Colliers Hotel Insights

A quarterly digest of key trends in the hospitality sector

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Foreword

Welcome to the Q3 2018 edition of Colliers Hotel Insights, our quarterly magazine for hotel and other accommodation stakeholders across Asia. This edition features key destination trends across Asia, a highlight of key industry disruptors, and a technical section. We also provide insights and opinions on topical issues within the gaming and leisure sectors.

Hotels across Asia Pacific have had a strong 2018 YTD August, mainly underpinned by growth in average daily rates (ADR). Room occupancy levels have remained relatively flat as new supply in many of the markets continue to be absorbed. This therefore showed a modest increase of 0.9% when compared to the corresponding period last year. ADR, which increased by 4.8% (in US dollar terms), was led mainly by North and South Eastern Asian properties. In local currency terms, Beijing, Hong Kong, and Jakarta, all witnessed double digit increases in RevPAR, whilst Hanoi, Kuala Lumpur and Osaka witnessed slight declines, and Myanmar (Yangon in particular) continuing to slip significantly.

Recent escalation in the trade war and political impasse between the USA and China is likely to weigh to some degree on business and consumer confidence, thereby tempering demand growth especially if this gets even worse over the medium term. However, intra-Asia travel and growing domestic markets in the larger destinations across Asia, is likely to continue to underpin demand in the region. On that note, a reminder that hoteliers and their marketing teams should be considering spending more of their budgets on their largest source markets i.e. Asian and domestic markets.

As, we are aware this is budgeting period and given the numerous queries on our views of 2019, we have decided to bring forward our 2019 forecast to this edition. Hopefully this can enable a more informed the budgeting exercise!

In this edition, we also look at the rapidly evolving cruise market across Asia and what opportunities it presents.

Good reading!

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“Travel prices are expected to rise sharply in 2019, with hotels going up 3.7%, and flights 2.6%, driven by a growing global economy and rising oil prices, according to the fifth annual Global Travel Forecast, published today by GBTA and CWT with the support of the Carlson Family Foundation.

“While most major markets appear to be trending in the right direction, downside risks remain for the global economy given the rise of protectionist policies, the risk of stoking trade wars and Brexit uncertainty,”
About Us

Colliers Hotels

Colliers International launched its specialised hotels division in 1985. Today we provide expertise in capital valuations, management agreement and rental advisory feasibility studies, asset management and transaction advisory services, as well as brokerage across Asia Pacific. Our dedicated hotel specialists are based in Australia, Hong Kong / China, India, Singapore and Thailand.

We regularly act on behalf of major institutional property owners / funds for their valuation needs, from single strata units to composite developments and golf courses, for all purposes, including IPOs, listings, acquisitions, disposals and mergers.

In Asia, our team of professionals provides hospitality services across Greater China, including the Mainland, Hong Kong, Macau and Taiwan, as well as Bangladesh, Cambodia, Guam, India, Indonesia, Japan, Korea, Laos, Malaysia, Maldives, Myanmar, Pakistan, Philippines, Singapore, Sri Lanka, Thailand, and Vietnam. Our sizeable hotels, hospitality and leisure team includes senior specialists with extensive experience in the sector, giving us a unique advantage and insight.

Our multi-lingual and multi-cultural team comprised of highly qualified professionals will help clients achieve their real estate goals. Colliers’ professionals have extensive operating and consulting experience in the hospitality industry across the major asset classes, which provides clients with extraordinary value and a single point of contact, through timely, relevant and forward-looking advice. This global division has exceptional relationships with investors worldwide, required for the timely and effective sale of assets. In addition, they have worked with a wide range of clients including corporate hotel clients, private equity, sovereign wealth funds, independent owners, REITS, governments, and banks.

Our Services

Whether you are a start-up or well-established owner, developer or investor, we will help you go through the business life cycle by providing specialised, value-added advices that are tailor-made to your specific needs:

- Market Demand and Feasibility Studies
- Valuations – Property and Business
- Plant and Machinery Valuation
- Impairment Testing
- Capital Markets
- Due Diligence
- Internal Business Reviews
- Operator Search and Select
- Benchmarking and Forecasting
- Growing the business: extensions, refurbishments, brand roll out and expansion
- Asset Management
- Business Restructuring – opco / propco
- Needs Analysis / Economic Impact Studies
- Highest and Best Use / Concept Designs
- Transaction Advisory, IPO and REITS listing
- Management Agreements and Lease Reviews
- Litigation Support and Dispute Resolution
- Project Management and Leasing
- Tourism Strategy and Master Planning
Hospitality Track Record

