

ABSTRACT

The Indonesian economic growth in the last five years is so fast. The dominant sector are increasing in industrial and trading, especially for non-oil exports. Average annually increase of investment for industrial sector during the period about 13 percent, and 18.2 percent for non-oil exports. The hotel sector to get the positive impact of those business activity growing.

The hotel sector in Indonesia during 1990 up to 1992 or may be for the next five years, has a good prospect. It's shown in increasing of the rate occupancy, especially for three, four and five star hotel in the capital cities and tourism area. In the end of 1990, the hotels had a rising occupancy rates up to 80 percent, as a highly rate.

East Java and Surabaya as capital city, established as centre of business of East Indonesia region, take a positive impact to the tourism and hotel sector in these region. The last data (December 1990), showed that the rate occupancy of the three, four and five star hotel had a rising up to 85 percent, as a good prospect of the hotel business. It's further impact of economic growth of East Java, especially for Surabaya the rise about 7 percent.

The other side, additional of the room hotel supplies are slowly. Indonesia Hotel and Restaurant Association (PHRI) said that during the last three years, Surabaya had no additional room rate hotel. The result of it, the hotel market showed in over demand, because the average growth of visitors around of 10 - 15 percent per annum.

Based on those opportunities, PT BINGIN RESORT HOTELS, hotel and tourism business company, has an idea to build the international five star hotel. The hotel planned to have 500 rooms. The location is considered very strategic as the area is known to one of the Centre Business District (CBD) of Surabaya. Legal aspect and technical planning has been done, the physical construction will be started in the beginning of 1993. The hotel is estimated has full commercial operation in 1995. The company will point out and experience and professional International Hotel Management to operate.

The development of Surabaya city, push the company to realize these project soon. The realization based on the schedule is important to find the potential market share of the hotel visitors. For the first step, the company make technical planning and arrange some evaluations project feasibility on the several aspect.