

IN RESORT HOTEL
 D OF BALANCE SHEET
 004 (Rp 'Million)

Dec.31	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
ASSETS :														
Plant	200	21,742	13,121	14,498	8,882	11,277	14,027	20,720	39,221	68,631	92,999	154,652	235,683	349,081
Residuals	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Receivable	0	0	0	1,769	2,229	2,789	3,221	4,007	4,628	5,727	6,615	7,640	8,824	0
Others	0	0	0	955	1,282	1,579	1,937	2,367	2,772	3,131	3,600	4,140	4,761	0
Intangible Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Intangible Assets	200	21,742	13,121	17,222	12,393	15,645	19,185	27,094	46,571	77,489	103,214	166,432	247,268	349,081
ASSETS :														
Plant	74,875	74,875	77,077	77,077	77,077	77,077	77,077	77,077	77,077	77,077	77,077	77,077	77,077	77,077
Construction & Civil Work	0	0	61,883	123,767	123,767	123,767	123,767	123,767	123,767	123,767	133,767	133,767	133,767	133,767
Mechanical & Electrical	0	0	12,885	25,770	25,770	25,770	25,770	25,770	25,770	25,770	33,270	33,270	33,270	33,270
Equipment	0	0	5,390	10,779	10,779	10,779	10,779	10,779	15,779	15,779	20,779	20,779	20,779	20,779
Intangible Eq.	0	0	341	682	682	682	682	682	1,182	1,182	1,682	1,682	1,682	1,682
Acc. Depreciation	74,875	74,875	157,576	238,075	238,075	238,075	238,075	238,075	243,575	243,575	266,575	266,575	266,575	266,575
Net	0	0	0	0	(11,058)	(22,115)	(35,173)	(45,350)	(57,448)	(69,645)	(84,153)	(94,505)	(104,520)	(114,535)
Net	74,875	74,875	157,576	238,075	227,017	215,960	204,982	192,745	186,127	173,930	182,422	172,070	162,055	152,040
CHARGES :														
Depreciation Expenses	0	4,377	8,755	8,755	8,755	8,755	8,755	8,755	8,755	8,755	8,755	8,755	8,755	8,755
Plant	0	4,141	8,282	8,282	8,282	8,282	8,282	8,282	8,282	8,282	8,282	8,282	8,282	8,282
Intangible	0	0	11,053	22,106	22,106	22,106	11,053	22,106	22,106	22,106	11,053	22,106	22,106	22,106
During Constr.	0	0	4,417	8,834	8,834	8,834	4,417	8,834	8,834	8,834	4,417	8,834	8,834	8,834
Foreign Exch	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Charges	0	8,518	32,507	47,977	47,977	47,977	32,507	47,977	47,977	47,977	32,507	47,977	47,977	47,977
Acc. Amortization	0	0	0	0	(4,798)	(9,595)	(14,392)	(19,190)	(23,988)	(28,786)	(33,583)	(38,381)	(43,179)	(47,976)
Net	0	8,518	32,507	47,977	43,179	38,382	18,115	28,787	23,989	19,191	(1,076)	9,596	4,798	1
Net	74,875	105,175	203,204	303,274	282,589	269,987	242,202	248,626	256,687	270,610	284,560	348,098	414,121	501,122

WINGIN RESORT HOTEL
 STATEMENT OF BALANCE SHEET
 2004 (Rp 'Million)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Dec.31														

ASSETS & EQUITIES :														
LIABILITIES :														
Account Payable	0	0	0	0	610	739	902	1,106	1,351	1,542	1,773	2,039	2,345	2,697
Loan - Current (KMK)	0	0	0	2,002	2,002	1,015	28	28	28	28	28	28	0	0
Term Debt Maturities Payable	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Current Liabilities	0	0	0	2,002	2,612	1,754	930	1,134	1,379	1,570	1,801	2,067	2,345	2,697
Shareholder's	25,075	45,075	55,075	65,075	65,075	65,075	65,075	65,075	65,075	65,075	65,075	65,075	65,075	65,075
TERM LIABILITIES :														
Current Loan	0	0	88,068	176,136	176,136	176,136	164,292	152,448	132,708	112,968	93,228	73,488	53,748	34,008
EQUITIES :														
Stock	50,000	60,060	60,060	60,060	60,060	60,060	60,060	60,060	60,060	60,060	60,060	60,060	60,060	60,060
Retained Earnings	0	0	0	0	(21,295)	(33,040)	(32,686)	(24,593)	(2,576)	30,934	79,864	147,406	232,892	339,280
Owner's Equities	50,000	60,060	60,060	60,060	38,765	27,020	27,374	35,467	57,484	90,994	139,924	207,466	292,952	399,340

LIABILITIES & EQUITIES	75,075	105,135	203,203	301,271	282,588	269,985	256,741	252,990	256,646	270,607	298,227	346,029	414,120	501,120

WILINGIN RESORT HOTEL
 SELECTED OF INCOME STATEMENT
 1995 - 2004 (Rp 'Million)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
55%	28,304	33,663	44,624	51,540	64,108	74,045	91,630	105,833	122,237	141,184
60%	3,888	5,216	6,427	7,884	9,634	11,079	12,740	14,657	16,849	19,376
65%	292	391	482	591	723	831	956	1,099	1,264	1,453
70%	13,176	17,678	21,782	26,719	32,647	37,544	43,176	49,657	57,100	65,665
75%	842	1,130	1,393	1,708	2,087	2,400	2,760	3,174	3,651	4,198
75%	3,335	4,424	5,394	6,554	7,937	9,053	10,333	11,801	13,483	15,417
75%	1,015	1,349	1,649	2,006	2,434	2,780	3,178	3,634	4,158	4,759
75%	2,970	3,580	4,302	4,790	5,762	6,456	7,773	8,756	9,887	11,188

	25,518	33,768	41,429	50,252	61,224	70,143	80,916	92,778	108,392	122,056

454	609	750	920	1,124	1,292	1,486	1,709	1,966	2,261	
270	362	446	548	669	769	885	1,017	1,170	1,346	
279	376	465	573	704	813	939	1,084	1,252	1,446	
234	316	391	482	591	683	788	911	1,052	1,215	

1,237	1,663	2,052	2,523	3,088	3,557	4,098	4,721	5,440	6,268	

900	1,208	1,488	1,825	2,230	2,564	2,949	3,392	3,900	4,485	
693	913	1,194	1,442	1,875	2,264	2,929	3,537	4,271	5,157	
360	483	595	730	892	1,026	1,180	1,357	1,560	1,794	

1,953	2,604	3,277	3,997	4,997	5,854	7,058	8,286	9,731	11,436	

57,012	71,698	91,382	108,312	133,417	153,599	183,702	211,618	245,800	280,944	

101.43%	106.65%	104.78%	110.15%	108.11%	107.44%	100.48%	99.94%	99.45%	98.99%	

RUJES :

pancy Rate
 l & Beverage :
 ffee Shop
 r and Lounge
 staurant
 her F&B Outlet
 nction Room
 all Meeting Room
 OM Service

r Operation :
 sco/Nite Club
 kery (Show Case)
 fice Rental
 apping Arcade 19 Module

S :
 iness Center
 ndry
 port and Health Center

Revenue
 on Sales Coeffisien

MENTAL COST & EXPENSES

Cost & Exp.