Our track record includes all main asset types from hotels to resorts, heritage properties, serviced apartments, vacation homes, casinos, theme parks, spas, and golf, all being completed projects or new developments. Our specialised sector expertise includes:

- Hotels and Resorts
- Golf
- Casinos and Racecourses
- Health and Fitness
- Spas and Wellness Facilities
- Meetings and Events
- Mixed-use Developments
- Travel Trade
- Destination Consulting
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Tourism arrivals to the Asia Pacific region are expected to grow by 6.0% in 2018 when compared to 2017, continuing a steady period of growth witnessed since 2010, as the middle-income population continues to soar across the region. This rate of growth is expected to continue into 2019 at circa 4.5%, with tourism arrivals in the region reaching record levels. Growth continues to be mainly driven by China and India with the latter set to expand as its GDP per capita improves along with its robust economic growth.

As in 2018, continued improvements in low cost airlift and accessibility, together with the improving quality of room stock, especially in emerging destinations should continue to provide a platform for those destinations to attract much needed visitation. This will be supported by improved infrastructure over the next few years with five major airport expansions scheduled to come on line including Changi T5, Beijing Daxing, Incheon, Bangkok, Hong Kong and Chengdu. Rail links and public transport improvements are also set to enhance the visitor experience in some destinations such as the newly opened HSR links between Hong Kong and Mainland China, and the Brunei and Malaysia link bridge.

Geo-political risks, trade and the impact on foreign currency movements, pipeline absorption and a pickup in investment in the sector are likely to be the key themes. Having said that, we do expect some bounce back in performances in destinations such as Seoul and Osaka, both of which experienced a challenging 2018.

RevPAR growth in the region is closely correlated to that of economic performance in Emerging and Developing Asia. This highlights the importance of intra-regional and domestic tourism to destinations, the latter of which is sometimes overlooked. According to STR, RevPAR (in US dollar terms) across Asia Pacific improved by a robust 5.7% year to date August 2018, with China, Indonesia, Thailand and Vietnam being the main drivers. Myanmar and Taiwan were the worst performing markets.

On average, in 2019, we expect RevPAR growth to continue to be impacted by foreign currency movements, together with economic performance and consumer confidence in key source markets. As such, our forecast for RevPAR growth in 2019 is circa 3.5% year on year.
Colliers ADR growth expectation 2019

Tourism arrivals
4.5%

RevPAR
3.5%

Japan
0%-2%

Korea
0%-2%

China
1%-3%

Thailand
2%-4%

Indonesia
1%-3%

Taiwan
1%-3%

Philippines
1%-3%

Malaysia
2%-4%

Singapore
1%-3%

India
1%-3%

Myanmar
0%-2%

Japan
0%-2%

Korea
0%-2%

China
1%-3%

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Korea
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China
1%-3%

Thailand
2%-4%

Indonesia
1%-3%

Taiwan
1%-3%

Philippines
1%-3%

Malaysia
2%-4%

Singapore
1%-3%

Tourism arrivals
4.5%

RevPAR
3.5%
Destinations of the Quarter – Taiwan

After recording its fastest growth at the end of last year since 2015, Taiwan’s economy continues to stay strong, with its 2018 economic growth forecast raised to 2.69% after exceeding its earlier forecast of 2.6%. According to the IMF, GDP is set to grow at an annualized rate of circa 2% and inflation at circa 1.9% over the next five years. This growth will most likely be driven largely by increasing domestic consumption, private investments and strong exports, especially in the industrial manufacturing sector. Although growth is holding up, albeit at a slightly slower pace, in the short term, any geo-political risk such as the escalating trade war, rising oil prices and fluctuations in the exchange rate in key source markets will affect the country’s economic growth.

Tourism in Taiwan has been heavily reliant on Mainland Chinese arrivals, covering more than 50% of total arrivals in 2014 and 2015. However, in the last two years, tourist arrivals from China dropped significantly by circa 10% (2016) and by another 14% (2017), from 5.56 million to 4.29 million. This fall in numbers can be attributed to Taiwan making a stand for their independence instead of publicly endorsing a view of China and Taiwan as part of “One China”. Nevertheless, Taiwan has launched the New Southbound Policy, where the tourism component focused on making it easier for South-east Asians to visit Taiwan. This includes extending visa-free entry for Thailand, Brunei and Philippines. In addition, direct flight routes from Paris and New Zealand have re-opened. As such, between 2016 and 2017, growth has been driven mainly from foreign arrivals ex China, which recorded an increase of 16.8% and 13.2% over the last two years. This has therefore largely offset the significant slump in tourists from Mainland China.

