

## Business Overview

- **The hotel and accommodation business is one of Thailand's most important revenue-generating industries and a major driver of the country's economy. It was severely impacted by the COVID-19 pandemic. However, the sector began to recover in 2023-2024, supported by the recovery of the tourism industry.** This is shown by the number of international tourists returning to levels close to pre-pandemic levels. **Looking ahead to 2025, the industry is expected to continue its growth trajectory,** driven by the recovery of the global economy, which is expected to bring more international visitors to Thailand. In addition, the Thai government will continue to implement tourism stimulus measures to attract foreign tourists, such as visa exemptions, waivers of visa fees, extension of the length of stay, and the expansion of flight routes and frequencies across multiple countries. These measures have proven successful in boosting international tourist arrivals, which are expected to reach 35.54 million by 2024. Furthermore, initiatives such as the "Amazing Thailand Grand Tourism and Sports Year 2025" campaign, along with major sporting events like the SEA Games and the Women's Volleyball World Championship, are planned to be held for 2025 to further stimulate the tourism sector.
- **The 5-star hotel segment has also benefited from the tourism recovery, showing signs of improvement since late 2022. Its recovery has been more pronounced compared to lower-star hotels,** mainly due to the change in international tourist behavior following COVID-19. Travelers now prioritize hygiene and safety standards more than before and tend to choose accommodation that offers superior experience and services rather than focusing solely on affordability. In addition, high-spending tourist groups, such as European and Middle Eastern travelers, have shown a stronger recovery compared to backpackers and group tour travelers, who have yet to fully return. This trend has had a positive impact on the recovery of the 5-star hotel segment. Meanwhile, 3-star and lower-tier hotels have faced intense competition in recent years due to an oversupply of rooms and the increasing competition from alternative accommodation, such as hostels, rental apartments, and home-sharing platforms such as Airbnb. As a result, the recovery in this segment remains slower than 4- and 5-star hotels.

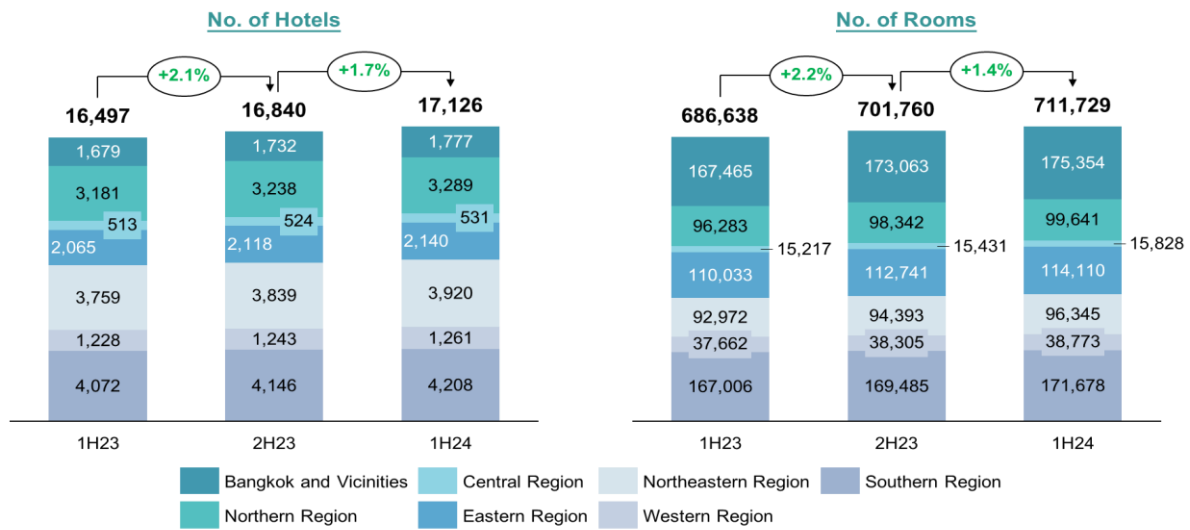
## Hotel and Accommodation Situation in Thailand

- **In the first half of 2024, Thailand has a total of 17,126 hotels and accommodations nationwide, an increase of 1.7% HoH. The total number of rooms across the country is 711,729, an increase of 1.4% HoH.** The southern region has the highest number of hotels and accommodations, with 4,280 establishments (24.6% of the total). However, the highest number of rooms can be found in Bangkok and Vicinities area, with 175,354 rooms (24.6% of the total). According to the Department of Tourism, Ministry of Tourism and Sports, as of the end of 2023, Bangkok alone had 1,222 hotels with 139,628 rooms, most of which are located in the Phloen Chit/Sukhumvit area, accounting for about 37%. The next largest concentrations are in the Lumpini/Siam, Silom/Sathorn, and Ratchathewi/Phetchaburi areas, each with a 13% share.

