



# Tourism & Hotel Market in Thailand



# Contents

---

- **Thailand's Tourism at a Glance**
- **Recent Trends in Thailand's Tourism Market**
- **Thailand's Hotel Market Situation**
- **Competitive Landscape in Thailand's Hotel Industry**
- **Key Players in the Hotel Business in Thailand**
- **Restrictions on Foreign Investment in the Hotel Business in Thailand**
- **Main Regulations/ Rules Regarding the Hotel Business**
- **Summary**

## Thailand's Tourism at a Glance

International  
tourist arrivals

**39.8** millions in 2019  
**4%** y-o-y growth

Domestic  
trips  
(2018)

**305.2** million person-trips

International  
tourists

**77.4** million person-trips

Domestic  
tourists

**227.8** million person-trips

Tourism  
Receipts  
(2018)

**2,947** Billion baht

International  
tourists

**Total** **1,876** billion baht

**Avg.** **49,142** baht/person

Domestic  
tourists

**Total** **1,071** billion baht

**Avg.** **4,704** baht/person

Average  
Length of  
Stay  
(2018)International  
tourists

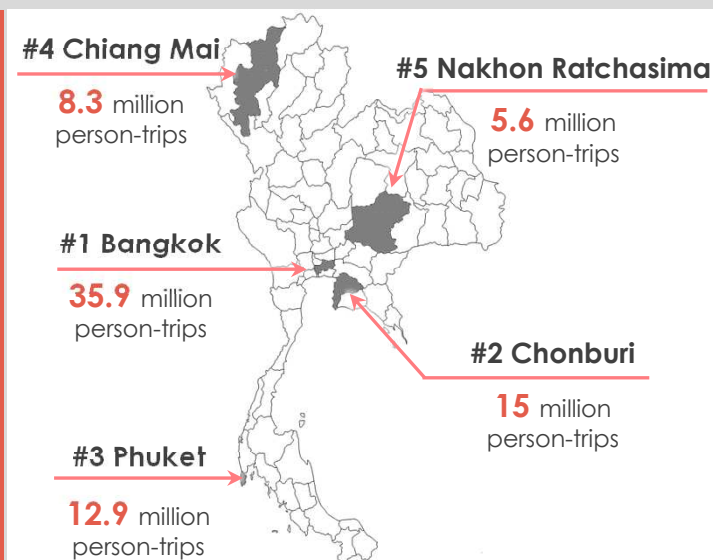
**9.3** days  
**-2%** y-o-y growth

Domestic  
tourists

**2.3** days  
**0%** y-o-y growth

Top10  
countries of  
origin  
(2019)

	No. (million)	Share (%)	CAGR (2015-2019)
China	11.0	28%	8%
Malaysia	4.2	10%	5%
India	2.0	5%	17%
S. Korea	1.9	5%	8%
Laos	1.8	5%	11%
Japan	1.8	5%	7%
Russia	1.5	4%	14%
US	1.2	3%	8%
Singapore	1.1	3%	3%
Vietnam	1.0	3%	9%

Top 5 Tourist  
Destinations\*  
(2019)

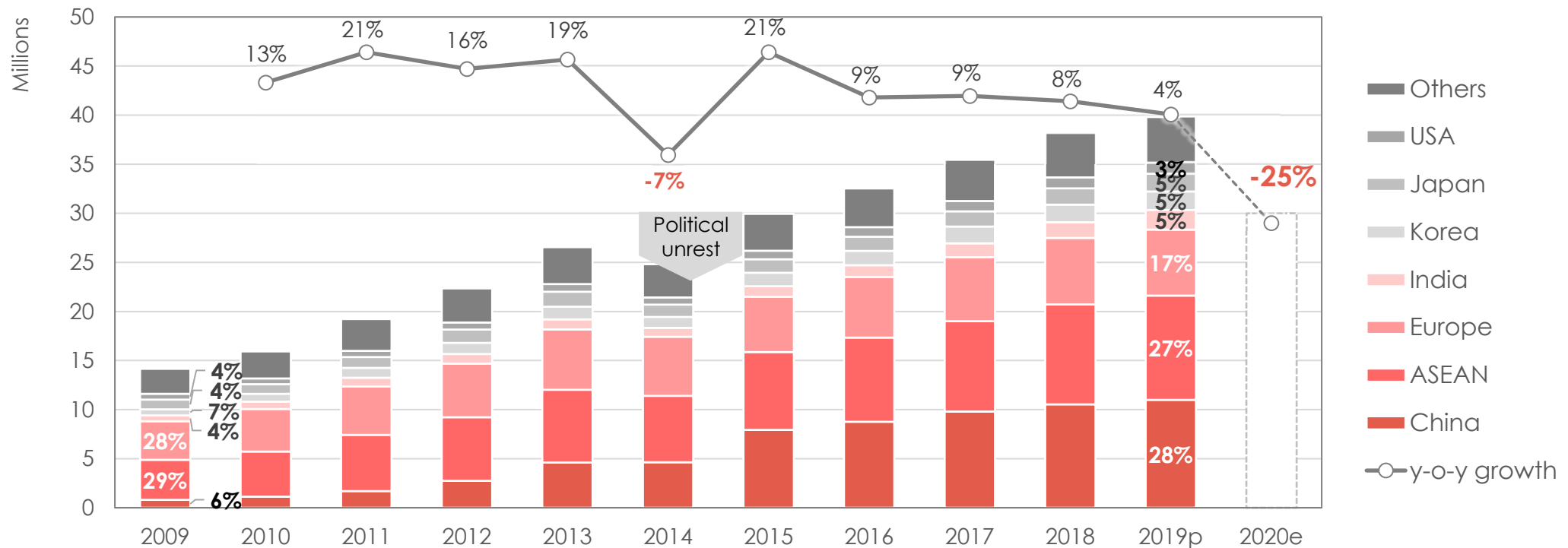
Source: Ministry of Tourism and Sports, Tourism Authority of Thailand (TAT)  
Note: \* Includes only the number of tourists (both Thai and foreigners) who stay in overnight accommodation

## Recent Trends in Thailand's Tourism Market (1)

### Trends of International Tourist Arrivals

- Tourism has long been the main driver of Thailand's economy with a remarkable growth of international tourist arrivals.
- The number of foreign tourists reached 39.8 million in 2019, a 4% growth from the previous year. The global economic slow down, US-China trade war, and the baht's accelerated increase in value were the main factors of slow growth in 2019.
- In 2020, the tourism and hotel industry will be hit harder by the COVID-19 outbreak.** The number of foreign tourists dropped 40% y-o-y in February, and a deeper contraction of 50-60% is expected in March and April. According to the estimation by the Tourism Authority of Thailand (TAT), the tourism industry may recover and turn positive during the second half of the year. The total number of foreign tourists visiting Thailand for the whole year may fall by 25% to 30 million.

