



Phuket closing in on pre-pandemic levels with 7 million airport passenger arrivals

Southeast Asia leads recovery surge, with Chinese market poised for a gradual rebound

“Phuket’s tourism industry is undergoing an ongoing rebound, with last year’s airport passenger arrivals edging towards pre-pandemic figures. While hitting 7 million, it was still short of the 9 million mark set in 2019. This year the trend is continuing with 1.62 million arrivals to date in February, compared to 1.77 million recorded in the same period of 2019. The Chinese market is slowly recuperating, with last year’s figures at 650,000, still a stark contrast to the 2 million arrivals pre-pandemic. Nonetheless, the introduction of visa exemptions for Chinese and increasing flight connectivity is anticipated to bolster these numbers.

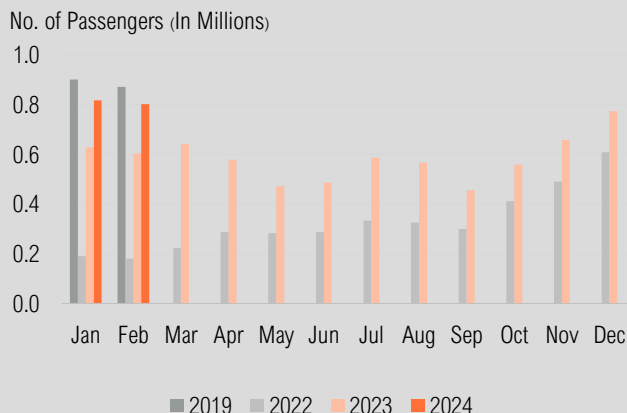
Regional Southeast Asian markets are outperforming previous records, with Singapore’s arrival numbers doubling and Malaysia experiencing a 67% boost. These statistics underscore the potential of short-haul tourism in a world adjusting to post-pandemic travel norms.

Hotel metrics mirror this positive trajectory, with hotel occupancies soaring to nearly 78% in 2023. The Average Daily Rate (ADR) has reached a new historical peak, climbing 43% from the previous year. This uptick is attributed not only to returning tourists but also to Phuket’s ability to attract a higher-spending demographic.

The hotel sector’s development pipeline has slowed but is highlighted by 19 projects with 3,719 keys, among which 3 properties are hotel conversion with 821 keys. Branded properties represent 91% of the pipeline. Based on C9’s market research, incoming supply has been reduced by over 50%, as Phuket’s real estate market has seen land cost skyrocket and an overheated property sector. Many hotel owners and developers have shifted focus from greenfield projects to conversions and repositioning via renovations.”

by Bill Barnett, Managing Director, C9 Hotelworks

Phuket International Airport Passenger Arrivals



Source: C9 Hotelworks Market Research & AOT

Market Trends

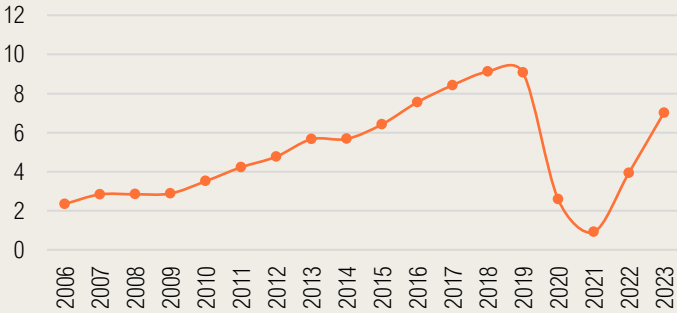
- In February 2024, Phuket’s international flight arrivals surged by 45% to 5,110, marking a significant upturn from the previous year’s 3,534 but still trailing 14% behind the pre-pandemic peak of 5,921 in 2019.
- As of 2023, Phuket’s registered accommodation establishments comprise 1,532 properties with 100,534 keys, with hotels constituting 71% and bungalows and homestays making up the remaining 29%.
- From 2024 to 2028, Patong leads Phuket’s hotel pipeline projects with a 28% share, 1,052 keys across three properties; Bangtao follows with 21%, encompassing 769 keys across five properties, and Chalong Bay with a 13% share with 466 keys spread over two properties.

