yrs...



GFC was the only main 'rate disruptor'



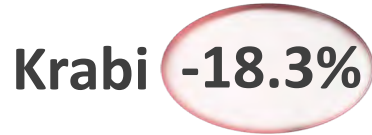
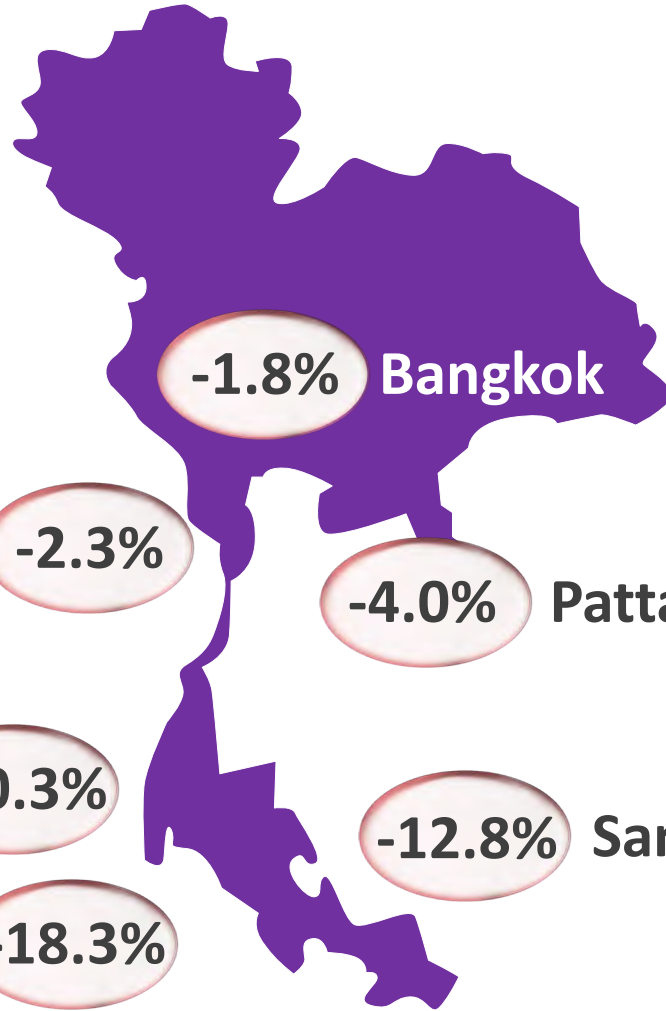
Rates saved 2018 - Almost all 2019 months down