International Tourist Arrivals



Source: Ministry of Tourism & Sports (MOTS), Tourism Authority of Thailand (TAT)

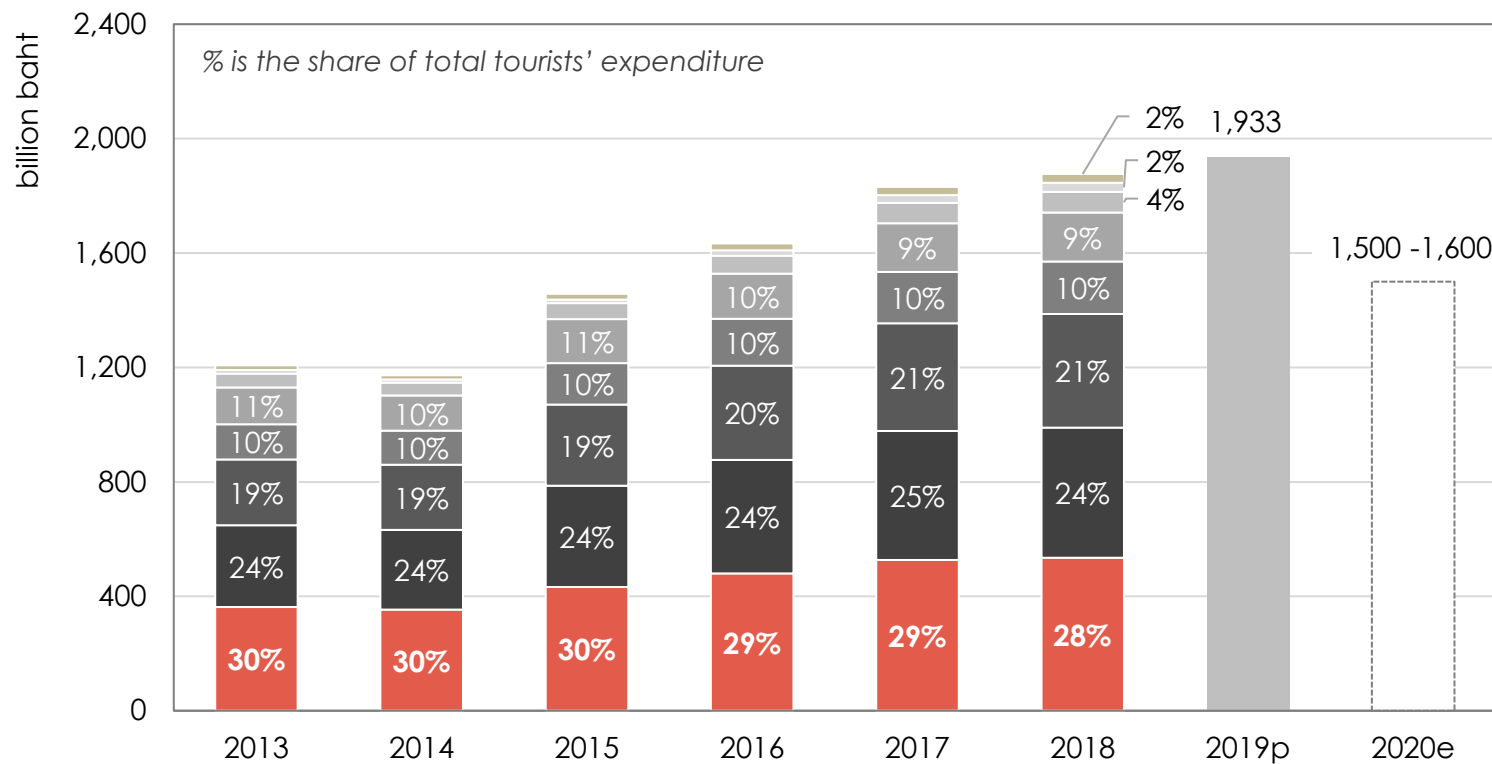
Note: p – preliminary data, e – estimation

## Recent Trends in Thailand's Tourism Market (2)

### International Tourists' Expenditure in Thailand

- Thailand was ranked amongst the world's top 3 tourist destinations in term of tourist expenditure in 2018.
- Accommodation was the largest category, at 28% of tourist expenditure, valued at 534.5 billion baht in 2018.
- Medical care is the highest growing expenditure category for international tourists due to Thailand's increased popularity as a medical tourism destination that provides good quality of care with competitive medical costs.
- The Tourism Authority of Thailand estimated that international tourists' expenditure in 2020 may drop by more than 15%, or 400 billion baht due to the outbreak of covid-19 in the first half of the year.

International Tourists' Expenditure



Category	CAGR 2013-2018
Miscellaneous	14%
Medical Care	21%
Sight-seeing	8%
Entertainment	6%
Local Transport	8%
F&B	12%
Shopping	10%
Accommodation	8%
<b>Tourists' expenditure</b>	<b>9%</b>

Source: Ministry of Tourism & Sports (MOTS)

本資料は、現在弊社が入手し得る資料及び情報に基づいて作成したものです。弊社は、その資料及び情報に関する信憑性、正確さを独自に確認していません。本資料において一定の仮定を用いた試算を行っている場合、その試算結果は仮定に基づいた概算であるため、別途詳細な検討が必要です。本資料は貴社内での参考資料としてのご利用を目的として作成したものであり、他の目的で利用されること、本資料の貴社外でのご利用もしくは第三者への開示がなされることのないようお願い申し上げます。

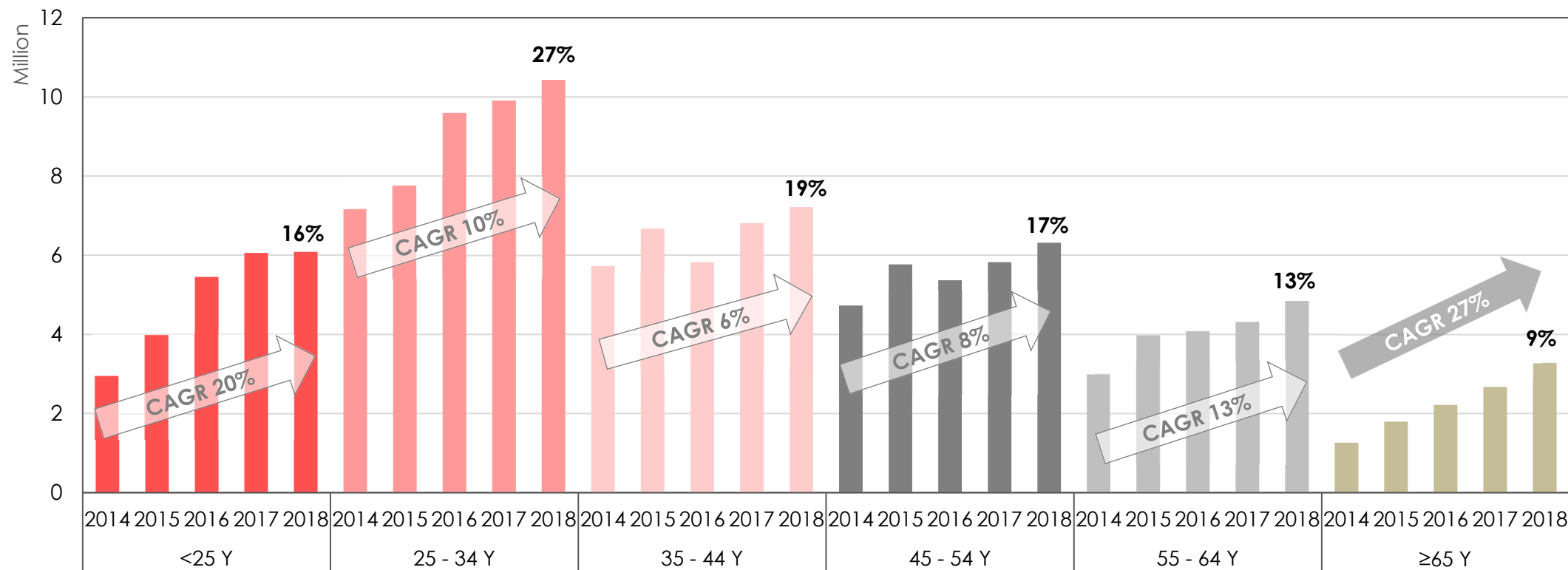
© YAMADA Consulting Group Co., Ltd. 情報管理区分: SC-B

## Recent Trends in Thailand's Tourism Market (3)

### Age Distribution of International Tourists in Thailand

- Millennials are the largest group of international tourists in Thailand. In 2018, there were more than 10 million tourists aged between 25-34 years old, amounting to around 27% of total international tourists.
- Seniors are becoming a more important group of tourists in Thailand. The number of elderly tourists has been rising notably and consistently with a CAGR of 27% between 2014-2018.