### Disclaimer:

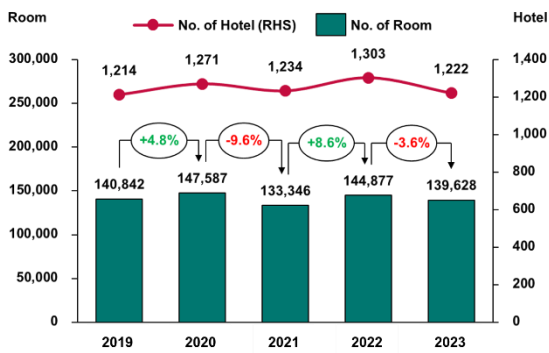
The information, analysis and opinions contained in this report have been prepared based on information obtained from reliable sources. It is intended for use in analyzing economic and industrial conditions and is an internal document of Land and Houses Bank Public Company Limited. The Bank will not be responsible for any loss. Anyone wishing to use the information, analysis, forecasts and various opinions contained in this report must accept the risk of any loss or damage that may arise.

**Figure 1** Cumulative Number of Hotels and Rooms Applying for Licenses Nationwide



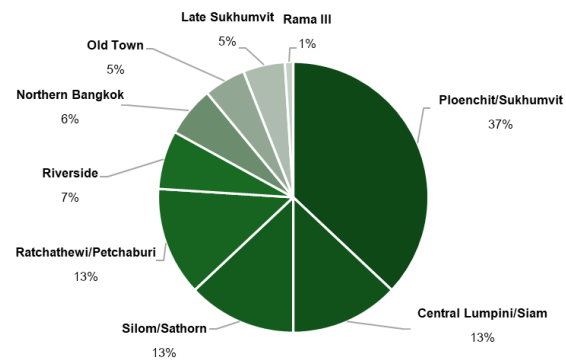
Source: LH Bank Business Research Analysis based on data from Real Estate Information Center (REIC).

**Figure 2** Hotel Supply in Bangkok as of the End of 2023



Source: LH Bank Business Research Analysis based on data from Department of Tourism, Ministry of Tourism and Sports

**Figure 3** Hotel Supply in Bangkok by Location



Source: LH Bank Business Research Analysis based on data from CBRE (Thailand).

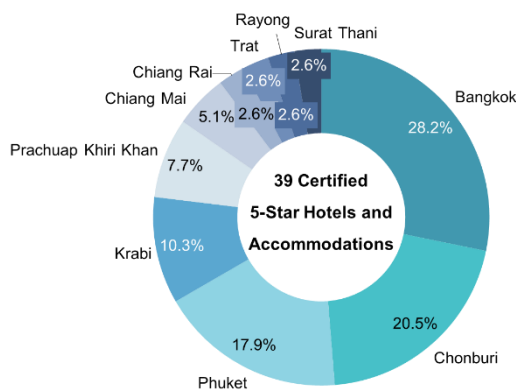
- According to the Thailand Hotel Standard Foundation, as of 2024, there are 39 hotels and accommodations certified as 5-star hotels in Thailand. Of these, 11 are located in Bangkok (28.2%). The remaining 5-star hotels are located in key tourist provinces such as Chonburi (8), Phuket (7), Krabi (4), Prachuap Khiri Khan (3), Chiang Mai (2), Chiang Rai (1), Trat (1), Rayong (1), and Surat Thani (Koh Samui) (1). In addition to the certified 5-star hotels, there are many other hotels and accommodations in Thailand that meet 5-star service standards. These hotels can be divided into three groups: (1) 5-star hotels under international hotel chains, such as **Marriott International** (notable hotels in the chains including Renaissance Pattaya, The Ritz-Carlton Bangkok, The St. Regis Bangkok), **Hilton Hotels & Resorts** (notable hotels in the chains including Conrad Bangkok Hotel, Waldorf Astoria Bangkok), **AccorHotels** (notable hotels in the chains including Pullman Pattaya Hotel G, Swissotel Bangkok Ratchada), **Hyatt Hotels Corporation** (notable hotels in the chains including Park Hyatt Bangkok, Andaz One Bangkok), **Four Seasons Hotels & Resorts** (notable hotels in the chains including Four Seasons Hotel Bangkok, Four

Disclaimer:

The information, analysis and opinions contained in this report have been prepared based on information obtained from reliable sources. It is intended for use in analyzing economic and industrial conditions and is an internal document of Land and Houses Bank Public Company Limited. The Bank will not be responsible for any loss. Anyone wishing to use the information, analysis, forecasts and various opinions contained in this report must accept the risk of any loss or damage that may arise.