The average length of stay for international visitors in Taiwan is 6.5 nights, whereas domestic visitors recorded an average of 1.8 days. The main purpose of visiting Taiwan has been largely leisure, with 71.2% (latest available) of total visitors taking leisure trips, an increase of 0.5 percentage point as compared to the previous year. This further proves that tourism plays an integral part in the country's growth.

Taiwan remains attractive as a destination especially to the South Korean market, in view of the political tension between South Korea and China at the deployment of THAAD system. South Korean tourists increased by a whopping 19.2% in 2017, and Taiwan will likely remain as a mature destination with future growth in arrivals determined by market led supply. As such, whilst the outlook for Taiwan remains cautiously optimistic, much will depend on wider economic issues and geo-political events.

Tourist Hotel KPIs

According to the Tourism Bureau, Taiwan’s hotel occupancy and ADR was on an increasing trend after the recovery from the global financial crisis in 2009. From 2009 to 2012, both occupancy and ADR recorded a CAGR of circa 4.5% and 4.0% respectively, resulting in a RevPAR of TWD 2,640. Occupancy reached its peak of 74.6%, a 9.5% spike from the previous year and this was underpinned by Taiwan removing restrictions by allowing independent travel by Mainland Chinese tourists.

Although ADR continued to rise steadily at a CAGR of 1.39% from 2013 to 2016, hotel occupancy fluctuated and has fallen to 66.4% in 2016, down by 3.2 percentage points from 2015, and dropping below 68% for the first time since 2009. In addition, 43 hotels were opened/re slated to open between 2016 and 2020, which have/will add approximately 9,819 rooms into the market. In 2017 alone, 12 hotels (3,048 rooms) were launched. Even though some development projects did not come to fruition, the influx of new supply (one-third of current stock) likely placed downward pressure on room rates and occupancy, which have seen a dip by 1.4% and 2.4% respectively.
As the pipeline increases, we expect ADR and occupancy to remain under pressure in the short to medium term, with hoteliers offering discounts to boost room occupancy levels. The cross-strait relations between China and Taiwan will continue to have some impact on hotels performance nationwide, although the number of Chinese tourists is starting to see some recovery as tensions ease somewhat.

In terms of hotel transactions, the 107-room Bellezza Taipei Hotel was noted to be the largest commercial property transacted in 2017 with a transacted volume of TWD 5.58 billion (TWD52.1 million per key). Another notable transaction was the sale of Nice Prince Plaza in Chiayi city back to its previous owner for TWD4.83 billion (TWD19.7 million per key), which includes the 245-room Nine Prince Hotel and Shopping Center.

Overall, hotel investment in Taiwan is likely to be driven by local investors, although private equity firms and institutional investors have been increasingly active in acquiring hotel properties. The penetration of internationally branded hotels like Marriott and Accor into Taiwan’s major cities should continue to drive yields up, thereby making prime properties attractive for investment.

Destinations of the Quarter – Xi’An

The capital of China’s central Shaanxi Province and the starting point of the ancient Silk Road, Xi’an is China’s most significant city in the Eurasian continental bridge.

Having a population of 8.83 million (2016), Xi’an served as ancient China’s capital for 13 dynasties and houses some of China’s most valuable archaeological treasures, including the Mausoleum of the Qinshihuang and his famous stone army of Terra Cotta warriors from the 3rd century BC. Huaqing Palace, Huashan Mountain, Jinsi Grand Canyon in Shaanxi province also boast its national-level scenic spots.

The local economy is very reliant on China’s efforts in increasing inbound tourism. It contracted by an average of 1.3% from 2011-2014. This could possibly be due to RMB appreciation, lack of novelty and competitiveness in travel itineraries and promoting inbound travel products and the decline in country’s national image caused by corruption, air pollution and food security problems.

Nevertheless, as measures such as relaxing of visa rules for short-term stay in China (including Xi’an) and increasing international flights, China and therefore Xi’an’s tourism is on the rise. Since the Belt and Road initiative was launched at the end of 2013, Xi’an has witnessed steady growth in tourist arrivals between 2014 (1.87 million) and 2016 (2 million). Tourist arrivals (overnight stays) grew by a CAGR of 2.2%, with overnight travellers expected to increase by 2.5% between 2016 and 2017.
Moreover, tourism firms from the United Arab Emirates and China’s Shaanxi province have signed a deal to boost bilateral tourism, strengthening cultural ties along the New Silk Road in line with China’s strategic Belt and Road initiative. This has boosted tourism arrivals for both parties.