Trends and Age Distribution of International Tourist Arrivals in Thailand



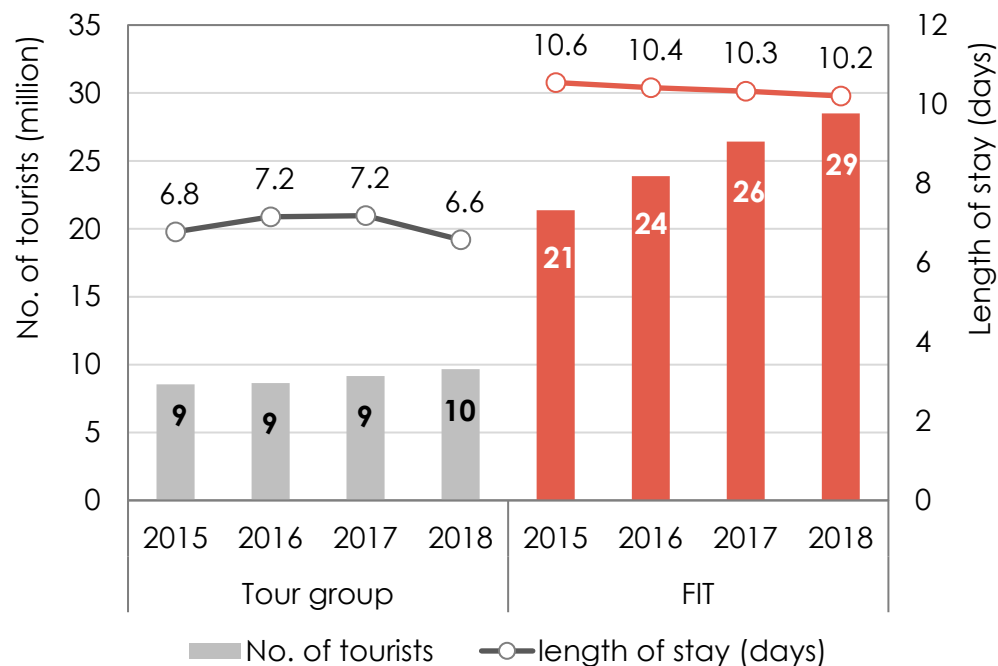
Source: National Statistical Office (NSO)

## Recent Trends in Thailand's Tourism Market (4)

### Rising FITs

- The number of free independent travelers (FIT) in Thailand has risen with a 10% CAGR between 2015-2018.
- In 2018, there were nearly 29 million FITs, which was 3 times higher than the number of travelers with tour groups.
- Furthermore, FITs tend to stay in the country for longer periods than travelers with tour groups.

Group Tour Travelers vs FITs

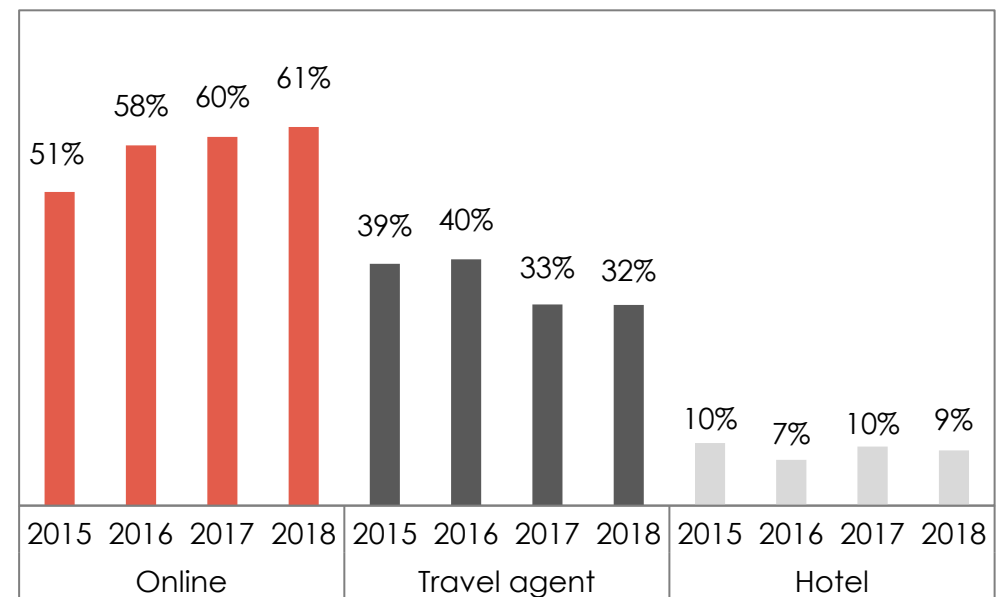


Source: Ministry of Tourism & Sports (MOTS)

### Increasing Importance of Online Channels

- The rising FIT and digital lifestyle trends boosted room sales through online channels as it allows convenient booking and payment.
- According to the survey by TAT, online was chosen as a main channel for hotel bookings and activity ticketing amongst foreign tourists in Thailand.
- In addition, tourists search for hotel information and share their experiences on social media.

Main Channels for Hotel/ Activity Bookings & Ticketing of Foreign Tourists



Source: Tourism Authority of Thailand (TAT)

## Recent Trends in Thailand's Tourism Market (5)

### Medical and MICE Tourism to Play an Increasing Role

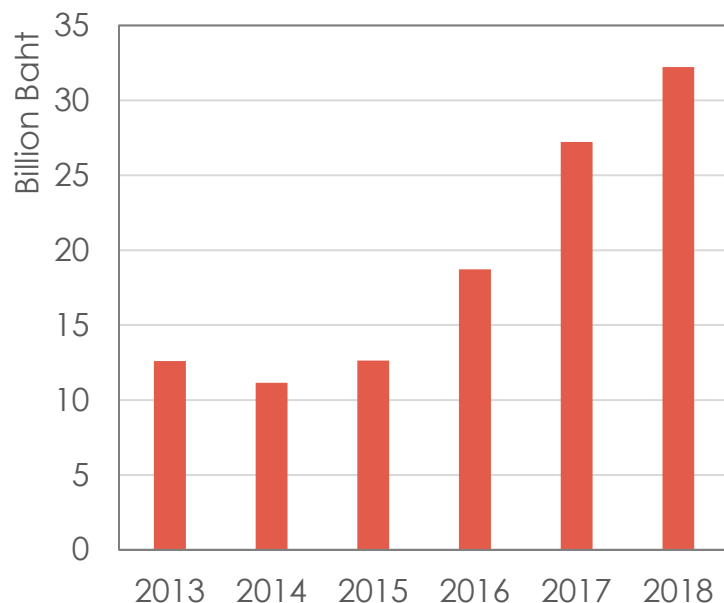
#### Medical Tourism:

- Thailand's medical tourism is growing due to the affordable medical costs and internationally accredited services. Medical tourists, which includes patients and followers, tend to stay in the country longer than general tourists. Many also extend their stay for rehabilitation and leisure purposes.

