

*Hotel Destinations  
Thailand*



*Welcome to the inaugural edition of our Hotel Destinations Thailand publication, an overview providing a snapshot of Thailand's five key tourism destinations.*

*As you browse through this edition, you will find a selection of notable hotel trends, recent transactions, upcoming new projects and a summary of key market statistics for Bangkok, Phuket, Koh Samui, Pattaya and Chiang Mai.*

*Enjoy the read and look out for the next edition!*

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# Contents

Thailand's Key Destinations

04



05

## Destinations

- 05 Bangkok
- 06 Phuket
- 07 Koh Samui
- 08 Pattaya
- 09 Chiang Mai

Quick Facts

10



11

Contributors

# Thailand's Key Destinations



## INTERNATIONAL VISITOR ARRIVALS

**15.8 million**  
2010

**19.2 million**  
2011

**22.4 million**  
2012

**26.5 million**  
2013

**24.8 million**  
2014

# Bangkok

Bangkok may be in a period of political upheaval, but few industry experts doubt the long-term prospects of the Thai capital's hotel and hospitality sector. International tourists enjoy a colourful city break en route to Thailand's paradise coastlines. Apart from Russia, Bangkok hotels receive most of their guests from within Asia with Mainland China, Japan, India and Korea amongst the top five source markets. Bangkok's sights, attractions, and city life appeal to diverse groups of tourists. Royal palaces and temples as well as museums constitute its major historical and cultural tourist attractions. Shopping and dining experiences offer a range of choices and prices. The city is also famous for its nightlife.



## HIGHLIGHTS



### Tourism

According to the Department of Tourism, international visitor arrivals to Bangkok registered a 20.1% y-o-y growth to 17.5 million visitors in 2013. However, the political demonstrations held throughout Bangkok followed by a military coup resulted in a 11.3% dip in visitor arrivals to 15.5 million in 2014.



### Demand

TAT expects a rebound in international visitation in 2015. Improving regional and international connectivity with the launch of new flights is expected to give further impetus to the growth in tourist arrivals. The city's top source markets include Mainland China, Japan, India, Russia and South Korea.



### Supply

In 2014 over 1,100 new rooms were added to the market across different segments. The majority of new supply is concentrated in the midscale segment, including the two Holiday Inn Express hotels in Sathorn and in Sukhumvit 11. JLL estimates that approximately 4,000 rooms are expected to open in 2015 with majority of rooms also concentrated in the midscale segment.



### Outlook

With the return of political stability, we expect the hotel trading performances to rebound as the tourism industry shows resilience once again. In the near term, we expect occupancy levels to bounce back in the light of growing demand and the slowdown in future room supply.

## NOTABLE HOTEL DEALS

**Oakwood Apartments Trilliant Sukhumvit 18**  
(currently Maitria Hotel Sukhumvit 18)

**Four Points by Sheraton Sukhumvit 15**

## UPCOMING HOTELS

**Hotel Indigo Bangkok**  
– 188 rooms

**Waldorf Astoria Bangkok**  
– 170 rooms

**The Bangkok Edition Hotel by The Ritz-Carlton**  
– 159 rooms

## NEW HOTELS



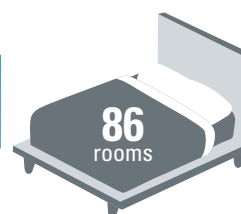
**Radisson Blu Plaza Hotel Bangkok**



**Le Meridien Suvarnabhumi Golf Resort & Spa**



**Grand Swiss Sukhumvit 11**



**U Sathorn Bangkok**

## QUICK FACTS

**15.5 million**  
International Visitor Arrivals  
2014

**1,103 rooms**  
Number of New Rooms  
2014

**57.8%**  
Occupancy

**THB 3,457**  
Average Daily Rate (ADR)

**THB 1,997**  
Revenue per Available Room (RevPAR)

Note: Bangkok Hotels refers to Marketwide Hotels  
Source: STR Global (YTD November 2014), Department of Tourism, JLL.  
ADR – Average daily rate, RevPAR – Revenue per available room.

# Phuket

Phuket is Thailand's largest island and one of the most popular tourist destinations in Southeast Asia. Located in the Andaman Sea, the island's long history has shaped the Phuket of the present with its diverse ethnic groups, culture and architectural influence. These attributes have made Phuket a complete tourist destination that offers a lot more beyond its natural heritage of sea, sand, forest and world-renowned diving sites. Sino-Portuguese architecture casts its spell delighting visitors, whilst Phuket's style of hospitality has never failed to impress tourists from all walks of life.