991	1,248	1,562	1,804	2,244	2,592	3,207	3,704	4,278	4,941
8,742	11,588	14,240	17,297	21,103	24,208	27,961	32,092	36,842	42,304
233	313	386	473	579	666	767	882	1,015	1,168
838	1,119	1,400	1,710	2,124	2,474	2,943	3,435	4,011	4,687

 10,804 14,268 17,588 21,284 26,050 29,940 34,878 40,113 46,146 53,100

l & Related

Dept. Cost & Exp.

4,845	6,279	7,777	9,242	11,372	13,088	15,596	17,968	20,686	23,852
4,012	4,212	4,423	4,644	4,876	5,120	5,376	5,645	5,927	6,223

 19,661 24,759 29,788 35,170 42,298 48,148 55,850 63,726 72,759 83,155

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7,465	7,838	8,230	8,641	9,073	9,527	8,230	8,641	9,073	9,527
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PERATING PROFIT

 29,886 39,101 53,364 64,501 82,046 95,924 119,622 139,251 163,968 188,262

IG EXPENSES :

l & Adm. Expenses

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ing Expenses

2,669	2,989	3,348	3,750	4,200	4,704	5,268	5,900	6,608	7,401
1,995	2,579	3,198	3,791	4,670	5,376	6,430	7,406	8,533	9,833
1,789	2,102	2,442	2,795	3,251	3,683	4,242	4,810	5,455	6,188

 6,453 7,670 8,988 10,336 12,121 13,763 15,940 18,116 20,596 23,422

erating Expenses

 23,433 31,431 44,376 54,165 69,925 82,161 103,682 121,135 143,372 164,840

(INCOME) & EXPENSES :

Interest Income	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
Loss (Inc) On Frgn Exch.	9,280	9,726	9,488	9,267	8,471	7,554	6,565	5,435	4,166	2,774			
Total Other Expenses	9,280	9,726	9,488	9,267	8,471	7,554	6,565	5,435	4,166	2,774			

E BEFORE INTEREST, DEP.

AMORTIZATION	14,153	21,705	34,888	44,898	61,454	74,607	97,117	115,700	139,206	162,066			
DEPRECIATION	19,595	19,595	18,564	17,152	15,144	12,972	10,801	8,630	6,458	3,349			
DEPRECIATION & AMORTIZATION	15,855	13,855	13,855	16,955	16,955	16,955	19,305	15,149	14,813	14,813			
E BEFORE TAXES	(21,297)	(11,745)	2,469	10,791	29,355	44,680	67,011	91,921	117,935	143,904			

E TAXES :

Income Taxes	0	0	105	2,685	7,326	11,157	16,297	22,501	28,482	35,450			
50 Million	0	0	10	10	10	10	10	10	10	10			
Million	0	0	2	2	2	2	2	2	2	2			

Income Taxes

Income After Taxes	(21,297)	(11,745)	2,352	8,094	22,017	33,511	50,702	69,408	89,441	108,442			
Income Earning - Beginning	0	(21,295)	(33,040)	(32,686)	(24,593)	(2,576)	30,934	79,864	147,406	232,892			

Income Earning - Ending

Income Earning - Ending	(21,297)	(33,040)	(30,688)	(24,592)	(2,576)	30,935	81,636	149,272	236,847	341,334			
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WINGIN RESORT HOTEL
 EVENT ANALYSIS
 - 2004 (Rp 'Million)

	1995	1996	1997	1998	1999	2000	20001	2002	2003	2004
REVENUE	57.012	73.699	91.382	108.312	133.415	153.599	183.702	211.607	243.801	280.944
OPERABLE EXPENSES										
- Depreciational Cost & Exp	19,660	24,759	29,787	35,270	42,297	48,148	55,850	63,718	72,760	83,156
- P&A	6,877	7,220	7,581	7,962	8,359	8,776	9,215	9,676	10,160	10,668
- Operating Expenses	3,483	3,999	4,567	5,175	5,917	6,669	7,586	8,555	9,649	10,886
- Variable Cost	30,020	35,978	41,935	48,407	56,573	63,593	72,651	81,949	92,569	104,710
CONTRIBUTION MARGIN (Rp.)	26,993	37,721	49,447	60,006	76,843	90,006	111,050	129,659	151,232	176,234
CONTRIBUTION MARGIN (%)	47.35%	51.18%	54.11%	55.40%	57.60%	58.60%	60.45%	61.27%	62.03%	62.73%
OPERATIONAL COST										
- Depreciation & Amort	588	617	648	681	715	750	788	827	869	912
- Sal & Adm Expenses	15,855	15,855	15,855	16,955	16,955	16,955	19,305	15,149	14,813	14,813
- Other Exp	2,645	3,307	4,014	4,704	5,692	6,522	7,713	8,843	10,142	11,636
- Total	325	364	408	457	511	573	641	718	805	901
FIXED COST										
- Total	19,413	20,143	20,925	22,797	23,873	24,800	28,447	25,537	26,629	28,262
NET OPERATING EXPENSES	19,595	19,595	18,564	17,152	15,144	12,972	10,801	8,630	6,458	3,349
NET OPERATING EXPENSES (%)	39,008	39,738	39,489	39,949	39,017	37,772	39,248	34,167	33,087	31,611
EVENT POINT (Rp.000)	41,003	39,358	38,671	41,148	41,450	42,322	47,058	41,679	42,928	45,054
CONTRIBUTIVE INTEREST	82,391	77,643	72,979	72,108	67,743	64,460	64,925	55,763	53,340	50,392
CONTRIBUTIVE INTEREST (%)	71.92%	53.40%	42.32%	37.99%	31.07%	27.55%	25.62%	19.70%	17.61%	16.04%
CONTRIBUTIVE INTEREST (%)	144.51%	105.35%	79.86%	66.57%	50.78%	41.97%	35.34%	26.35%	21.88%	17.94%

RESORT HOTEL
 RATE OF RETURN (IRR)
 9 (Rp Million)