#### MICE Tourism:

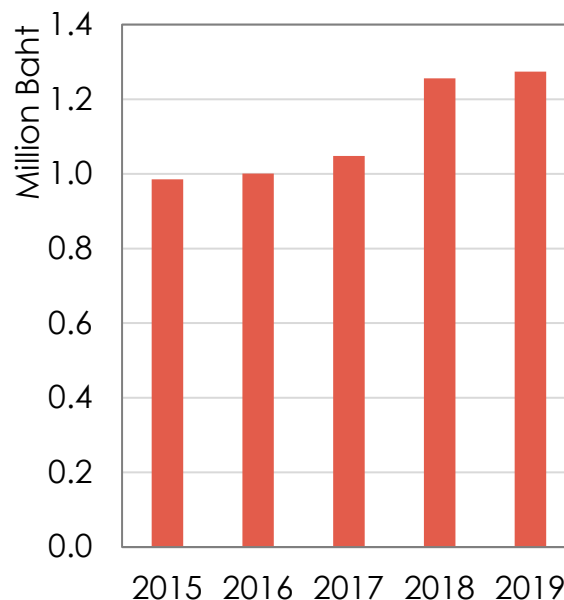
- Meeting, Incentive, Convention, and Exhibition (MICE) travelers account for 3.0-4.0% of total tourist arrivals in Thailand.
- There were 1.27 million MICE tourists entering Thailand in 2018. Asia contributed the most MICE visitors due to short travel distances.
- MICE tourism is one of the significant sources of hotel income. According to Colliers International, approximately 90% of all business events in Asia are hosted in hotels. The MICE sector generate ancillary income from meeting rooms, meeting equipment rentals, halls, food services, and so on. MICE also generates steady revenue for hotels, even in the low season.

#### Medical Expenditure of International Tourists

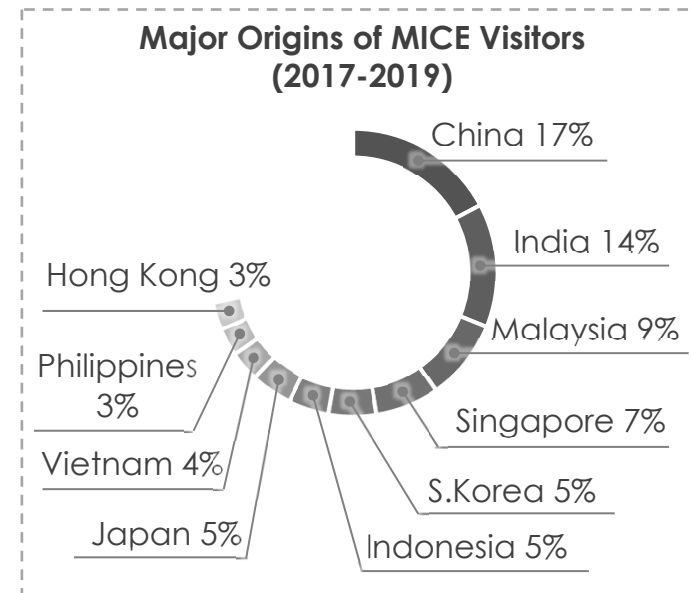


Source: Ministry of Tourism & Sports (MOTS)

#### No. of International MICE Visitors in Thailand



Source: Thailand Convention and Exhibition Bureau (TCEB)



本資料は、現在弊社が入手し得る資料及び情報に基づいて作成したものです。弊社は、その資料及び情報に関する信憑性、正確さを独自に確認していません。本資料において一定の仮定を用いた試算を行っている場合、その試算結果は仮定に基づいた概算であるため、別途詳細な検討が必要です。本資料は貴社内での参考資料としてのご利用を目的として作成したものであり、他の目的で利用されること、本資料の貴社外でのご利用もしくは第三者への開示がなされることのないようお願い申し上げます。

© YAMADA Consulting Group Co., Ltd. 情報管理区分:SC-B

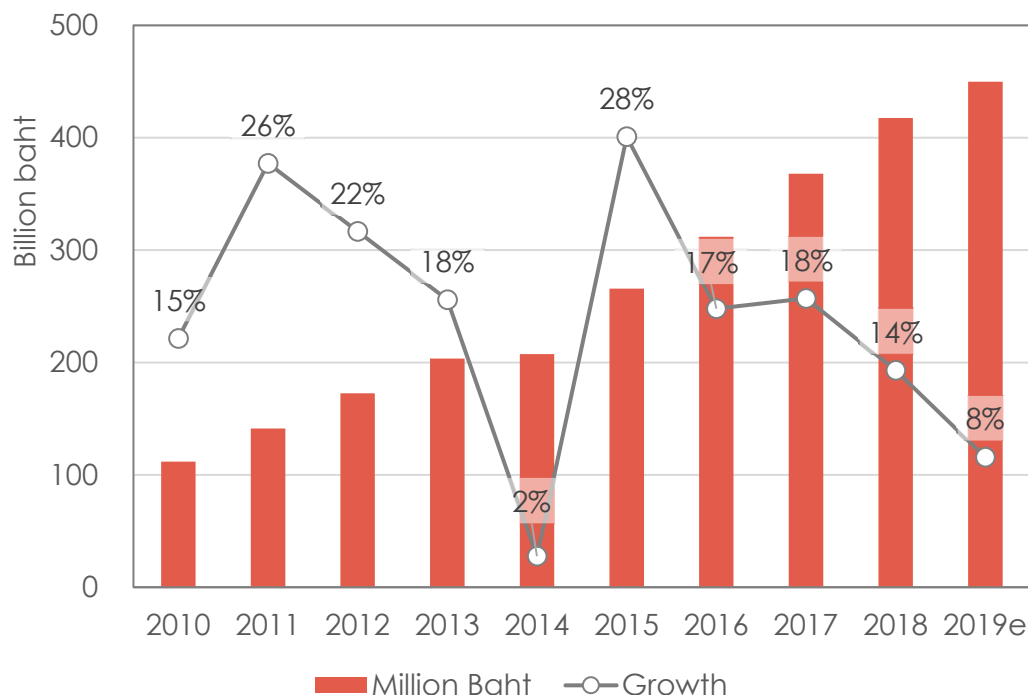


## Thailand's Hotel Market Situation (1)

### Steady Growth of Thailand's Hotel Market

- The accommodation business has been growing steadily over the last decade, except only during the period of political unrest in 2014.
- In 2019, accommodation activities valued at around 450-billion-baht, accounting for around 3% of the country's GDP.
- Top 5 hotel destinations in Thailand are Bangkok, Phuket, Chonburi, Surat Thani, and Chiang Mai. In 2018, hotels in these 5 provinces accounted for 50% of hotel rooms nationwide.