Around the country - Declines

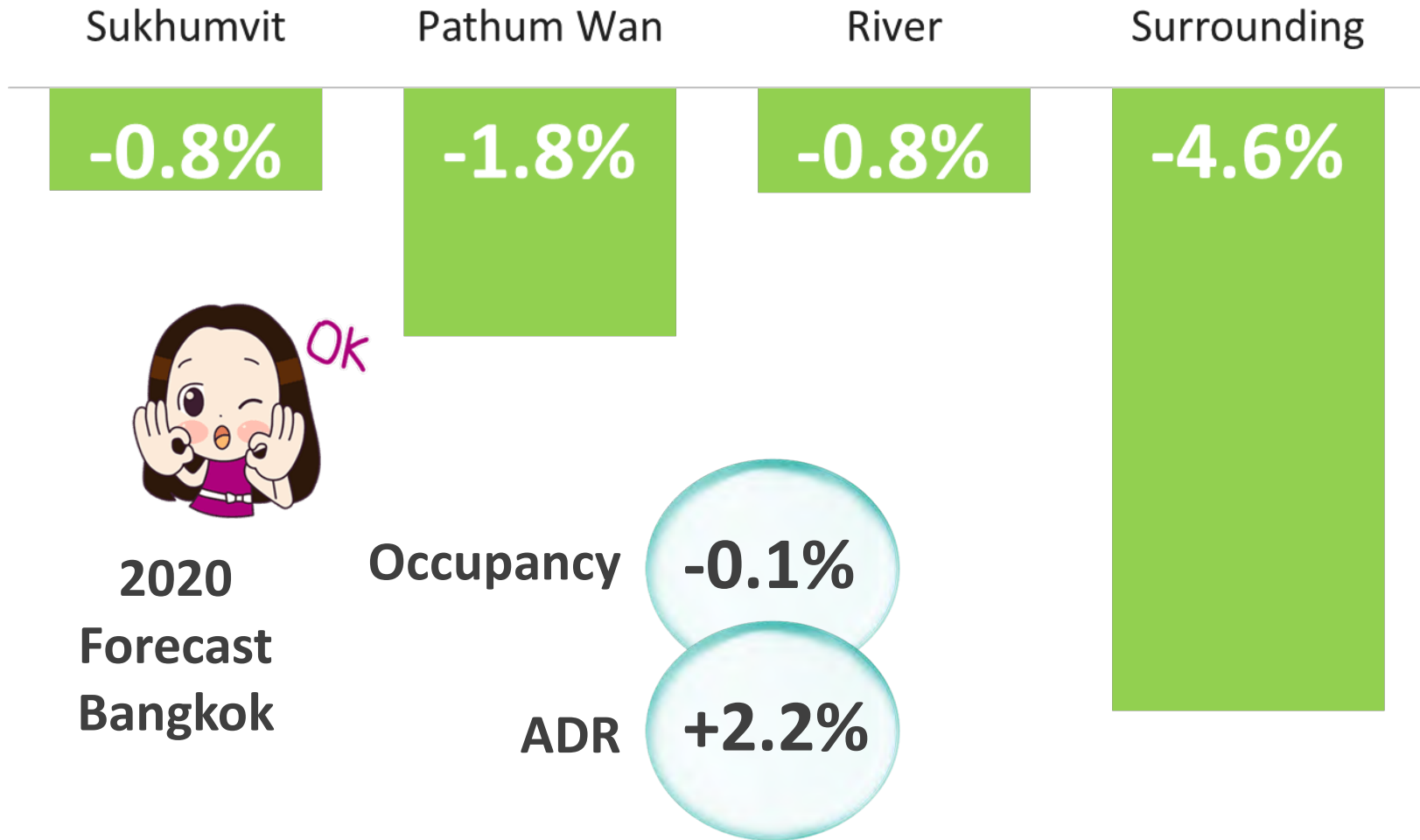


Thailand

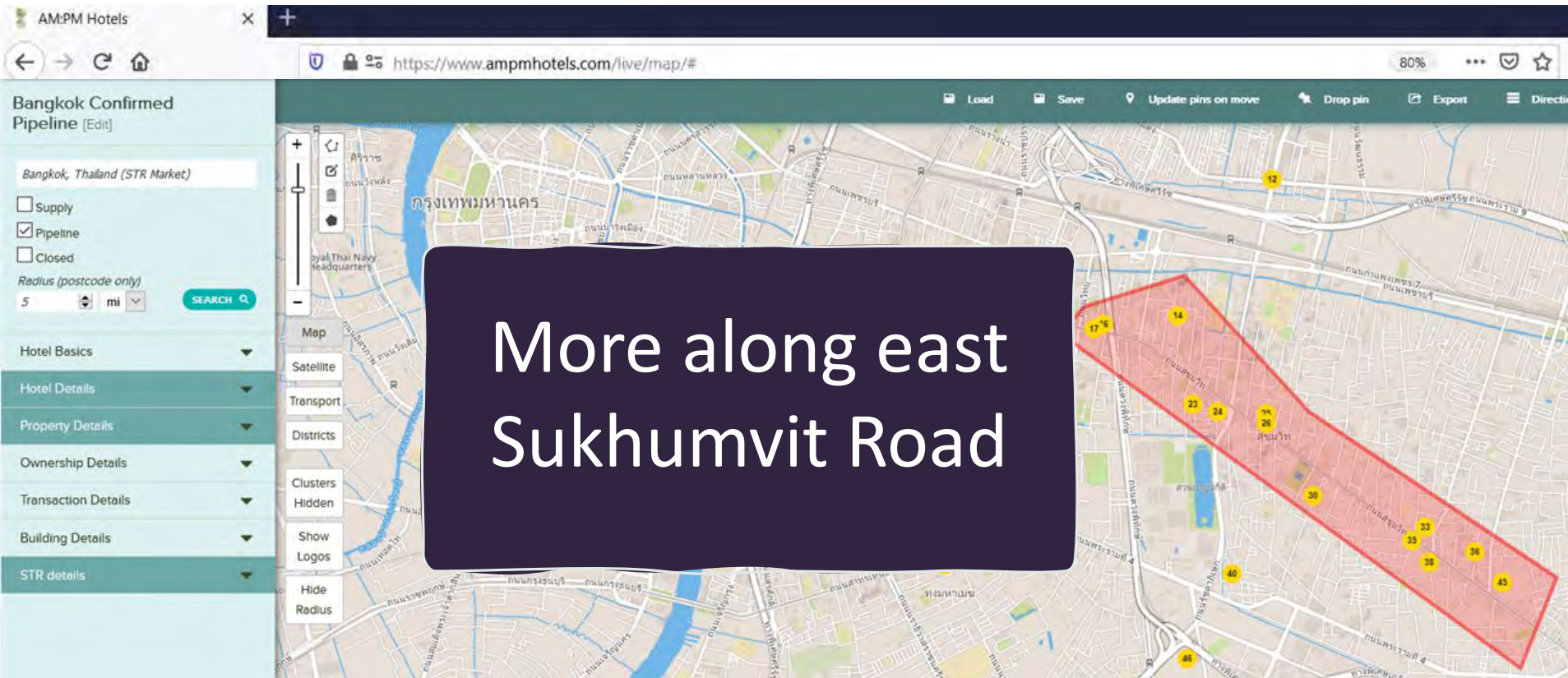


Yearly RevPAR Growth in Thailand Key Markets, YTD Nov 2019, THB

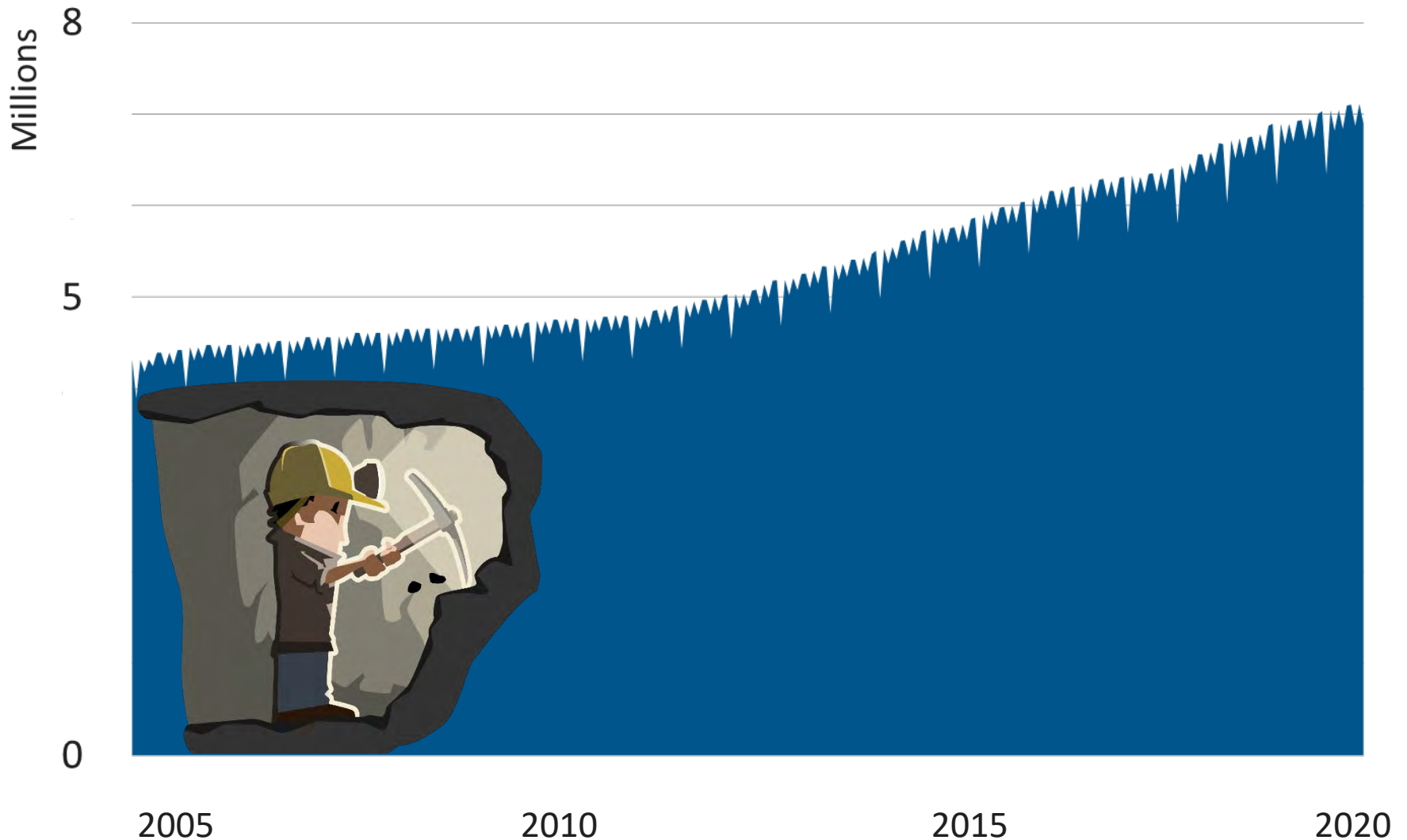
Central Bangkok holding up better

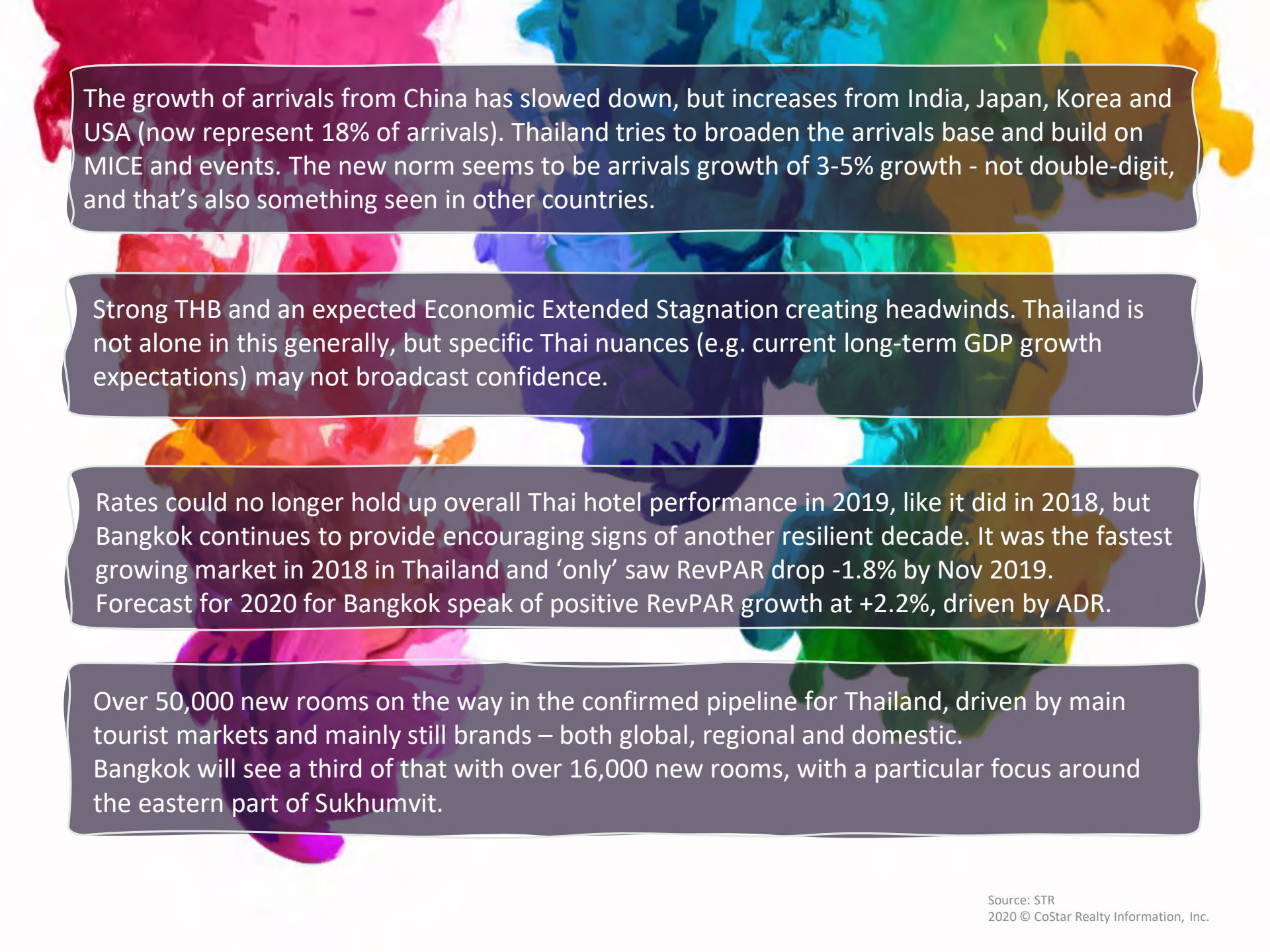


16,000 rooms on the way in Bangkok



15 years of strong Supply growth in Thailand





The growth of arrivals from China has slowed down, but increases from India, Japan, Korea and USA (now represent 18% of arrivals). Thailand tries to broaden the arrivals base and build on MICE and events. The new norm seems to be arrivals growth of 3-5% growth - not double-digit, and that's also something seen in other countries.

Strong THB and an expected Economic Extended Stagnation creating headwinds. Thailand is not alone in this generally, but specific Thai nuances (e.g. current long-term GDP growth expectations) may not broadcast confidence.

Rates could no longer hold up overall Thai hotel performance in 2019, like it did in 2018, but Bangkok continues to provide encouraging signs of another resilient decade. It was the fastest growing market in 2018 in Thailand and 'only' saw RevPAR drop -1.8% by Nov 2019. Forecast for 2020 for Bangkok speak of positive RevPAR growth at +2.2%, driven by ADR.

Over 50,000 new rooms on the way in the confirmed pipeline for Thailand, driven by main tourist markets and mainly still brands – both global, regional and domestic. Bangkok will see a third of that with over 16,000 new rooms, with a particular focus around the eastern part of Sukhumvit.



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