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Total																
After Taxes	782,617	0	0	(7,992)	(4,007)	110	2,282	5,643	7,889	10,365	13,007	14,966	16,932	20,083	30,369	58,554
Expense	37,498	0	0	7,354	6,685	5,758	4,836	3,882	3,023	2,288	1,662	1,131	533	313	33	0
Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Depreciation & Amortization	50,938	0	0	5,950	5,409	4,917	4,781	4,346	3,951	4,090	2,917	2,593	2,358	2,193	2,040	1,898
Net Cash Flow	871,053	0	0	5,312	8,087	10,785	11,899	13,871	14,863	16,743	17,586	18,690	19,823	22,589	32,442	60,452
Initial Investment	168,160	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NPV	1,039,213	0	0	5,312	8,087	10,785	11,899	13,871	14,863	16,743	17,586	18,690	19,823	22,589	32,442	60,452
IRR	15%	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Internal Rate of Return	1.0000	0.8696	0.7561	0.6575	0.5718	0.4972	0.4323	0.3759	0.3269	0.2843	0.2472	0.2149	0.1869	0.1625	0.1413	0.1229
NPV	32,566	(37,400)	(37,763)	(26,506)	(3,493)	4,624	5,362	4,474	5,215	4,832	3,374	4,017	3,705	3,671	4,585	7,429
Internal Rate of Return	20%	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Internal Rate of Return	1.0000	0.8333	0.6944	0.5787	0.4823	0.4019	0.3349	0.2791	0.2326	0.1938	0.1615	0.1346	0.1122	0.0935	0.0779	0.0649
NPV	(20,645)	(37,400)	(36,190)	(24,343)	3,074	33,900	4,334	33,466	3,871	3,438	2,840	2,515	2,223	2,111	2,527	3,924

Cost of Capital 10.29%

Internal Rate of Return 17.62%

LAGUN RESORT HOTEL
 PRESENT VALUE (NPV)
 2009 (Rp. Million)

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Total																
CASH FLOW	(74,875)	(95,636)	(84,916)	14,155	23,786	34,772	36,701	5,411	63,438	56,035	91,322	106,757	124,550	152,571	235,564	471,855
Discount Factor @ 6%	10,000	0.8245	0.6797	0.5604	0.4621	0.3810	0.3141	0.2590	0.2135	0.1760	0.1451	0.1196	0.0986	0.8813	0.8671	0.0553
NET PRESENT VALUE	(74,875)	(78,849)	(57,721)	7,933	10,953	13,247	11,527	14,013	13,544	9,863	13,253	12,773	12,287	12,409	15,796	26,087

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 NET PRESENT VALUE Rp. 211,164
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T & RATE

Product / Unit (Unit)	Capacity	Turn Over Discount Rate	Rate & Price	
			15.00 % net Rate	
Standar room	421	Published Rate US %	125	106
Suite room	78		200	170
President Suite	1		1,200	1,020
Food & Beverage : Rp. -----				
Free Shop - 80 % (Seat)	192	2.50 times/day	40,000	per seat visitors
Bar and Lounge (Seat)	60	1.00 times/day	35,000	per seat Outsider
Restaurant (Seat)			25,000	per seat Alcohol Drink
Lobby Level	120	3.00 times/day	30,000	per seat
Speciality	120	2.50 times/day	50,000	per seat
Office Level	80	2.00 times/day	40,000	per seat
Revolving	160	3.00 times/day	60,000	per seat
Bar F & B outlet (Seat)	120	1.00 times/day	32,500	per seat
Function Room 70% (Seat)	840	12.00 times/month F & B	5,000,000	
Meeting Room 70% (Seat)	245	30.00 times/month F & B	500,000	
Room Service (of Visitors)	60.00%	Soft Drink	15,000	per visitor
Bar Operation		Dinner & Lunch	35,000	per visitor
Casino / Nite Club (Visitors)	70		30,000	per visitor
Bar		25.00 days/month	1,500,000	per day
Office Rental (M2)	800	US\$	20	M2 per month
Bar	672	US\$	20	M2 per month

	25.00 days/month	5,000,000	per day
Business Center			
Laundry (of Visitors)	70.00%	10,000	per visitor
Port & Health Centre	25.00 days/month	2,000,000	per day]

CUPANCY RATE

	1995	1996	1997	1998	1999	2000	2001 ...
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Room	55%	60%	65%	65%	70%	70%	75%
Minor operation	60%	70%	75%	80%	85%	85%	85%

CREASES :

- Package Rate 10.00 % per annum
- Room rate 5.00 % per annum
- Other Revenue 15.00 % per annum
- Cost & Expenses 12.00 % per annum
- Interest Rate 11.00 % per annum

RECT EXPENSES & PAYROLL :

Percentage of Related Revenue

	Direct Expenses	Payroll & Related
Room	3.50%	7.50%
Bar / Nite Club	25.00%	9.00%
Coffee Shop	35.00%	9.00%
Bar & Lounge	35.00%	9.00%
Restaurant	35.00%	10.00%
Other F & B	35.00%	9.00%
Meeting room (F&B)	35.00%	9.00%
Meeting room (F&B)	35.00%	9.00%
Business Center	60.00%	7.50%
Bakery	30.00%	9.00%
Shopping Arcade	7.50%	5.00%
Office Rental	7.50%	5.00%
Laundry	30.00%	10.00%
Room services	35.00%	10.00%
Port Center	25.00%	10.00%

8.53%

APPENDIXES C - 1
HOTEL BUSINESS NEWS

" ASIAN WALL STREET JOURNAL "

MONDAY , OCTOBER 5TH , 1992

Surabaya Is on Verge Of a Hotel-Room Boom

Indonesia's second city, Surabaya, is poised for a hotel-building boom, thanks to a tripling of the city's supply of office space since 1989 and the gradual development of a commercial sector.

Deregulation of Indonesia's banking industry has attracted major fi-

nancial institutions and foreign capital investment to Surabaya, the capital of East Java and a major manufacturing and shipping center, according to hotel consultancy Horwath Asia Pacific. That has brought the spurt in commercial-real-estate construction.

Now the city is seeing the start of a hotel-construction boom. Horwath estimates that 1,500 new hotel rooms will join the deluxe hotel market in the next five years. Currently, Surabaya has only 1,250 hotel rooms of international standard, mostly three-star properties. Ninety percent of the demand for these rooms comes from commercial travelers.

As the new hotels come on stream, occupancy rates, now averaging 75%, are expected to fall, Horwath cautions that Surabaya is, and will remain, mostly a domestic market. In 1991, 96% of the one million passengers who arrived at the city's international airport were Indonesian residents, the consultancy says. While local businessmen will trade up to the new hotels, they will be rate-sensitive. The average daily room rate for the existing three-to-five-star hotels is \$71.

" ASIAN WALL STREET JOURNAL "

OCTOBER 5TH, 1992 .

Japanese Guests Find Hotel Perks Blossom

International hotel groups are going to greater lengths to provide services and amenities to their Japanese clientele, which has grown in recent years.

Four Seasons Hotels properties in the U.S. and Canada offer Japanese breakfasts, slippers and robes, and some rooms have tatami mats. At the chain's Pierre Hotel in New York, employees take classes on Japanese customs and learn key Japanese-language phrases.

Hyatt Hotels in New York, Atlanta, Los Angeles and Bellevue, Washington, have special floors for Japanese guests, where green tea and a basket of Japanese welcome gifts are delivered within 30 minutes of check-in. At these and some other Hyatt properties, foreign newspapers are available upon request and business centers stay open longer <

MANDIRI ATAU MASUK ALIANSI?