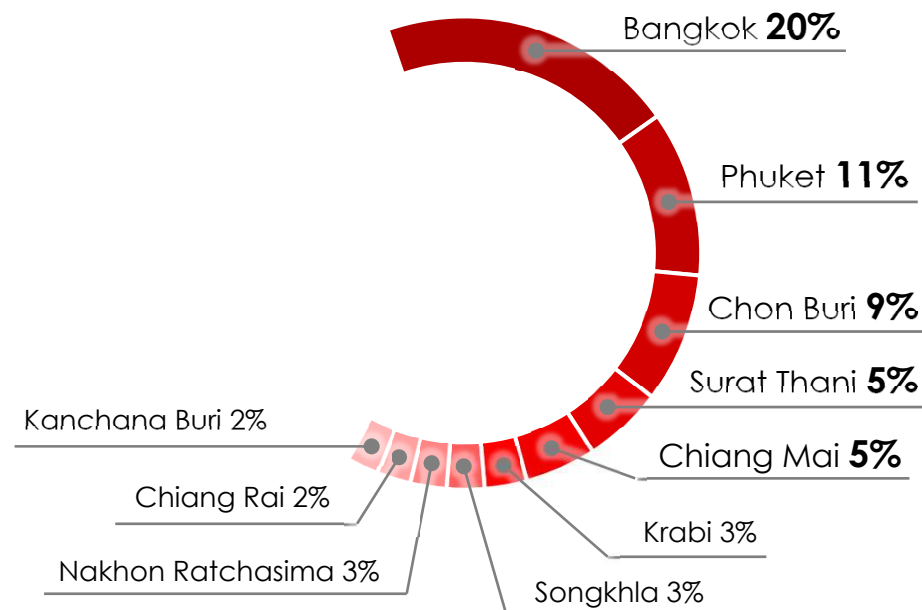
GDP originating from Accommodation Activities



Source: NESDC

Note: Accommodation activities include hotel, service apartment, any accommodations offering rental service.

Top 10 provinces of hotel market (base on no. of rooms in 2018)



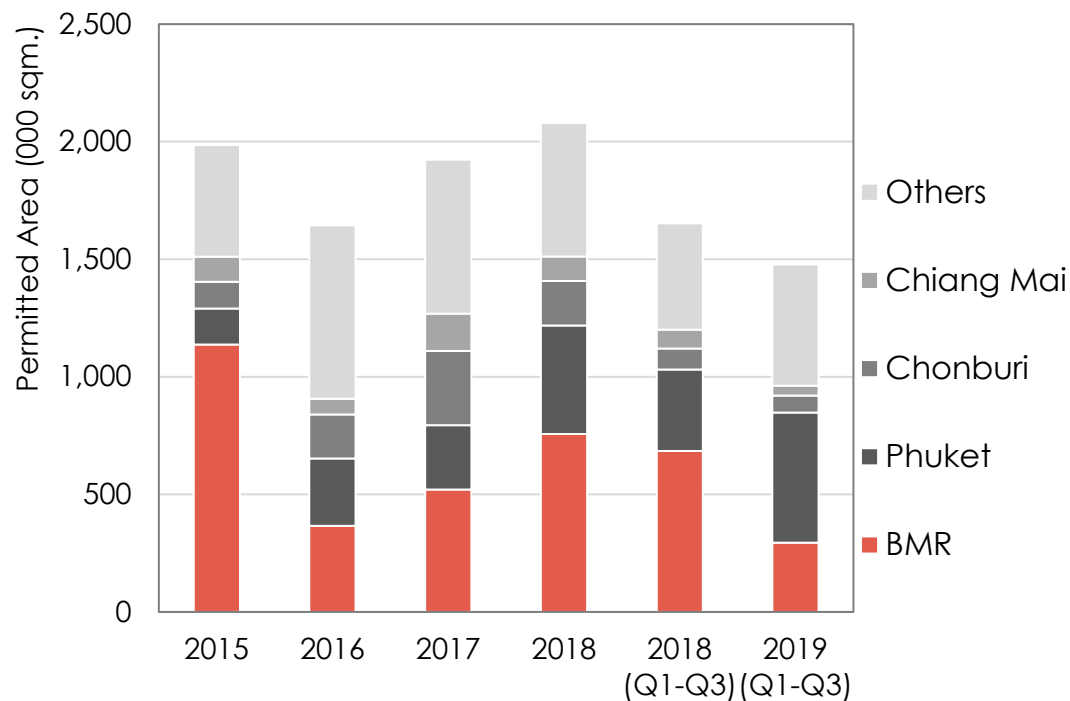
Source: Real Estate Information Center (REIC)

## Thailand's Hotel Market Situation (2)

### Strong Investment Interest in the Hotel Business

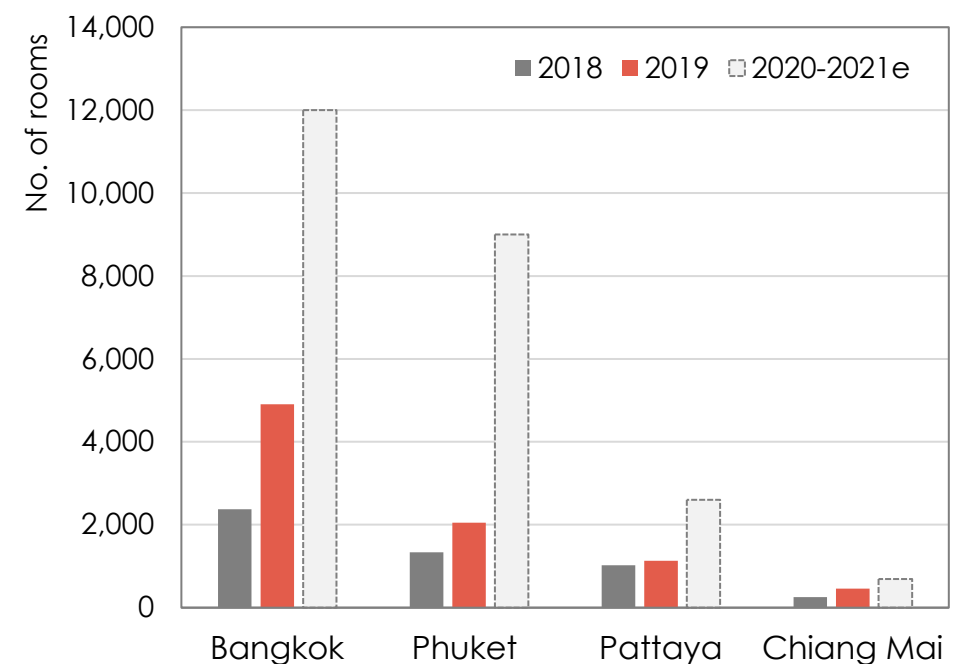
- The steady growth of tourist arrivals led to a surge in hotel supply.
- The hotel construction permits increased to reach 2 million sqm. in 2018. Four major tourist provinces, which include Bangkok, Phuket, Chonburi, and Chiang Mai, accounted for more than 60% of hotel construction permits nationwide.
- The accelerated hotel construction over the past few years will lead to a remarkable increase in new hotel supplies in 2020 and beyond. According to JLL, around 12,000 additional rooms are expected to enter the market in Bangkok in 2020-2021, and 9,000 rooms will be added in Phuket in the same period.