Tourism Market Review

Tourism Indicators

Phuket International Airport - Passenger Arrivals

No. of Passengers (In Millions)

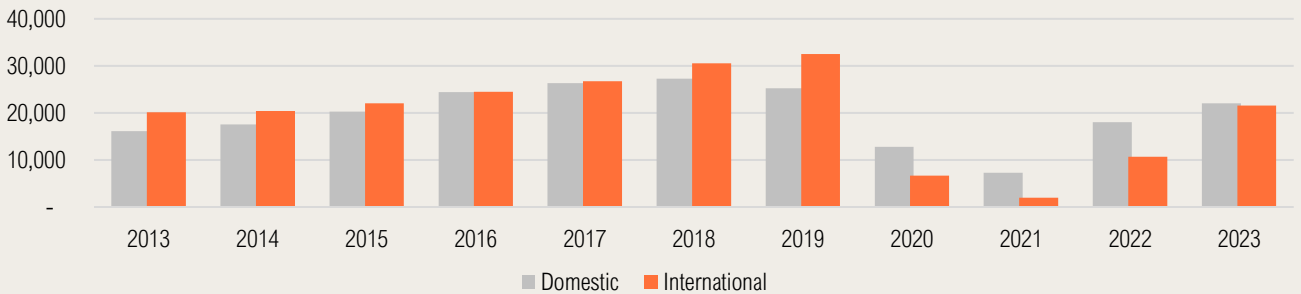


From 2006 to 2019, the CAGR for passenger arrivals was 10.93%. In 2023, passenger numbers increased by 79% to 7 million compared to the previous year and accounted for 77% of the pre-COVID levels in 2019.

Source: C9 Hotelworks Market Research & AOT

Phuket International Airport - Flight Arrivals

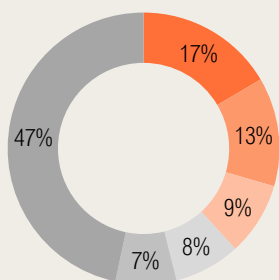
No. of Flights



Source: C9 Hotelworks Market Research & AOT

In 2023, Phuket witnessed a robust rebound in domestic flight arrivals, reaching 22,051, a figure nearing the pre-pandemic level of 25,244 in 2019, signaling a return to normalcy in domestic (and transit) travel. International flights, while recovering with 21,604 arrivals, remain at 66% of the 2019 volume of 32,549, indicating that the international sector is steadily bridging the gap.

Top 5 International Source Markets - 2023



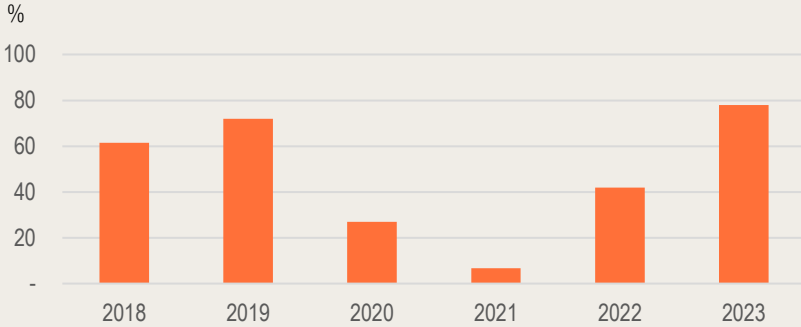
China has regained its position as Phuket's primary source market with 659,933 arrivals, yet this figure falls short of the 2 million arrivals seen in 2019. Following a period (2020-2022) where Russia was the leading market, it now occupies second place with 517,761 arrivals.

Source: C9 Hotelworks Market Research & Phuket Immigration Office

Hotel Market Review

Key Performance Indicators

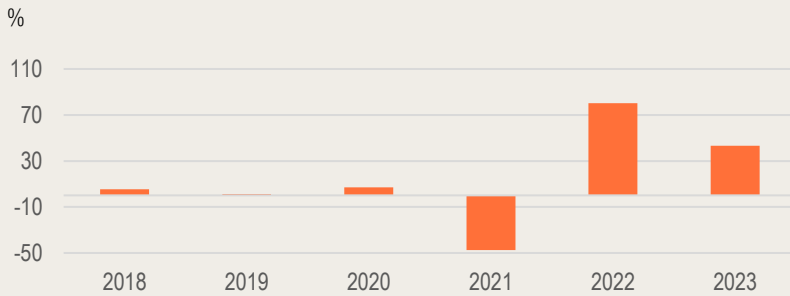
Occupancy



Phuket's market-wide hotel occupancy rate surpassed the pre-pandemic peak of 72% in 2019, with 2023 figures reaching 78%.