The destination is now aiming to attract approximately 2.2 million overnight visitors by 2020, with South Korea, Japan, USA and Britain being major source markets that account for over 30% of foreign tourists. However, arrivals from Japan, one of its key source markets, have been declining since 2013 largely due to the appreciation of China’s currency against the Japanese yen. With the current average length of stay of circa two days, the city is looking to enhance tourists’ experience through the “all-for-one” tourism initiative by improving facilities and services and to develop rural and recreational tourism. As such, whilst the outlook for tourism visitation to Xi’an remains cautiously optimistic, much will depend on the economic performance of its key source markets, geopolitical risk, natural hazards, connectivity and infrastructure development including new hotel supply.

Xi’an’s GDP has seen a growth of 7.7% to 625.72 billion (2016 latest available), well above that of the country overall. Tourism revenue grew by 12.6% in 2016 to RMB 121 billion, from RMB 107.4 billion in 2015. As tourism revenue accounts for 9.3% of GDP, this suggests Xi’an has a large tourism demand base who tends to visit the destination year-round. Corporate, mainly Meetings, Incentives, Conferencing and Exhibitions (MICE) and leisure demand will depend on the performance of its key source markets: South Korea, USA, Britain and Japan. Direct flights from Indonesia, South Korea, London and Singapore have also recently boosted visitation from these destinations.

In terms of domestic demand, Xi’an remains as one of the top cities to visit, alongside Shanghai, Beijing and Chongqing. The city has seen tremendous growth in numbers from 82 million in 2011 to 147 million in 2016. Domestic visitors almost doubled with a CAGR of 10.2% over the period as the city’s tourism revenue grew at an average 21.5% over this period. This is not surprising as Xi’an is the 8th most visited city throughout China. Looking forward in the next few years, as China focus on their “all-for-one” tourism initiative, we would expect numbers to grow steadily by 2020.

Tourists travel to Xi’an mainly for leisure purposes, to experience the rich culture and explore the imperial and revolutionary past. This second-tier city is slowly gaining popularity with locals and international visitors alike, having the perfect combination of cultural sites and cityscape. September, October and November are the months where the destination receives most visitors, while the winter months are the low season.

Despite the seasonality, the destination benefits from good year-round visitation, mostly from the domestic China market in the leisure segment. This contributed to the surge in visitation seen in recent years, underpinned by the “all-for-one” tourism initiative to create competitive products with high service quality. For international visitors, relaxation of visa rules for short-term stays in China and more international direct flights to Xi’an from key source markets, will help strengthen the city’s tourism standing as compared to other China cities.

We expect visitation to continue to increase over the next few years, with high stable growth rates. Hotel investment in the city by domestic investors will continue to rise as the Chinese government strongly encourages inbound investment. As such, yields might increase overtime with higher demand for land that has a cultural footprint. We expect the four-star and above market segment to offer good opportunities, with Hilton opening its second property in the city’s high-tech zone business district. As demand in this sector grows, room supply will increase as Xi-an seeks to attract high-yield visitors. As such, market entry cap rates can be expected to be between 6.0% and 7.5% depending on the property.
China remains one of the main source market for hotel investment across Asia. The country’s decision to restrict offshore capital flows last year clearly has had a direct impact, with outbound investment decreasing and deals closer to home in favour. Nevertheless, real estate remains a core investment for most Chinese investors.

Year on year, hotel transaction volume has increased by more than 10%, mainly underpinned by Dalian Wanda’s transfer of its China assets to a related party. The global hotel sector was not immune to a drop-in transaction activity, however, as the core “safe haven” markets show no signs of slowing down in the region. Singapore, Tokyo and Hong Kong assets continue to trade at compressed cap rates and record pricing despite a softening in demand and additional supply.

Geo-political tensions have led Asian real estate investors to refocus on regional investments, while global interest in trophy and opportunistic acquisitions continues.

Overall, despite strong demand driven by both family offices and private equity with Asian real estate mandates, quality inventory remains scarce and thus investors with disposition scenarios in the next 18 months, should consider expediting their process in order to take advantage of favourable market conditions, especially as the outlook for increases in interest rates remain high.

Of note, as asset prices remain high, investors are now considering taking more development risk, however, this risk must be shared with the developer who not only is required to contribute “real” equity into the project, but also to provide put options guaranteeing a mandated exit to shareholders. These terms are not new to hotel developments but becoming more common to developers looking to raise funds for emerging market projects.