Hotel Construction Permits



Source: Real Estate Information Center (REIC)

New Hotel Supplies in Major Destinations



Source: JLL Hotels and Hospitality Group

本資料は、現在弊社が入手し得る資料及び情報に基づいて作成したものです。弊社は、その資料及び情報に関する信憑性、正確さを独自に確認していません。本資料において一定の仮定を用いた試算を行っている場合、その試算結果は仮定に基づいた概算であるため、別途詳細な検討が必要です。本資料は貴社内での参考資料としてのご利用を目的として作成したものであり、他の目的で利用されること、本資料の貴社外でのご利用もしくは第三者への開示がなされることのないようお願い申し上げます。

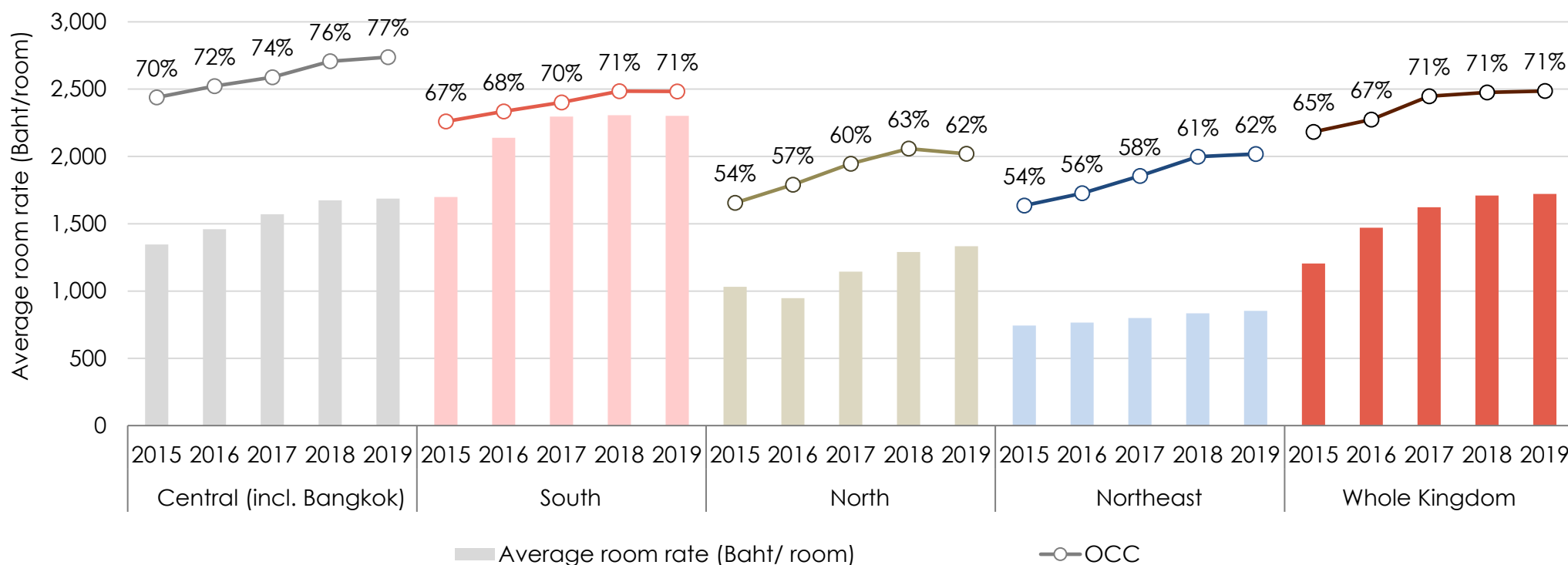
© YAMADA Consulting Group Co., Ltd. 情報管理区分: SC-B

## Thailand's Hotel Market Situation (3)

### Stagnant Occupancy and Room Rate

- The recent surge in hotel supply and competition from the sharing economy like Airbnb has caused the stagnation in the hotel occupancy and room rate during the past 2-3 years.
- The country's average hotel occupancy rate remains at 71% since 2017 due to excess supply of hotels in some specific locations especially Chiang Mai in the North, and Phuket in the Southern part of the country.

Thailand's Hotel Average Occupancy Rate and Daily Room Rate by Region



Source: BOT

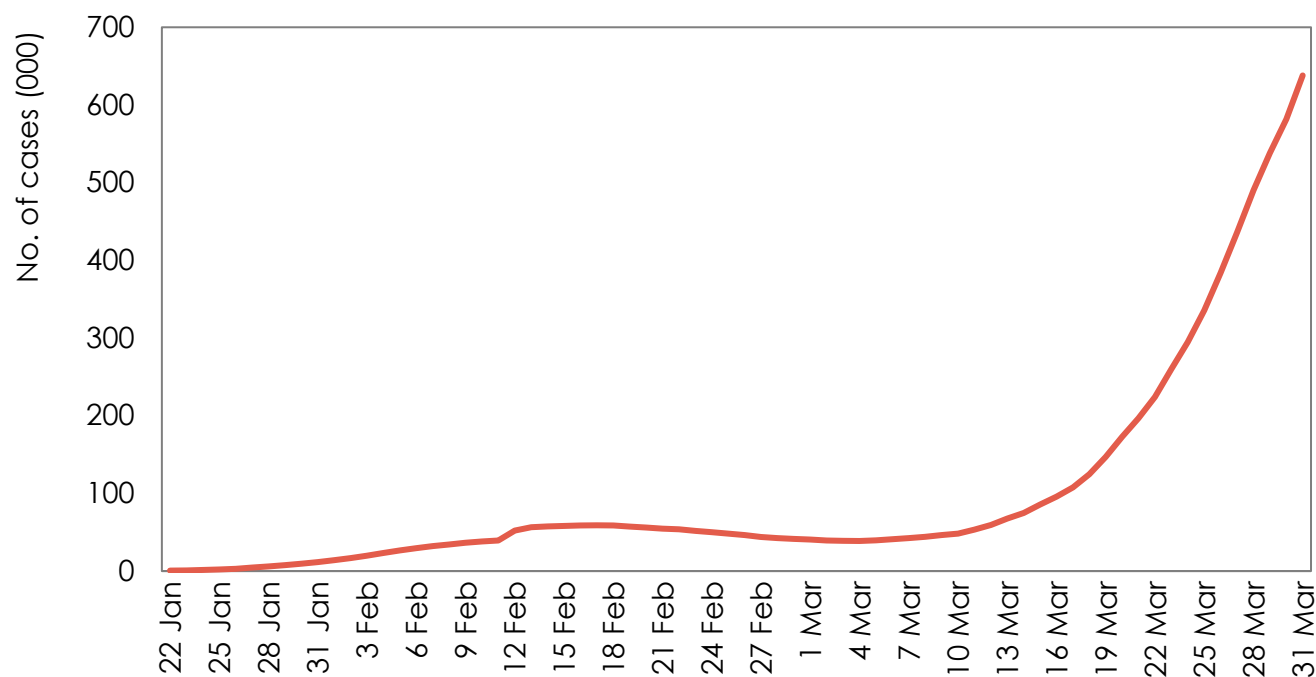


## Thailand's Hotel Market Situation (4)

### Massive Impact of the COVID-19 Pandemic

- As estimated by TAT in early March, the number of tourist arrivals may fall by 25% from almost 40 million in 2019 to 30 million in 2020 due to the coronavirus outbreak. The impact of COVID-19 on Thailand's hotel industry is likely to be worse than expected, with the accelerating numbers of infected cases since the second week of March and more stringent restrictions on people's movement imposed in many countries, as well as flight cancellations and no-fly restrictions.
- Several hotels were closed permanently, and more closures are expected due to steep losses since late January 2020.
- Hundreds of hotels in at-risk areas have gradually announced temporarily closures. Many hotels will be closed for 1 month, but some hotels plan to extend their closures for several months. Several schemes, such as salary cuts, unpaid leave, layoffs, have been used to ensure survival of the business.

