

Penang hotel industry sees healthy occupancy rates this year — MAH

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Mary Ann Harris

GEORGE TOWN: The hotel industry in Penang is likely to register healthy occupancy rates of between four and five per cent this year, says the Malaysian Association of Hotels (MAH) Penang.

Its chairman, Mary Ann Harris, said the projection would be driven by increased tourism promotion efforts by the private sector and government, as well as, the untapped huge markets of China and India.

“China and India are the new markets to tap because these are the middle growing class segment who want to travel.”

Both countries are potential markets for Penang hoteliers, she told Bernama.

Penang’s hotel industry would be supported by rising tourist arrivals from Australia, due to the strong Aussie dollar and growing interest following the strong historical link between Penang and the Royal Australian Air Base, said

Mary Ann.

She said the occupancy rates grew between five and eight per cent in the first quarter and the industry looked promising amid rising demand as more hotels were establishing their presence here.

Mary Ann said the hotel industry in Penang would be more competitive if the room rates could be raised along with good services, ambiance and amenities, adding that hotel rates in Malaysia were among the lowest in Asean.

On challenges, Mary Ann said the industry could see some downside due to the economic uncertainties in the US and European Union, as well as, possible slowdown in tourist arrivals from the Middle East.

“Penang hoteliers depend on the Middle East market and the peak period is usually between June and August. However, this year Ramadan falls on July/August. So there will probably be less demand during the peak month and this may impact occupancy rates this year,” she added.

Mary Ann said staff retention is one of the challenges faced by Penang hoteliers as many staff moved to neighbouring countries like Singapore due to the attractive exchange rate.

“Therefore, the hotel industry in Penang should focus on training and raising wages according to productivity,” she added.

The 42-member MAH Penang, is committed to build a highly skilled workforce and raise the competency level of the hotel and hospitality industry in Malaysia. — Bernama