## HIGHLIGHTS



### Tourism

In 2013, international arrivals to Phuket grew 25.8% y-o-y to 3.2 million, whilst domestic arrivals increased by 10.8% y-o-y to 2.5 million. However, as a result of the coup in May 2014, visitor arrivals to Phuket International Airport in the first 11 months of 2014 experienced a slight decline of 0.6% over the same period in 2013.



### Demand

Mainland China remained the largest source market to Phuket since 2012. In 2013, Mainland Chinese visitors to Phuket grew 19.5% y-o-y to 1.1 million, while Russian visitors to Phuket showed the most substantial growth at 68.7% y-o-y. This can be attributed to the growth in low-cost carriers.



### Supply

Supply is expected to increase by almost 5,000 rooms between 2015 and 2018 and approximately 43.1% is expected to open in 2015. The majority of future supply is positioned in the upscale segment (33.6%), followed closely by the midscale segment (30.3%).



### Outlook

In light of the increasing demand and supporting infrastructure projects underway, occupancy is expected to rebound once the negative impact from the political coup has been absorbed. The airport expansion, scheduled for completion in 2016, is expected to further strengthen Phuket's tourism industry. Once operational, the total passenger handling capacity will increase to 12.5 million per annum, up from the current capacity of 6.5 million.

## NOTABLE HOTEL DEALS

Burasari Phuket

## UPCOMING HOTELS

Ramada Phuket Deevana

– 206 rooms

Novotel Phuket Town

– 180 rooms

Nikki Beach Hotel & Spa

– 174 rooms

## NEW HOTELS



Best Western Patong Beach Hotel



Novotel Phuket Karon Resort & Spa



Eastin Yama Hotel Phuket

## QUICK FACTS

**5.1 million**

Visitor Arrivals  
YTD November 2014

**1,421 rooms**

Number of New Rooms  
2014

**68.7%**

Occupancy

**THB  
4,042**

Average Daily  
Rate (ADR)

**THB  
2,777**

Revenue per Available  
Room (RevPAR)

Note: Phuket Hotels refers to Marketwide Hotels, Visitor Arrivals includes both international and domestic arrivals.  
Source: STR Global (YTD November 2014), Airport of Thailand, JLL.  
ADR – Average daily rate, RevPAR – Revenue per available room.

# Koh Samui

Koh Samui is the second largest island in Thailand, located a short 70-minute flight from Bangkok. The island is the most pristine of islands amongst its archipelago in the Gulf of Thailand with highly acclaimed white sandy beaches, lush tropical gardens and turquoise waters. Populated with a number of renowned resorts and branded villas, Koh Samui is considered Asia's leading high-end resort and villa destination.



## HIGHLIGHTS



### Tourism

The island welcomed a record high of approximately 980,000 visitors in 2013, whilst YTD November 2014 registered 879,000 visitor arrivals, a marginal increase of 0.2% over the same period last year. While the island's tourism has previously been restricted by air capacity the situation has improved with the launch of new flights in 2014. AirAsia has launched an all-in-one service with flights to Surat Thani Airport on the mainland with a connecting ferry to Koh Samui.



### Demand

In 2013, Koh Samui's top source markets were visitors from Europe and Australia, i.e. Germany (11.2%), Eastern Europe (8.6%) and Australia (8.5%). Over the past two years, regional visitors to Koh Samui have been rising. Mainland Chinese visitors increased by approximately 200% to over 67,000 visitors in 2013. Mainland Chinese visitors to the island are expected to grow further with an improvement in air connectivity. In August 2014, Lucky Air launched three flights per week from Kunming to Koh Samui.



### Supply

Hotel openings in Koh Samui have been limited in 2014. The only notable opening was the 210-key Ozo Samui located in Chaweng. We note a trend of hotel rebrandings which include the rebranding of the Buddy Oriental Samui Beach to Manathai Koh Samui, The Passage Samui Villas & Resort to Movenpick Laem Yai Beach and the Imperial Samui Beach to Sheraton Samui (due to complete in April 2015).



### Outlook

Increasing air capacity will improve connectivity and strengthen the island's position as one of Thailand's most prominent tourist destinations. Koh Samui Airport has been granted permission to increase its capacity from 36 to 50 flights a day. We anticipate that the island will continue to position itself as Thailand's high-end resort destination as more luxury brands establish their presence there.