Seberapa tangguh kemampuan bangsa sendiri?

ADRIANUS MELIALA

Berlantai marmer beratap alang-alang, hotel dengan 75 kamar itu terasa eksklusif. Terletak di kawasan Pantai Kuta, Bali, hotel itu menjanjikan sesuatu bagi para wisman (wisatawan mancanegara) guna mampir dan menginap. Nyatanya, tak banyak tamu yang datang. Entah di mana salahnya: Yang terang, pihak manajemen hotel — dari Grup Pepsi Cola — hanya bisa menumpuk utang.

Kayu Aya Beach Hotel itu, akhirnya, dielang, 1978. Pemilik barunya adalah PT Widja Putra Karya. Walau membeli hotel, "Tapi kami tak pernah berpikir untuk mengelolanya sendiri. Kami lebih suka mengontrakkannya," ujar I Wayan Pasek, S.E., sang presdir. The Oberoi adalah pihak yang kemudian diajak bermitra.

Atas dasar kontrak manajemen selama 17 tahun, nama hotel berubah menjadi

Hotel Bali Oberoi. Setelah beberapa saat, berubah lagi menjadi The Oberoi. "Demi keseragaman nama, berhubung mutu hotel ini telah sejajar dengan standar mutu hotel-hotel Oberoi lainnya," tambah Pasek.

Mutu itu tak dicapai dengan gampang. Hingga 1984, bule-bule profesional itu tetap saja menemui kesulitan. Perubahan nama hotel, serta jumlah penerbangan internasional yang terbatas ke Bali, adalah beberapa kendala yang sulit dielakkan. Juga, perihal kamar-kamar hotel yang sudah 'tua'. Alhasil, *owner* harus menyuntik dana segar guna renovasi dan perluasan hotel.

Setelah Rp 1 miliar habis, hotel kemudian siap menanggung untung. Di tangan Oberoi, hotel segera mencapai tingkat hunian kamar (*occupancy rate*) rata-rata 87% per bulan. Nama yang bertaraf dunia, mau tak mau, memang dimanfaatkan sebagai alat pemikat wisman. Hingga tahun lalu, pemilik telah dapat mencicil utang ke bank. Diperkirakan, dalam dua tahun investasi semiliar rupiah lebih itu telah kembali.

Memanfaatkan nama manajemen hotel yang kondang juga menjadi salah satu tujuan PT Hotel Prapatan, pemilik Aryaduta Hyatt, Jakarta. "The touch of Hyatt kan sudah *established* di mana-mana," ujar Saleh, salah seorang direksi. Tapi, tak hanya itu. "Mereka juga membawa *technical know-how* di bidang perhotelan serta akses jaringan yang luas," tambah Saleh.

Kemampuan Hyatt mengeduk laba di Aryaduta membuat investor lain juga ingin menjadi anggota Kelompok Hyatt. Kini, Hyatt Hotels & Resorts — pengelola 154 hotel di seantero dunia — juga ada di Surabaya, Bali. Grup Bi-

mantara juga menggandeng Hyatt saat mendirikan hotel yang bergandengan gedung dengan Indonesia Plaza. Hotel itu bernama Grand Hyatt.

Cerita tentang investor yang menggandeng pihak manajemen asing, memang, tidak baru. Sejak 1974, telah terlihat kecenderungan menggabungkan diri dalam suatu *hotel chain* atau aliansi hotel. Ketika itu, adalah Sahid Jaya Hotel yang menggandeng Boulevard, grup dari Travelodge Australia. Adapun kerja sama meliputi bidang *reservation* (pemesanan tempat), serta konsultasi pemasaran internasional. Namun, "Hanya bertahan dua tahun karena kurang menguntungkan," ujar Sukamdani S. Gitosardjono, bos Sahid Hotels Group.

Sahid Group kemudian memilih menjadi grup hotel independen tanpa perlu bergabung dengan kelompok-kelompok manajemen hotel seperti Sheraton, Hilton, Continental, Regent dan lain sebagainya. "Kami mencari ciri manajemen yang mandiri dengan *men-set up* sistem manajemen sendiri," tambah Sukamdani.

Dan, hasil kerja Sukamdani es memang lebih dari sekadar lumayan. Sahid Grup kini memiliki 10 hotel di berbagai tempat di Indonesia, dengan kapasitas lebih dari 2.000 kamar. Total karyawan sekitar 4.500 orang. "Kami juga-punya lembaga pendidikan dan latihan sendiri," ujar Sukamdani: "Dari situ, kita bisa rekrut tenaga-tenaga profesional guna ditempatkan di berbagai hotel Sahid Group. Oleh karena itu, orang asing yang kami kontrak hanya sedikit," lanjut Sukamdani.

Memang, walaupun sudah besar, Sahid Group tampaknya tetap merasa perlu menyewa beberapa *expatriate* guna mengisi posisi yang dianggap strategis. Misalnya, posisi *general manager* (GM) Sahid Hotel di Jakarta dan Bali. Menurut Sukamdani, "Bukannya orang Indonesia tak mampu. Tapi, untuk melayani tamu-tamu asing, akan lebih mudah bila dilakukan oleh orang asing juga."

Nah, walau hanya untuk skala nasional, Sahid Management Company bahkan mulai bertindak bak Hyatt atau Oberoi. Yakni, ikut mengelola berbagai hotel lain lewat kontrak manajemen operasional. "Sistem ini *has been working well*. Biayanya relatif murah dibanding kalau bergabung dengan manajemen asing," lanjut Sukamdani setengah berpromosi.

Management fee buat para profesional itu memang tidak murah. Pemilik The Oberoi Bali, misalnya, memberikan sebesar 12,5% dari hasil Gross Operation Product (GOP) kepada partner manajemennya. Sebaliknya, Aryaduta Hyatt punya formulasi berbeda.



KEMAMPUAN MENGEDUK LABA: Hotel Aryaduta

Seni "Marketing Mix" Kepariwisataan

KINI, begitu banyak negara di dunia memprioritaskan pembangunan kepariwisataan untuk bisa menjadi pemasok devisa. Bahkan sejumlah di antaranya benar-benar mengandalkan pendapatan utamanya dari sektor ini. Ini terjadi karena kepariwisataan, dalam beberapa hal, mampu memberikan keuntungan-keuntungan tertentu yang tak bisa dihasilkan oleh sektor-sektor lain.

Kepariwisataan kemudian dikembangkan seluas-luasnya. Daerah-daerah tujuan wisata yang dianggap potensial untuk itu ditata secantik mungkin, agar bisa membangkitkan minat wisatawan—aktual maupun potensial—untuk mendatanginya. Juga, komponen-komponen lain yang menunjang, seperti sarana akomodasi, jaringan transportasi, sistem regulasi, dan sebagainya, diusahakan memberikan aksesibilitas yang tinggi untuk alasan kenyamanan dan kepuasan wisatawan.