COVID-19 Active Cases Around the World



Source: <https://www.worldometers.info/>

本資料は、現在弊社が入手し得る資料及び情報に基づいて作成したものです。弊社は、その資料及び情報に関する信憑性、正確さを独自に確認していません。本資料において一定の仮定を用いた試算を行っている場合、その試算結果は仮定に基づいた概算であるため、別途詳細な検討が必要です。本資料は貴社内での参考資料としてのご利用を目的として作成したものであり、他の目的で利用されること、本資料の貴社外でのご利用もしくは第三者への開示がなされることのないようお願い申し上げます。

© YAMADA Consulting Group Co., Ltd. 情報管理区分: SC-B

## Competitive Landscape in Thailand's Hotel Industry



### Increasing Supply

- Bright prospects for the tourism sector in the long term are attracting more investment in hotels.
- International chains and local hotel operators continue to expand their portfolios despite oversupply in some specific areas.
- New investors, such as property developers and large conglomerates, are entering into the hotel market to diversify risks and obtain higher returns.
- Several condotels, a condominium development with hotel license, have been developing in the top destinations.



### Home Sharing

- It is undeniable that home-sharing businesses like Airbnb has disrupted the hotel business. Airbnb's platform has become increasingly popular amongst younger travelers who are seeking for unique and local experiences.
- According to Agoda, tourists in Asia who are looking for non-hotel holiday experiences grew 30-40% faster than those booking hotels.
- More than 80,000 hosts rented out their properties in Thailand on Airbnb's platform, which served around 1.88 million guests in 2018.



### Digital Trends

- The Digital Lifestyle has changed the competitive environment of the hotel industry.
- Online travel agents (OTAs), i.e., Agoda, Booking, Expedia, TripAdvisor, and many more, have grown in popularity amongst travelers around the world. Its service features allow travelers to easily compare different options, price, and service quality of various hotels. In the meantime, it enables hoteliers to reach many more customers.
- Social media is becoming a crucial marketing channel for many businesses, including hotels. It can help reach a huge range of audiences\*, maintain customer relationships, and is a very cost-effective way to create strong brand recognition. Social media influencers are becoming the potential tool to promote hotels, especially to millennials, who are the majority group of travelers.

*Note: \* There were around 3.8 billion social media users around the world as of Jan 2020. (Source: Digital 2020 Report by We Are Social and Hootsuite)*

## Key Players in the Hotel Business in Thailand (1)

### Major Thai Hotel Operators

Hotel Operator	No. of hotels*		No. of rooms*		Data as of	Brand portfolio	
	owned	managed	owned	managed		Owned brands	Others**
Minor International Plc.	20	8	3,105	1,904	2019/12	Anantara, Avani,	ST. Regis, Four Seasons, JW Marriott
Central Plaza Hotel Plc.	15	21	3,940	2,902	2019/9	Centara, Centara Grand, Centra, Cosi, Centara Boutique Collection, Centara Residences & Suites	-
Asset World Corporations Plc.	16	-	4,869	-	2020/2	-	The Luxury Collection, The Okura, Banyan Tree, Marriott, Sheraton, Le Meridien, Melia, Hilton, Doubletree, Holiday Inn
Erawan Group Plc.	65	-	8,726	-	2019/12	Hop Inn	Novotel, Mercure, Ibis, JW Marriott, Grand Hyatt, Renaissance, Courtyard, Holiday Inn, The Luxury Collection,
Dusit Thani Plc.	7	5	1,629	1,104	2019/12	Dusit Thani, Dusit Princess, DusitD2, Dusit Devarana, Asai	-

Note: \* Only the number of hotels and rooms of hotels operating in Thailand are included. "Owned" means owned and leased assets. "Managed" represents hotels that are managed by the company under a management contract.

\*\* Others include hotel brands, which are the company's assets, operating under hotel management agreement or franchise agreement with other hotel chains.

Source: Compiled from Company annual reports, company websites and public news



## Key Players in the Hotel Business in Thailand (2)

### Major International Hotel Chains

Hotel Chain	No. of hotels*	Brand portfolio in Thailand
<b>Accor</b>	93 (Feb 2020)	Pullman, Swissotel, Novotel, Ibis, Movenpick, Sofitel, Mercure Grand Mercure, M Gallery
<b>Marriott</b>	45	JW Marriott, The Ritz Carlton, W Hotel, Courtyard, Sheraton, St. Regis, Westin, Meridien, Four Points by Sheraton, Renaissance, The Luxury Collection, Aloft
<b>IHG</b>	29	InterContinental, Crowne Plaza, Holiday Inn, Holiday Inn Express, Hotel Indigo
<b>Hilton</b>	11	Hilton, Millennium, Waldorf Astoria, Doubletree, Conrad, Canopy

Note: \* Data is as of 2019, unless otherwise specified.

### Japanese Hotel Chains

Hotel Chain	No. of hotels	No. of rooms	Brand portfolio in Thailand
<b>Okura-Nikko</b>	4*	1,115	<ul style="list-style-type: none"> <li>▪ Okura Prestige</li> <li>▪ Nikko Hotels</li> <li>▪ Hotel JAL City</li> </ul>
<b>Solaria Nishitetsu</b>	1**	263	<ul style="list-style-type: none"> <li>▪ Solaria Nishitetsu</li> </ul>
<b>Kuretake Hotel &amp; Restaurant</b>	1	117	<ul style="list-style-type: none"> <li>▪ Kuretakeso</li> </ul>

Note: \* Two out of four hotels will open in May 2020 and 2021.

\*\* The hotel will open on May 30, 2020.

Source: Compiled from Company annual reports, company websites and public news

## Restrictions on Foreign Investment in the Hotel Business in Thailand

- Foreign investment in the hotel business in Thailand is limited by two main laws, the Foreign Business Act and the Land Code.
- According to the Foreign Business Act, foreign companies are not permitted to operate hotels, except for hotel management services. In addition, the foreign ownership of land is not permitted under the Land Code.
- However, the restrictions can be relaxed for hotel projects which have been qualified as BOI-promoted activities.

### Some Restrictions/ Relaxations for Different Forms of Foreign Investment in the Hotel Business in Thailand



Company ownership		Restrictions/ Relaxations/ Criteria	
<div>Thai company</div>	Finding Thai partner to establish a company with Thai shareholding of 51% or more.	✓	Thai companies can operate hotel businesses with ownership rights on land and property without a Foreign Business License.
	Being the foreign-majority company	✗	Foreign companies are not permitted to operate hotel businesses. However, <b>it can operate the hotel management service</b> business, which is excluded from the restrictions of the Foreign Business Act.
<div>Foreign company</div>	US companies are permitted to hold a majority share in hotel businesses.	✓	US-majority companies are permitted to operate hotel businesses in Thailand, according to the US-Thailand Treaty of Amity. However, <b>land ownership is not permitted</b> .
	Apply for BOI to operate hotel business.	✓	Foreign majority companies can operate hotel businesses in Thailand if it is qualified as a BOI-promoted project. In order to get BOI approval, the hotel project is required to meet the following criteria: <ul style="list-style-type: none"> <li>The promoted project must construct a new hotel.</li> <li>Each hotel must have ≥100 rooms <b>OR</b> a minimum investment (excluding cost of land and working capital) of ≥ 500 million baht.</li> </ul>

Source: BOI, Foreign Business Act (1999), Land Code (1954)

## Main Regulations/ Rules Regarding the Hotel Business (1)

- The Building Control Act and the Hotel Business Act are the main acts regulating the hotel business in Thailand.
- These Acts regulate and control the hotel construction and business operation, i.e., criteria for obtaining hotel construction permits, licensing and conditions for hotel operation.