## NOTABLE HOTEL DEALS

**Buddy Oriental Samui Beach Resort**  
(currently Manathai Koh Samui)  
**Mantra Samui**

## UPCOMING HOTELS

**Holiday Inn Express Samui Bo Phut**  
– 200 rooms  
**Cosi Samui Chaweng**  
– 154 rooms  
**Holiday Inn Samui Bo Phut**  
– 150 rooms  
**Sofitel So Koh Samui**  
– 120 rooms  
**Prana Resort Nandana**  
– 60 rooms

## NEW HOTELS



Ozo Samui

## QUICK FACTS

**879,000**

Visitor Arrivals  
YTD November 2014

**210 rooms**

Number of New Rooms  
2014

**71.2%**

Occupancy

**THB  
4,236**

Average Daily  
Rate (ADR)

**THB  
3,017**

Revenue per Available  
Room (RevPAR)

Note: Koh Samui Hotels refers to Marketwide Hotels, Visitor Arrivals includes both international and domestic arrivals. Source: Thailand Hotels Association (YTD August 2014), Department of Civil Aviation Thailand, JLL. ADR – Average daily rate, RevPAR – Revenue per available room.

# Pattaya

Pattaya, a former fishing village on the Gulf of Thailand, is one of Thailand's primary tourist destinations known for its pulsating nightlife, various beach activities, world-famous cabaret shows and renowned restaurants. The city is easily accessible as it is a mere 90-minute drive from Bangkok's Suvarnabhumi International Airport and 30 minutes from U-Tapao Airport which primarily services chartered flights.



## HIGHLIGHTS



### Tourism

International visitor arrivals to Pattaya registered a 2.0% y-o-y growth to 6.8 million visitors during 2013, according to the Department of Tourism. Though the political crisis which hit Bangkok in early 2014 had detrimental effects to visitor arrivals, we expect Pattaya's tourism market to improve in 2015.



### Demand

Russia was Pattaya's largest international source market in 2013 with 1.6 million visitors. The fastest growing market was Eastern Europe with a y-o-y growth of 66.4%. Similar to other areas in Thailand, The Mainland Chinese market is also experiencing tremendous growth, recording almost two million visitors in 2013.



### Supply

Pattaya has witnessed an addition of around 4,400 hotel rooms over the past five years. Future supply has started to slow with approximately 1,500 rooms expected to open between 2015 and 2016. The majority of the future supply is concentrated in the Jomtien area and is positioned in the upscale segment.



### Outlook

Tourist arrivals to Pattaya are forecast to increase within the next few years. U-Tapao Airport is undergoing an expansion; once completed in 2016 the airport will be able to accommodate both international and domestic commercial flights. Moreover, there are plans to extend the Airport Rail Link to U-Tapao Airport. These infrastructure projects are expected to further boost Pattaya's tourism and hotel sectors.

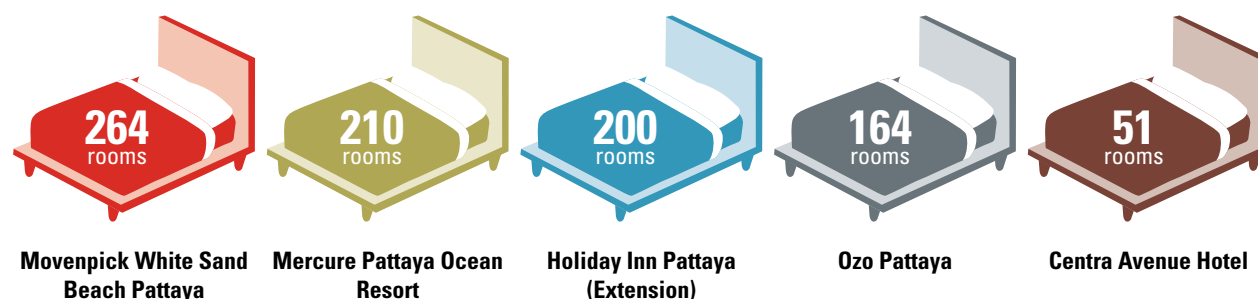
## NOTABLE HOTEL DEALS

**Movenpick White Sand Beach Pattaya**  
dusitD2 Baraquada

## UPCOMING HOTELS

**Centara Grand Resort & Spa**  
– 250 rooms  
**Eastin Easy Jomtien Pattaya**  
– 140 rooms  
**U Pattaya Hotel**  
– 44 rooms

## NEW HOTELS



## QUICK FACTS

**6.8 million** International Visitor Arrivals 2013  
**889 rooms** Number of New Rooms 2014



# Chiang Mai

With a population of 1.6 million, Chiang Mai is the education, economic and business hub of Northern Thailand. It is known for its spectacular mountain-top scenic views, rich culture, welcoming hospitality and a magnitude of famous cafés, restaurants and bars. The city charms visitors with its Northern's way of life, unique culture of the hill tribes as well as adventure activities such as trekking and rafting.