Pemasaran pun, salah satu unsur pokok dalam sistem pengelolaan kepariwisataan, mendapat perhatian penting dalam pengembangan *smokeless industry* ini. Betapa tidak. Para pengelola bisnis ini semakin menyadari bahwa kemajuan ke-munduran usahanya bergantung pada segi-segi pemanfaatan pemasaran. Kalau boleh dibayangkan, kini, ada semacam keyakinan, dalam bidang usaha saja, bahwa pemasaran 'mengusai' perusahaan.

Peranan pemasaran kepariwisataan yang semakin membesar ternyata mengilhami pencemotian ide *marketing mix* yang sering diistilahkan sebagai 'paduan pemasaran', 'bauran pemasaran', atau juga 'campuran pemasaran' oleh sejumlah ekonom Indonesia) dari prinsip-prinsip pemasaran umum ke dalamnya. Hasilnya, *marketing mix* memiliki keberadaannya yang amat *applicable* dalam bisnis kepariwisataan, mengingat aplikasi bagian-bagian pemasaran secara terpisah lebih sering tidak menghasilkan apa-apa, malah hanya menghabiskan modal, tenaga, dan waktu saja.

Marketing mix merupakan seni pelaksanaan pemasaran yang berupa *product, price, promotion, dan place* (atau *distribution*, yang diterapkan secara terpadu dan menyeluruh. Perpaduan keempat unsur tersebut mengakibatkan usaha pemasaran berjalan secara efektif dan efisien, dan yang lebih penting, tujuan pemasaran, yakni untuk memuaskan kebutuhan konsumen (atau, dalam hal ini, wisatawan), di samping untuk mencari keuntungan bagi perusahaan, bisa tercapai.

BAGAIMANA pun, penerapan pemasaran kepariwisataan berbeda dengan penerapan pemasaran barang fisik umumnya. Ini penting dipahami karena dalam pembicaraan *marketing mix*, karakteristik-karakteristik produk, harga, promosi, dan distribusi kepariwisataan tidak sama dengan yang ada pada barang berwujud, seperti mobil atau rekrek api.

Dalam hal produk, kepariwisataan bersifat *intangible*, tak bisa diraba, dipotret, maupun dicicipi, sebelumnya. Ia adalah angan-angan, bayangan, atau janji. Jelas, kepariwisataan adalah *business of selling dreams*. Atau, dengan kata lain, kenyataan atau perwujudannya baru bisa dirasakan ketika perjalanan wisata dimulai, lebih-lebih pada saat berada di tempat tujuan. Kalau pun dikatakan 'bisa dibungkus', itu terbatas dalam brosur, folder, leaflet, booklet, dan media sejenis lainnya.

Produk kepariwisataan, kalau dijabarkan, bisa berupa atraksi-atraksi 'natural' dan sosial-budaya, fasilitas-fasilitas akomodasi, transportasi, dan diskotek, dan citra pengalaman di tempat-tempat tujuan wisata, dan sebagainya. Kekhasan produk kepariwisataan ternyata juga menyebabkan kekhasan dalam hal *pricing*, atau penentuan harga. Harga, dengan demikian, harus tetap bertumpu pada kemampuan para *supplier*, seperti hotel, perusahaan penerbangan, objek wisata, dan lain-lainnya, dalam menciptakan produk. Ini, tentu, hal yang sangat kompleks karena materi-materi pembentuknya harus diperhitungkan untuk mendapatkan harga yang pas dari sudut produsen maupun konsumen.

Promosi kepariwisataan menyangkut berbagai usaha yang dipakai untuk memberitahu dan mempengaruhi pasar tentang produk yang diciptakan. Usaha-usaha yang termasuk di dalamnya adalah periklanan, *personal selling*, publisitas, promosi penjualan dan hubungan masyarakat. Namun demikian, diantaranya, yang paling banyak dipakai, tak lain, media cetak dan *personal selling*, yaitu dengan mendatangi wisatawan aktual maupun potensial untuk

mengadakan wawancara perihal kebutuhan wisatanya.

Sementara itu, distribusi kepariwisataan meliputi penyaluran produk ke tangan wisatawan. Kegiatan ini melibatkan para *supplier, wholesaler dan tour operator* (di Indonesia diistilahkan dengan Biro Perjalanan Umum) sebagai perantara, dan Agen Perjalanan sebagai pengecer. Dalam kegiatannya, distribusi 'dibantu' oleh perangkat-perangkat canggih, semacam teleks, faksimili, dan komputer, di samping juga telepon.

Untuk diketahui, karena *product, price, promotion, dan place* (atau *distribution*) sering ditingkatkan sebagai 4 P, ada pula yang mencoba menambahkannya dengan 3 P lainnya, yang terdiri dari *people, physical evidence, dan process*, sehingga *marketing mix* tidak lagi merupakan 4 P, melainkan 7 P. Akan tetapi, tampak sekali penambahan 3 P bagi 4 P agk dipaksakan, dan tidak mengandung makna spesifik tertentu lainnya. Atau, bisa juga dikatakan, penambahan tersebut cuma membuat ketumpangtindihan di antara unsur-unsur *marketing mix* itu sendiri.

MARKETING mix dimaksudkan untuk melaksanakan tindakan pemasaran yang sistematis dan menguntungkan dari segi bisnis.

Betapa tidak. Pengalaman-pengalaman para pengelola perusahaan kepariwisataan 'besar' di negara-negara maju menunjukkan, penyatuan aksi dan kekuatan dalam bentuk *marketing mix* jauh lebih membukakan peluang, dibandingkan dengan pengerahan aksi dan kekuatan secara berulang-ulang, tertkotak-kotak, dan tidak saling berhubungan.

Untuk memperoleh keuntungan yang banyak, hotel dan perusahaan penerbangan, misalnya, kerap memodifikasi produknya sedemikian rupa, dengan mendatangkan bahan-bahan mutakhir yang sangat mahal dari luar negeri. Apa yang terjadi kemudian justru jauh dari bayangan sebelumnya, karena, setelah dikalkulasi, kedua perusahaan menderita kerugian. Dengan bantuan riset dari bagian pemasaran, akhirnya diketahui, modifikasi produk yang sudah dijalankan seharusnya dibarengi oleh penyesuaian harga, intensifikasi promosi, dan penyempurnaan saluran distribusi.

Sebaliknya, bisa terjadi, diskotek atau *rent-car* nyaring gungul tikar hanya karena mengabaikan prinsip-prinsip *marke-*

ting mix. Misalnya, kedua perusahaan mengupayakan penambahan produk secara besar-besaran untuk mendapatkan citra 'kelas eksklusif', dan penurunan harga secara ekstrem, serta juga mencoba memakai saluran distribusi dengan jangkauan luas, tetapi lupa memberikan porsi kekuatan yang lebih besar bagi kegiatan-kegiatan promosi. Masih untung akhirnya disadari, promosi memegang peran yang vital dalam pelaksanaan pemasaran. Kedua perusahaan itu pun bisa bangkit, bisa menangkap pasarnya lagi.