Source: C9 Hotelworks Market Research & MOTs

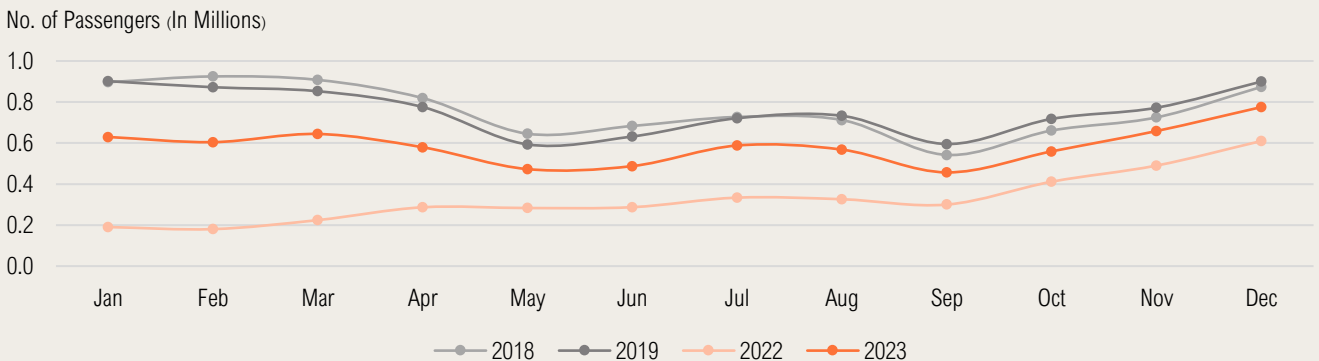
Average Daily Rate (ADR) Changes



Average Daily Rate (ADR), which climbed by 43% in 2023 compared to previous years. This significant increase marks a historical high.

Source: C9 Hotelworks Market Research & MOTs

Seasonality - Airport Passenger Arrivals



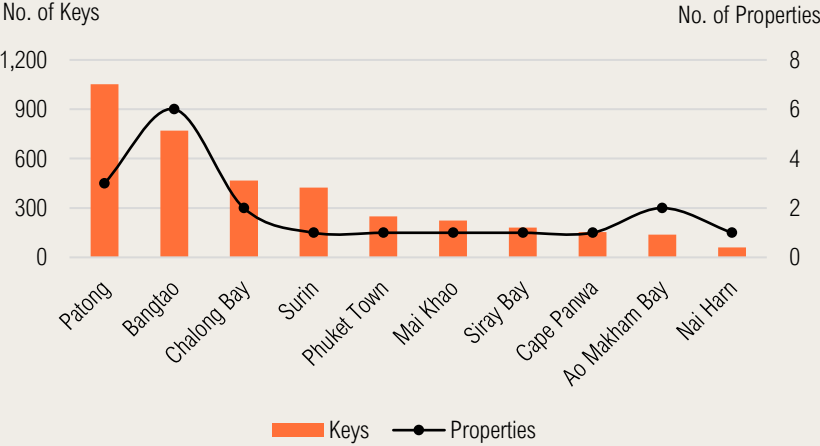
Phuket's seasonality continues to align with historical patterns, with the highest influx occurring from November through March (snowbirds), aligning with the European winter and global holiday seasons. In the last year, there's been a significant uptick in end-of-year high season arrivals, indicative of a steady return to pre-pandemic tourism levels.

Source: C9 Hotelworks Market Research & AOT

Hotel Market Review

Hotel Supply

Top 10 Hotel Pipeline Locations (2024-2028)



While the majority of upcoming properties are concentrated on the island's west coast, a notable 25% of developments are slated for the east coast.

Source: C9 Hotelworks Market Research

Hotel Pipeline (2024-2028)

Hotels	Location	Keys	Opening Year
Radisson Resort Phuket Mai Khao Beach	Mai Khao	224	2024
Blu Monkey Hub & Hotel Bangtao Beach Phuket	Bangtao	71	2024
Radisson Red Phuket Patong Beach	Patong	390	2024
One Origin Phuket Chaofah (Former Beehive Boutique Hotel Phuket)	Phuket Town	249	2024
The Ritz-Carlton Phuket (Former Westin Siray Bay)	Siray Bay	182	2025
Tiva Ao Makham Resort Phuket, Centara Boutique Collection	Ao Makham Bay	68	2025
Ibis Styles Phuket Bangtao	Bangtao	140	2025
Makham Bay Marina Hotel	Ao Makham Bay	70	2025
Courtyard by Marriott at Chalong Bay Phuket	Chalong Bay	277	2025
TRIBE Phuket Patong	Patong	230	2025
Veranda Resort Phuket, Autograph Collection	Cape Panwa	154	2026
Wyndham Grand Phuket Surin Beach	Surin	425	2026
W Phuket - Nai Harn Beach	Nai Harn	60	2026
JW Marriott Phuket Resort & Spa Chalong Bay	Chalong Bay	189	2026
The Forest by Y002 Hotel	Patong	432	2026
The Ozone Signature, A Registry Collection	Bangtao	118	2027
Ramada Encore by Wyndham Nebu Bang Tao	Bangtao	89	2027
Peri Hotel	Bangtao	201	2027
Mercure Phuket Bangtao	Bangtao	150	2028
Total		3,719	

*Hotel Conversion
Source: C9 Hotelworks Market Research