## HIGHLIGHTS



### Tourism

Despite a year of political turmoil, Chiang Mai welcomed almost 600,000 international visitors as at YTD November 2014, representing a 62.9% y-o-y increase. There were over 2.3 million domestic arrivals as at November 2014. This attests to Chiang Mai's position as an emerging tourist destination in Thailand.



### Demand

In 2013, the top source market for Chiang Mai was Mainland China, with over 280,000 tourists (13.4%) followed by Japan (8.0%), France (7.8%), United Kingdom (6.8%), Germany (6.5%) and the United States (6.5%). Chiang Mai has also become very popular amongst regional tourists. A number of new flights have been launched recently, including Tiger Air with four flights per week from Taiwan.



### Supply

The majority of existing supply in Chiang Mai is comprised of unbranded, independent and boutique hotels with a limited inventory size. Hotel openings scheduled for 2015 include the 30-key Akyra Manor Chiang Mai and the 26-key Makka Chiang Mai Hotel. The majority of new supply is in the upscale and luxury categories.



### Outlook

Chiang Mai's hotel market will continue to capitalise on the emergence of regional travellers. With the launch of the ASEAN Economic Community in 2015, Chiang Mai Tourism Business Association (CMTBA) has planned transnational tourism routes which include Chiang Mai to Myanmar, Mainland China and Laos. The continued growth of low-cost carriers will further strengthen Chiang Mai as one of Thailand's major tourist destinations.

## NOTABLE HOTEL DEALS

There were no notable hotel deals.

## UPCOMING HOTELS

### Akyra Manor Chiang Mai

– 30 rooms

### Makka Chiang Mai Hotel

– 26 rooms

## NEW HOTELS



Eastin Tan Hotel  
Chiang Mai



Sireeampan Boutique  
Resort & Spa

## QUICK FACTS

**2.9 million**

Visitor Arrivals  
YTD November 2014

**142 rooms**

Number of New Rooms  
2014

Note: Visitor Arrivals includes both international and domestic arrivals.  
Source: Airport of Thailand, JLL.

## Quick Facts

	INTERNATIONAL VISITOR ARRIVALS	NUMBER OF NEW ROOMS (2014)	OCCUPANCY	AVERAGE DAILY RATE (ADR)	REVENUE PER AVAILABLE ROOM (REVPAR)
<b>Bangkok</b>	<b>15.5 million</b> (2014)	<b>1,103</b>	<b>57.8%</b> (YTD November 2014)	<b>THB 3,457</b> (YTD November 2014)	<b>THB 1,997</b> (YTD November 2014)
<b>Phuket</b>	<b>5.1 million*</b> (YTD November 2014)	<b>1,421</b>	<b>68.7%</b> (YTD November 2014)	<b>THB 4,042</b> (YTD November 2014)	<b>THB 2,777</b> (YTD November 2014)
<b>Koh Samui</b>	<b>879,000*</b> (YTD November 2014)	<b>210</b>	<b>71.2%</b> (YTD August 2014)	<b>THB 4,236</b> (YTD August 2014)	<b>THB 3,017</b> (YTD August 2014)
<b>Pattaya</b>	<b>6.8 million</b> (2013)	<b>889</b>	-	-	-
<b>Chiang Mai</b>	<b>2.9 million*</b> (YTD November 2014)	<b>142</b>	-	-	-

\* Includes both international and domestic arrivals



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## Front cover

Wat Phra Kaew, Temple of the Emerald Buddha, Bangkok, Thailand

## About JLL

JLL's Hotels & Hospitality Group serves as the hospitality industry's global leader in real estate services for luxury, upscale, select service and budget hotels; timeshare and fractional ownership properties; convention centers; mixed-use developments and other hospitality properties. The firm's 300 dedicated hotel and hospitality experts partner with investors and owner/operators around the globe to support and shape investment strategies that deliver maximum value throughout the entire lifecycle of an asset. In the last five years, the team completed more transactions than any other hotels and hospitality real estate advisor in the world totaling nearly US \$36 billion, while also completing approximately 4,000 advisory, valuation and asset management assignments. The group's hotels and hospitality specialists provide independent and expert advice to clients, backed by industry-leading research.

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