Ada sebuah *travel agent* yang benar-benar memecat semua tenaga pemasarannya hanya karena tidak adanya kepaduan gerak antara 'personal-personal' pemasaran pada bagian-bagian produk, harga, promosi, dan distribusi.

Sebenarnya, semua personal tersebut sudah berbuat semaksimal mungkin, dan amat bertanggungjawab pada bagiannya masing-masing. Namun, kegagalan manager pemasaran, dalam memadukan keempat bagiannya (baca: dalam menerapkan *marketing mix*) mengakibatkan semua usaha yang telah dilakukan menjadi sia-sia. Akibatnya, manager pemasaran tidak mampu menengahi dan mencari jalan keluar dalam perselisihan pendapat antara para bawahannya, yang saling menyalahkan. Akibatnya, sang manager dan para bawahannya harus meninggalkan pekerjaannya. Sungguh tragis!

Seni *marketing mix* memang senafas dengan semboyan "Bersatu kita teguh, bercerai kita runtuh".

Perang Teluk, Str Pemasaran Pariw

Harian Bali Post bekerja sama dengan Lembaga Pengembangan Manajemen Kresna Naradha akan menyelenggarakan seminar manajemen dengan tema, "Arti Strategis Pengembangan Sikap Kewiraswastaan dan Kualitas Manajemen, untuk menghadapi Tantangan Usaha pada Dasa Warsa 1990-an", pada hari Kamis, 28 Februari 1991 di Bali Hai Supper Club Hotel Bali Beach. Sudah menjadi jelas, tantangan utama yang dihadapi oleh masyarakat pengusaha industri pariwisata pada tahun pertama dasawarsa 1990-an ini adalah: bagaimana menghadapi konsekuensi ekonomi yang terjadi akibat Perang Teluk, justru pada saat masyarakat pengusaha menaruh perhatian begitu besar terhadap kesempatan usaha di sektor ini. Uraian secara garis besar di bawah ini, akan mencoba melihat relevansi dari pengembangan sikap kewiraswastaan dan peningkatan kualitas manajemen dalam suasana lingkungan bisnis yang diwarnai oleh pengaruh Perang Teluk.

Dampak Ekonomi

Kalau diperhatikan "air bah" informasi mengenai Perang Teluk, paling tidak secara sederhana informasi yang diterima oleh masyarakat umum dapat dikelompokkan kedalam bidang: Teknologi militer, politik, ekonomi, agama. Di bidang teknologi militer masyarakat manusia "disuguhi" informasi mengenai kecanggihan sistem persenjataan, sistem radar, pesawat pembom, sampai dengan sistem perlindungan bawah tanah. Di bidang politik masyarakat menjadi tahu bagaimana peliknya konstelasi politik di Timur Tengah, mulai dari masa-

lah bangsa Palestina, penguasaan Dataran Tinggi Golan dan Jalur Gaza oleh Israel, kemelut politik berkepanjangan di Libanon, Sistem monarki absolut di beberapa negara, sampai dengan penguasaan Kuwait oleh Irak.

Berita dan analisis berita secara rinci tentang dampak ekonomi dari perang teluk belum banyak dimuat dalam Media Massa. Analisa ekonomi mengenai proyeksi harga minyak masih simpang siur, sehingga sulit untuk diperoleh jawaban terhadap pertanyaan: Bagaimana trend harga minyak jika Perang Teluk berkepanjangan, atau harga minyak pasca Perang

Teluk.

Paling tidak dapat dikemukakan dua alasan, di mana dampak Perang Teluk akan secara cepat dirasakan dalam perekonomian Dunia yakni:

tu luang, waktu santai, kenyamanan hidup, suasana aman, sudah tentu sangat bertolak belakang dengan suasana yang ditimbulkan oleh Perang Telu Berita yang termuat dalam M

Oleh I Gde Sudibya

Pertama, kawasan Teluk secara tradisional adalah pemasok terbesar untuk energi dunia, sehingga ketidakstabilan politik di kawasan ini membawa risiko terhadap ketidakstabilan harga energi di tingkat dunia. Ketidakstabilan harga energi ini sudah tentu berarti unsur ketidakpastian (uncertainty) menjadi semakin besar, yang akan sangat mempengaruhi iklim investasi di banyak negara. Risiko akan terjadinya inflasi akan menjadi semakin besar, inflasi sering terjadi bukan semata-mata karena alasan ekonomi dalam artian biasa, mendorong kenaikan harga (cost push inflation), tetapi dapat disebabkan oleh aspek psikologis yang disebabkan oleh makin tingginya tingkat ketidakpastian dalam kegiatan ekonomi.

Kedua, sejak paruh kedua dasawarsa 1970-an ada beberapa negara dalam kawasan Teluk ini adalah: pemegang Surplus "petro dollar" yang cukup besar, sehingga peranannya sebagai pemasok dana dalam Pasar Uang dan Modal Dunia patut diperhitungkan. Seretnya penerimaan minyak karena perang, dan besarnya dana yang diperlukan untuk membelanja "mesin perang" yang sedang berlangsung, sudah tentu sangat berpengaruh terhadap pemasokan dana yang terjadi di Pasar Uang Internasional.

Industri pariwisata yang merupakan industri yang berhubungan erat dengan kegiatan wak-

alah Pariwisata TTG (Travel Trade Gazette) Asia Edisi 25: Januari 1991 antara lain mengemukakan:

Pertama, situasi di Bandara-dara Bangkok sangat ketat, bahkan dibatalkan, terutama untuk penerbangan Air France Lufthansa, dengan pertimbangan keselamatan penumpang.

Kedua, di Hongkong diberikan 1000 polisi dipersiapkan untuk berjaga-jaga selama jam serta asosiasi perhotel Hongkong mengambil langkah-langkah untuk meningkatkan keamanan di Hotel.

Ketiga, orang mulai memperkirakan tingkat keamanan di perusahaan penerbangan (Air Lines Safety Rating) dengan menggunakan tolok ukur: kemungkinan pembajakan ser kemungkinan pemasangan bom di pesawat.

Keempat, para penumpang disarankan untuk hati-hati memilih perusahaan penerbangan membatasi jadwal waktu: di dalam pesawat, di kantor perusahaan penerbangan, dan di lapangan bandar udara.

Suasana dan ekspresi kekwatiran tersebut di atas jelas mempunyai dampak yang luas terhadap mobilisasi penduduk antar negara, yang sangat berarti dalam perkembangan pariwisata. Suasana kekhawatiran tersebut di atas agaknya berlebihan untuk suasana ki di Indonesia pada umumnya.