Recent notable transactions

Continuous investment into asset class by institutional investors and the dearth of assets being sold show that yields have been low and are expected to remain at these levels, at least until interest rates increase significantly.

In this quarter, most of the transactions across Asia were in gateway cities, where investors remain very active.

<table>
<thead>
<tr>
<th>Hotel</th>
<th>Location</th>
<th>Value per room (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bellezza Taipei Hotel</td>
<td>Taipei</td>
<td>1,703,725</td>
</tr>
<tr>
<td>Wanderlust Hotel</td>
<td>Singapore</td>
<td>934,313</td>
</tr>
<tr>
<td>Wangz Hotel</td>
<td>Singapore</td>
<td>818,261</td>
</tr>
<tr>
<td>Nice Prince Hotel</td>
<td>Chiayi</td>
<td>644,479</td>
</tr>
<tr>
<td>Pullman On The Park Hotel</td>
<td>Melbourne</td>
<td>346,945</td>
</tr>
<tr>
<td>Quest Springfield Central</td>
<td>Brisbane</td>
<td>215,301</td>
</tr>
<tr>
<td>Pacific Hotel Brisbane</td>
<td>Brisbane</td>
<td>125,949</td>
</tr>
<tr>
<td>Benikea Hotel</td>
<td>Seoul</td>
<td>116,593</td>
</tr>
</tbody>
</table>

Source: Colliers Research. Note: USD conversions are at time of transaction and represent approx. values.
The cruise industry, which is rapidly becoming a more popular choice of leisure travel, has seen tremendous growth in passenger growth across Asia in recent years. In this article we examine this phenomenon and discuss what the opportunities are for land-based operators.

In 2017, circa 27 million passengers took a cruise in 2017, representing a staggering 51.7% increase as compared to number of passengers witnessed in 2009. More growth is to be seen in the coming years, with the total number of passengers estimated to reach 27.2 million in 2018, having a CAGR of 3.9% over the last 11 years. Growth in the cruise industry is expected to hit 40 million travellers by 2030, up 48% from 2017 mainly underpinned by the rapid growth in Asian markets.

Among Asian countries, demand continued to shift towards East Asia in 2017 and this trend is expected to continue in the coming years. While the introduction of new ports throughout Asia is great for travellers, it is also great for local economies by bringing more visitors to Asian destinations. There was a total of 5570 scheduled calls in 2016, bringing 10.9 million passenger destination days to Asia as compared to 7 million in 2015. Japan hosted the highest port calls at 1526, followed by China at 850 and South Korea at 745 calls. Total cruise calls for 2017 has been estimated to grow by circa 29% which amounts to 7196 cruise calls. We expect Japan to bring in 2378 calls in 2017, while China brings in 1156 calls and South Korea at 737 calls. The significant increase in Japan’s call might be due to the region’s geographical proximity, with the government aiming to boost tourism numbers to 5 million by 2020, up 1.5 times from 1.99 million tourists in 2016.

Asian cruise travellers accounted for circa 12.5% of worldwide cruise travellers in 2016. In 2017, the percentage of Asian travellers rose to 14.2%. Between 2012 and 2017, passenger volume in Asia grew from 775,000 to nearly 4.1 million passengers, a CAGR of circa 31%. This was almost double the figure achieved in 2015 and demonstrates the rapid demand for this experience amongst Asia travellers. Growth was mainly underpinned by the huge influx of Chinese tourists, accounting for 60% (2.43 million) of total passenger volume in 2017 while expanding at an impressive 76% CAGR since 2012. The Chinese market alone increased rapidly by 99% in 2016, topping the charts to be the world’s fastest-growing major source market.

However, according to the Cruise Lines International Association (CLIA), some growth in 2017 can also be attributed to other leading source markets in Asia such as Taiwan (236,800 passengers), Japan (215,400), Singapore (196,900), India (120,600) and Hong Kong (110,700). Growth in these markets was underpinned by increased flight connectivity and visa-free policies, that creates extensive opportunities to develop fly-cruises, whilst increasing the number of home ports in those destinations. In addition, new infrastructure developments such as the Hong Kong-Zhuhai-Macao Bridge will add convenience for mainland travellers to take a cruise from Hong Kong, reducing travel time within these cities.
The cruise industry in Asia is rapidly growing and as a result more cruise lines are deploying more capacity to the region. In 2017, there were a total of 35 cruise brands deploying a total of 66 ships in Asian waters representing a significant 31% increase in capacity from 2016. Moreover, according to the CLIA, the number of cruises in the region also increased from 1,628 sails in 2016 to 2,086 sails in 2017.