### License and approval for hotel construction

 <b>IEE/ EIA Approval</b>	<b>EIA Approval</b>	<ul style="list-style-type: none"> <li>▶ The environmental impact assessment (EIA) approval by Office of Natural Resources and Environmental Policy and Planning is required for the construction of hotels with at least 80 rooms.</li> </ul>
	<b>IEE Approval</b>	<ul style="list-style-type: none"> <li>▶ Hotel with 10-79 rooms located in some specific areas need to submit an Initial Environmental Examination (IEE) report.</li> </ul>
 <b>Construction/ Occupancy permit</b>	<b>Prior to construction</b>	<ul style="list-style-type: none"> <li>▶ Permit from the local authority is required before starting construction.</li> </ul>
	<b>After completion of construction</b>	<ul style="list-style-type: none"> <li>▶ The local authority shall be informed to inspect the construction in order to issue the certificate prior to occupy the building, or if the hotel building is located outside of the Building Control Act, the "Certification of Building Inspection" issued by a licensed civil engineer is required.</li> </ul>
	<b>After occupying the hotel building</b>	<ul style="list-style-type: none"> <li>▶ Hotels with <math>\geq 80</math> rooms must be inspected/ audited by an engineer and architect annually.</li> <li>▶ Key inspection items include the structure of the building, electrical systems, ventilation systems, elevator systems, sanitary systems, and fire protection systems.</li> </ul>


Source: Building Control Act and related regulations



## Main Regulations/ Rules Regarding the Hotel Business (2)

- Hotels are defined as any place that provides paid accommodation for a period of less than one month, according to the Hotel Act of 2004.
- Operation of hotel businesses require a hotel business license, which is valid for 5 years. The license can be renewed and transferred.



### License for hotel business operation

 <b>Hotel Business License</b>	<b>Type of license</b>	<p><b>Type 1:</b> Hotels providing accommodation only</p> <p><b>Type 2:</b> Hotels providing accommodation and restaurant/ food services</p> <p><b>Type 3:</b> Hotels providing accommodation, restaurant/ food services, and has either a seminar room or an entertainment venue</p> <p><b>Type 4:</b> Hotels providing accommodation, restaurant/food services, seminar rooms and entertainment venues</p>			
	<b>Fees</b>	<p><b>License fee:</b> <u>Type 1:</u> 10,000 baht      <u>Type 2:</u> 20,000 baht</p> <p><u>Type 3:</u> 30,000 baht      <u>Type 4:</u> 40,000 baht</p> <p><b>Annual fee:</b> 80 baht/ room</p> <p><b>Renewal fee:</b> 50% of the license fee</p>			
	<b>Authorized agency</b>	<ul style="list-style-type: none"> <li>Hotels situated in Bangkok: Department of Provincial Administration</li> <li>Hotels in other provinces: District office</li> </ul>			
	<b>Exception</b>	<ul style="list-style-type: none"> <li>A license is not required if the business has no more than 4 rooms (on all floors in all buildings) with a total service capacity of no more than 20 guests.</li> <li>However, the business operator must submit the notification to the authorized agency.</li> </ul>			

Source: Hotel Act (2004) and related Ministerial Regulations

## Main Regulations/ Rules Regarding the Hotel Business (3)

### Necessary conditions/ permissions for hotel business operation

 <p><b>Necessary conditions for licensing</b></p>	<p><b>General conditions</b></p> <p>To get the license, all hotel operators must meet some requirements regarding the following issues.</p> <ul style="list-style-type: none"> <li>▶ Appropriate location of i.e., entrance/ exit</li> <li>▶ Building structure: i.e., width of walkway, ladder, loading weight</li> <li>▶ Security system: i.e., fire protection system</li> <li>▶ Necessary facilities: i.e., guest registration, communication system, parking area, sufficient restrooms, proper wastewater &amp; drainage system/ lighting/ ventilation system, etc.</li> </ul> <p>Details of the requirements can be found in the Ministerial Regulations issued in accordance with the Building Control Act and the Hotel Act.</p>
	<p><b>Specific conditions</b></p> <p><b>Type 1:</b> Room size must be <math>\geq 8</math> sqm. and the total number of guest rooms must be <math>\leq 50</math>.  <b>Type 2:</b> Room size must be <math>\geq 8</math> sqm.  <b>Type 3 &amp; 4:</b> Room size must be <math>\geq 14</math> sqm. and no entertainment venue will be allowed unless these hotels have more than 80 rooms.</p>
 <p><b>Activities which require permission/ notification</b></p>	<p><b>Permission</b></p> <p>Permission is required for the following activities:</p> <ul style="list-style-type: none"> <li>▶ Changing hotel name</li> <li>▶ Changing hotel type</li> <li>▶ Changing the number of hotel rooms, which affects the structure of the hotel</li> <li>▶ Transfer the hotel business license</li> </ul>
	<p><b>Notification</b></p> <p>The following activities do not require permission, but notification to the authorized agency is necessary.</p> <ul style="list-style-type: none"> <li>▶ Changing the number of hotel rooms, without affecting the hotel structure</li> <li>▶ Termination of the hotel business</li> <li>▶ Appointment of the hotel manager*</li> </ul> <p>* Hotel managers must obtain a certificate or have experience as prescribed by the Hotel Business Supervision and Promotion Committee, or have a certificate showing that they have attended a hotel management training program certified by the Committee. The hotel manager can be either Thai or foreign.</p>

Source: Hotel Act (2004) and related Ministerial Regulations

本資料は、現在弊社が入手し得る資料及び情報に基づいて作成したものです。弊社は、その資料及び情報に関する信憑性、正確さを独自に確認していません。本資料において一定の仮定を用いた試算を行っている場合、その試算結果は仮定に基づいた概算であるため、別途詳細な検討が必要です。本資料は貴社内での参考資料としてのご利用を目的として作成したものであり、他の目的で利用されること、本資料の貴社外でのご利用もしくは第三者への開示がなされることのないようお願い申し上げます。

© YAMADA Consulting Group Co., Ltd. 情報管理区分:SC-B

## Summary

- Thailand's tourism and hotel industry is facing immediate severe impact from the COVID-19 crisis. The industry may take a few years to recover to the same level as 2019 due to the upcoming worldwide economic depression. Other challenges, such as competition from regional tourism markets, rising competition from other accommodations, especially the home-sharing business, condotel, and the excess supply of hotels in some areas, will also continue to disrupt the performance of hotel operators.
- Despite several challenges, the long-term prospects for the country's tourism sector remain promising. Supporting factors, namely the country's wide variety of natural and cultural resources, well-developed infrastructure, an expansion of airline services, and strongly supportive government policies and incentives, will boost the demand for tourism and offer areas for future growth in the hotel industry.
- In order to make a successful investment and survive in the market, several issues need to be considered, as follows:





## ご留意事項

---

- 本資料は、貴社内においてサービス利用の判断の参考となる情報提供を目的として作成されたものであり、取引又はコンサルティングサービスの契約・申し込みを行うものではありません。
- 弊社を含むいかなる者も、本資料に含まれる情報の正確性、完全性、妥当性を保証するものではなく、また本資料に含まれる情報がもたらす一切の影響について責任を負うものではありません。
- 本資料に含まれる情報の一切の権利は弊社に帰属するものであり、弊社の承諾なしに無断での複製、貴社外でのご利用及び第三者への開示がなされることのないようお願い申し上げます。

## お問い合わせ先

---



山田コンサルティンググループ株式会社