HOTELS: DELUXE VERSUS ECONOMY

Top-class hotels continue to go up around Asia. But there are some good arguments for investing in more down-to-earth projects

By Murray Bailey,
Travel Business Editor

You're an investor, and you've decided to build a deluxe hotel. You've got the site, you think you've got the money, and you know there are a lot of hotel management companies (HMCs) out there that would be very happy to run your hotel for you.

You'll even get one of the big names to adorn your hotel — Sheraton, Inter-Continental or Hilton International.

But should you build a deluxe hotel? Or would it be better to build an economy class hotel, or maybe even something in between?

At the top end, the investment is almost limitless. About 30 years ago, it was adequate to aim to be a five-star hotel, a level often associated with the Hilton or Inter-Continental hotels of the day. Then, a five-star hotel could not be bettered.

Then the US began to water down this accolade. Asia finished it off. In Asia, all hotel owners called their new hotels five-star. They might not be five-star, but that's what they were called.

This rapidly devalued the unofficial grading system, so that now 'five-star-plus' or even 'six-star' has become a more common tag for the best hotels. The word 'deluxe' still describes the hotels that are superior to the traditional four-star, but there is now a wide range above that four-star level.

The devaluation of the five-star tag is linked to the desire in Asia to build a hotel to be admired. But the financial consequences of this desire to build a hotel that is admired are not always fully understood.

To complicate matters further, the profit motive is often so strong among new owners that there is a chance the hotel will not be finished as it should be, or that once the huge bill has been paid for building a deluxe hotel, there is a reluctance to spend yet more big money on sales and marketing. Surely, the argument goes, a top quality hotel should sell itself? It is an argument that tends to lead to conflict with the hotel management company.

HMCs have not yet come to terms with this fact of business life. They have been slow to recognise the need to prove statistically that owners can make greater profits if they bring in an HMC than if they try to manage the hotel themselves.

In fact, there is a possibility that HMCs will gradually be converted into HFCs — hotel franchise companies — because the management aspect of their work has been eroded in importance, and the reservations, sales and marketing links — all functions the HFCs also handle — are the only clear advantage they have over owner-management.

There are many examples of deluxe hotels changing HMCs. (See Table 1.) Although this does not necessarily prove that HMCs would

TABLE 1: SELECTED HOTELS WITH CHANGES IN HOTEL MANAGEMENT COMPANIES

Location	Hotel	Current HMC	Previous HMC	Year of change
Bangkok	Dusit Thani	none	Westin	1975
	President	Meridien	Regent	1987
	Meridien			
	Regent	Regent	Peninsula	1985
Hong Kong	Royal Orchid	Sheraton	Mandarin Oriental	1988
	Omni Hongkong	Omni	Peninsula	1987
Kuala Lumpur	Regal Meridien	Regal	Meridien	1987
	Park Royal	Southern Pacific	Regent	1989
Singapore	Regent	Regent	Inter-Continental	1988

be better off becoming HFCs, it does show that differences of opinion between owner and HMC are by no means rare.

Another development has been the emergence of HMCs that systematically offer a variety of hotel brand names or products. This is now more common for the bigger companies. (See Table 2.)

Some HMCs, notably the best-known Asian firms such as Mandarin Oriental, Regent and Shangri La, have so far avoided becoming involved with hotels below the deluxe level.

But others are in the process of broadening their scope. Hilton International, for instance, has begun a Hilton National chain in its home country, Britain, with hotels at the tourist/economy level. Holiday Inn already has a range of different qualities, although there are currently no Garden Courts in Asia (nor, indeed, any of Holiday Inn's top-range hotels, the Crowne Plazas).

As with many economy segments of the

travel industry, the economy hotel segment is most advanced in the US. There, the differentials in terms of quality and facilities of the hotels are clearer than in Asia. It is reckoned that about 20% of the 2.75 million rooms in the US are in the economy class, and it is interesting to note that not one of the leading economy hotel companies has any hotels in Asia. (See Table 3.)

That situation may be changing. Days Inns, which many still consider to be the leading economy hotel company (there are nearly 800 hotels in North America that carry its name) no longer wants to be classified as an economy chain, saying it is now moving into the middle market, as its hotels have more than basic facilities.

Days is also opening in Asia. It has sold a master franchise on the Days Inn name to K Wah Stones, a Hong Kong-based quarrying company that is now expanding into leisure activities. K Wah and Days are looking for franchisees for 3-star hotels in Asia, but

although they believe prospects are excellent, the planned expansion rate looks modest — three hotels under development in 12 months, and eight more after five years.

Is Days cautious because of the high failure rate for groups in this category? Failed entrants from the US into this arena include Interlodge, Quality, and Ramada (in earlier guises) in the 1970s and early 1980s. Kuala Lumpur-based Travel Inn failed in the early 1980s.

A more recent stumbler has been the giant Best Western, the world's biggest chain, with more than 1,800 hotels, of which nearly all are franchised. It came into Asia in late 1987, aiming to open 20 hotels in three years. This year, still waiting for its first hotel, it reorganised its operations in Asia to try again. The target is 12 hotels by the end of next year.

One of the earliest HMC entrants into Asia, Holiday Inn, foresaw this difficulty when it started in the region 15 years ago. It decided to go up-market from the kind of

hotels it had in the US, on the basis that in Asia market demand was stronger for high-standard hotels. Another factor seems to have been that the investors too were interested in a higher standard.

Days' first hotel will probably be the project it has announced in Hong Kong, due to open in late 1990. But this will not be a franchise. Days has signed a contract to manage the hotel, mainly because the hotel is planned as the group's Asian flagship, so Days wants more control.

The hotel will have 200 small rooms, around 22 square metres each, a coffee shop, a bar, two Chinese restaurants, and a health centre. This is more than is generally expected of 3-star hotels, and may thus cause confusion over just what Days represents.

Construction costs, at US\$103,000 per room, excluding the cost of land, seem to be on the high side, even though the location, in the Mongkok district of Kowloon, is not prime.

Peninsula hotel rooms (guests crossed the road by an overhead covered walkway). The two hotels are run by the same company — Hong Kong & Shanghai Hotels, better known as the Peninsula Group.

A rough calculation (not by Peninsula, but based on some figures given me, plus additional estimates) indicates that this year the Peninsula hotel will achieve a revenue of around US\$18.7 million from its rooms, and the Kowloon will weigh in with around US\$19.6 million. Based on total rooms available, this means that the Peninsula will earn an annual room revenue of US\$2,120 per square metre, and the Kowloon US\$1,420 per square metre.

That, of course, is only part of the story. Adding revenue from restaurants and bars and other F&B outlets (and ignoring other revenue which does not fall into either

1970s and early 1980s, the deluxe hotels reduced their room yields to between US\$20 and US\$30 and the hotels squeezed out were those in the level below this. Why stay at the Filipinas for US\$20 when you could stay at the Peninsula for US\$30?

So despite the arguments for and against, there are no clear figures which prove economy hotels are better than deluxe, only a consensus — even among operators of top-quality hotels — that economy hotels are a better investment.