Asian passengers continue to prefer shorter ocean cruise lengths. In 2016, it is found that 94% of Asian cruisers continued to sail within the region. Shorter sailings were more popular, with most passengers sailing 4 to 6 nights (52%), followed by 2 to 3 nights (31%) and the remaining 7 nights and above. Cruise holidays are starting to appeal to the younger crowd due to the lower fares and shorter itineraries launched by overseas cruise ship operators. To increase their appeal towards younger travellers, companies tend to offer discounts on cruises during off-peak season.

Although the average length of cruise taken by Asian passengers remains at 5 nights, the surge in passengers has led to the need of more capacity and cruise ships. Between 2013 and 2017, cruise capacity has expanded across all metrics while operating days grew by 137% since 2013. Passenger capacity of cruise ships almost tripled from 1.51 million passengers in 2013 to 4.05 million passengers in 2017. As a result, passengers will have more options to choose a destination more suited for their needs.

One notable upcoming example is Asia’s largest cruise vessel, Royal Caribbean’s Quantum of the Seas, which will be sailing into Singapore from November 2019 to April 2020. The vessel will undertake 34 sailings to and from Kuala Lumpur, Penang, Bangkok, Phuket and Ho Chi Minh City, and will be able to take up to 150,000 passengers coming into or out of Singapore. This proves Singapore’s status as South-East Asia’s home port of choice, amid the growing cruise market. Singapore’s passenger cruise capacity is expected to increase by 30%, with growth attributed to increased demand in Indonesia, China and India for cruises into Singapore and Malaysia.

Although there is a tremendous growing trend of cruise holidays in the east, given that not even 1% of the population has taken a cruise before in the Asia-Pacific region, coupled with cruising being more so a form of travel destination for the growing middle class, there is much room to tap into the Asian market. Cruise lines should aim at offering more varieties in terms of bringing their best ships and amenities to the region and have onboard offerings tailored to the Asian guests such as high-end shopping, adapted menus to include familiar favourites and regional cuisine, onboard activities aimed at multi-generational families, different languages, cabin amenities and high-tech features. This will then truly entice the Asian traveller for more.

So how can hoteliers benefit from this? The simplest is to consider so-called home ports as a start. Home ports are where the majority of a cruise’s passengers will arrive to embark, and most likely disembark. It is not unusual that passengers, especially those that travel long distance, will arrive at the home port and stay at facilities located nearby for a day or two before embarkation. Similarly, they may wish to stay one day after disembarkation before travelling home. As such, hoteliers can partner with cruise companies, much as they do at airport hotels, for both crew and onshore guests.

For consultancy and valuation in relation to cruise, routes and assessing the need for supporting facilities at terminals including hotels please contact us: govinda.singh@colliers.com.
Colliers Hotels Valuations Service

Colliers has a rich valuation experience on multi-market portfolios across Asia Pacific. We undertake more than 250 hospitality valuations each year, including single assets and portfolios for reporting, financing and transaction advisory purposes. Our experience ranges from budget properties to ‘trophy’ assets, many of which also include mixed-use components.

We are currently engaged by a number of clients to undertake the annual valuations for their properties for reporting purposes, on a rolling basis. Our close relationship with clients paired with in-depth knowledge of the local markets allow us to perform valuations accurately and effectively.

The valuation team is supported by our Research and Advisory teams within the local markets. The Research and Advisory teams works closely with our business service professionals, capitalising on our market expertise to provide our clients the necessary market intelligence across all markets – ranging from data collection to comprehensive market analysis, interpretation and recommendations – required to support sound and practical business decisions.

The overall hospitality team is part of one of the largest in Asia Pacific that performs more than 250 valuations per year in the sector, and includes professionals dedicated solely to hotels, leisure and hospitality valuation work, as well as several published authors in the field.

Next quarter:

Opinion – The Olympics and Japan

Hotels - Destination of the quarter – Vientiane

Airbnb – Enemy or Friend. What is the impact of Airbnb on hotels’ performance across Asia?

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Colliers professionals think differently, share great ideas and offer thoughtful and innovative advice that help clients accelerate their success. Colliers has been ranked among the top 100 global outsourcing firms by the International Association of Outsourcing Professionals for 13 consecutive years, more than any other real estate services firm. Colliers has also been ranked the number one property manager in the world by Commercial Property Executive for two years in a row.

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