Robert Gerber, who is responsible for three hotels in Hong Kong, says of his latest responsibility, the New World Harbour View, which shares the site with the deluxe Grand Hyatt hotel: 'I know in a downturn which of the hotels will have the higher occupancy — mine.'

That said, Gerber is overseeing the upgrading of the existing New World hotel to bring it closer to the standard of the group's Victoria hotel (which is at Hilton levels).

The Hong Kong Peninsula, too, is due for a major upgrading, almost a rebuilding, although this has been postponed for a year. Some observers think this is because the top of the market does not look so attractive over the next few years.

This introduces another element into the economy versus deluxe argument — current market realities. It explains, for instance, why the New World is being upgraded. The hotel has a good central location, and it is in demand by travellers. Adding to this will be the attraction of a shopping mall being built under the hotel. In other words, the market for the location can support a quality hotel.

A very different kind of guest stays at the Kowloon hotel. A look through the trash from the hotel shows that its guests are big spenders — shopping bags from Gucci or Lanvin are plentiful — but they don't want to spend their money on rooms.

Also surprising is the high proportion of business travellers at this hotel, the high share of non-package travellers, and the high share from Europe (big people, small rooms), when the hotel was originally aimed at attracting tour traffic from Asia.

Those two additional elements — market and location — serve as a final reminder that there are many combinations and many variables that must be considered before the answer can be made categorically that one type of hotel is a better investment than another.

TABLE 3: TOP FIVE ECONOMY HOTEL MANAGEMENT COMPANIES IN THE USA, DECEMBER 1988

HMC	Hotels	Rooms
Motel 6	452	51,500
Comfort Inns	481	43,895
Travelodge	500	40,000
Econo Lodges	463	37,834
Super 8 Motels	565	35,420

Note: *Not linked to Australian group of same name

Source: Hotels & Restaurants International.

category, which will probably be around 10% of the total), the Peninsula figure will probably be US\$3,500 per square metre of room, and the Kowloon US\$1,900.

The next basic step is profit levels. Using industry indicators noted earlier would result in gross operating profits for the Peninsula of about US\$1,600 per square metre and for the Kowloon US\$1,200. Close enough to allow argument in favour of the profitability of the deluxe Peninsula or the economy Kowloon, although once again, all these figures include only direct operating costs.

But in Hong Kong now, hotels are running at near-100% occupancy rates. What happens when business slackens off? Could an argument not be made for investing in economy hotels because they will fill up first when times get tough?

Not necessarily. In Manila in the late

TABLE 4: OPERATING PROJECTIONS OF PENINSULA'S HONG KONG HOTELS, 1989

Hotel	Rooms	Size, sq m	Occupancy, %	Daily room yield, US\$
Kowloon	690	20	95	82.05
Peninsula	210	42	87	280.77

TABLE 2: BRAND NAMES OF SELECTED MAJOR HOTEL MANAGEMENT COMPANIES

HMC	Top	Middle	Bottom
Accor	Sofitel	Novotel, Pansea	Ibis, Urbis
Holiday Inn	Crowne Plaza	Holiday Inn	Garden Court
Inter-Continental	Inter-Continental	Forum	none
Ramada	Renaissance	Hotel	Inn
Southern Pacific	Park Royal	Travelodge, Centra	Travel Court

Source: Travel Business Analyst.

Likewise, the staff/rooms ratio, at 1:1, will be high for an economy hotel, and about 70% to 80% of total revenue will come from rooms. However, rack rates will be between US\$75 and US\$85, which looks low enough to ensure a high level of occupancy.

If the region's top hotels talk of five-star-plus and six-star, then Days in Hong Kong looks like it is going to be three-star-plus or four-star.

In the US the definition of an economy hotel is one that earns at least 95% of its revenue from rooms. Or, the structure that would result in such a percentage — which means a hotel that has just one restaurant, usually an all-day dining coffee shop

Room prices are also low. At Motel 6, for instance, they are down at about US\$22 per person. The situation is similar in Japan, where the Sunroute group of hotels has about 75 hotels. Occupancies at Sunroute are higher than those achieved by the leading US companies (80%, compared with 63%-73% at the top five in the US), and the yield is higher. Room yields at Sunroute on average are about US\$57 per room.

At Ramada International in the Asia/Pacific region, the answer to the question, Which category of hotel is the best for investment? has to be economy class although there is no unequivocal proof of this, simply because the figures are constantly changing and no one hotel is like any other.

In broad terms, it could cost about US\$90,000-100,000 per room to build an economy hotel in Asian cities like Bangkok, Hong Kong or Singapore, excluding land, which is too much of a variable.

Hotel development costs are usually expressed as a per-room cost by taking the total construction cost of the hotel and dividing by the number of rooms.

The cost of building a hotel of deluxe standards is difficult to limit at the top end (the Regent hotel in New York, for instance, is expected to cost US\$300,000 per room to build, excluding land), but generally the figure is between US\$150,000 and US\$200,000.

The size of a room in an economy hotel would probably be around half the size of a room in a deluxe hotel. Thus, a hypothetical 500-room economy hotel would cost US\$45 million to build, excluding land, and if the decision was to build deluxe on the same site,

that 250-room hotel would cost US\$38 million.

In the case of Ramada, the experience is not totally hypothetical as in Hong Kong it has two Inns and one Renaissance (its deluxe brand name).

In operating results, there is a remarkable difference between the two types of hotel. The first Ramada Inn, opened in 1987, is now achieving a gross operating profit (GOP) of 60%. This means that around 60% of its revenue from all sources is operating profit. The GOP at the HMC's second Ramada Inn, opened only in 1988, is already close, at about 55%.

Because it is new, and because it has had a poor start, using figures from the Ramada Renaissance in Hong Kong would not be a worthwhile comparison. But, in general terms, Hong Kong's deluxe hotels are achieving GOPs of 40%-45%.

Part of the reason for this difference between the Ramada Inns and the Renaissance is the cost factor. When taken at a department level, profits from the rooms division are higher than those from other departments — because once the room has been built and furnished, the cost of putting it up for hire each night is minimal. A hotel restaurant, on the other hand, needs more staff, and is more expensive in terms of the food and beverages that have to be bought.

At the first Ramada Inn in Hong Kong departmental profit on rooms is over 90%. This means that for every US\$100 taken in by the hotel for its rooms, US\$90 is operational profit. This equation ignores, of course, the costs of building and the high costs of financing that room in the first place. Net profits can take much longer to achieve. At Regent's planned hotel in New York, for instance, net returns are expected to take 15 years.

Hotels in Hong Kong are probably getting 60% of their total revenue from rooms. The pattern differs in different countries, but in most the figure is between 40% and 60%. The other major department of any hotel, food and beverage (F&B) — restaurants, bars and banqueting — is usually less profitable.

An interesting exercise can be tried with Hong Kong's deluxe Peninsula and the upper-economy-level Kowloon hotel. (See Table 4.) They are on adjacent sites; indeed, the Kowloon is on a site that at one time housed