Seasons Resort Chiang Mai), and **Okura Hotels & Resorts** (notable hotels in the chains including The Okura Prestige Bangkok, Grand Hotel Nikko Bangkok); (2) 5-star hotels under Thai hotel chains, such as **Centara Hotel & Resorts** (notable hotels in the chains including Centara Grand at Central Plaza Ladprao Bangkok, Centara Grand & Bangkok Convention Centre at CentralWorld), **Minor Hotels** (notable hotels in the chains including Anantara Bophut Koh Samui Resort, Anantara Riverside Bangkok Resort), **Dusit International** (notable hotels in the chains including Dusit D2 Chiang Mai, Dusit Thani Laguna Phuket), **Centre Point Hotels** (notable hotels in the chains including Centre Point Prime Hotel Pattaya), and **ONYX Hospitality Group** (notable hotels in the chains including Amari Pattaya, Amari Watergate Bangkok); and (3) Independent 5-star hotels operated by Thai entrepreneurs (i.e., hotels not affiliated with any local hotel chain), such as Pimalai Resort & Spa, Rayavadee, The Berkeley Hotel Pratunam, The Shellsea, The Sukosol, and Vie Hotel Bangkok.

**Figure 4** Certified 5-Star Hotels and Accommodations in Thailand by Province



Source: LH Bank Business Research Analysis based on data from Thailand Hotel Standard Foundation.

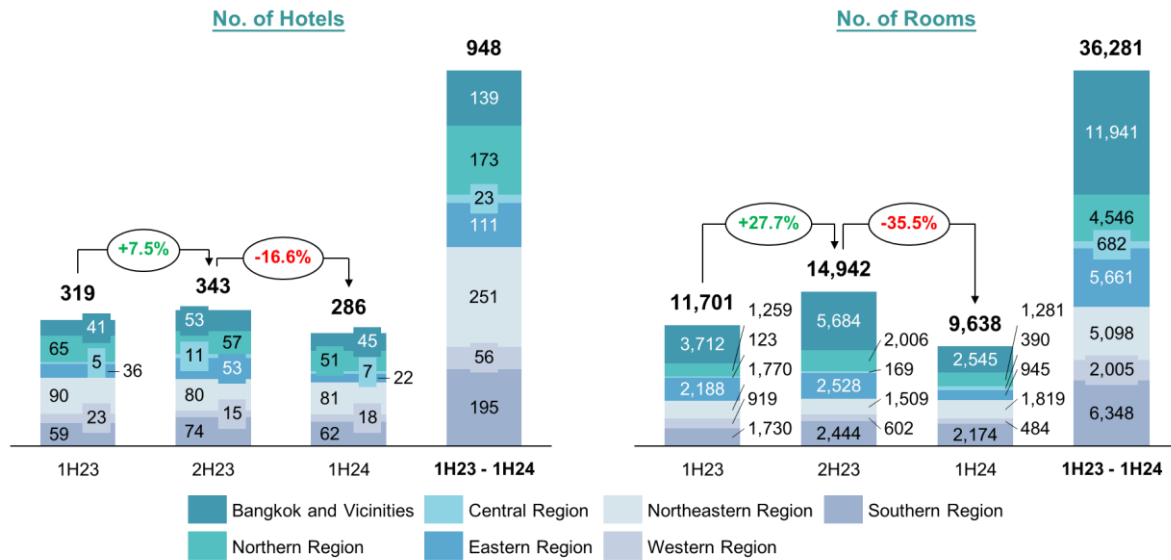
**Figure 5** Examples of 5-Star Hotels and Accommodations in Thailand



Source: LH Bank Business Research Analysis based on data from Thailand Hotel Standard Foundation and hotels' websites.

- Thanks to the recovery of the tourism sector in 2023-2024, a significant number of new hotels and accommodations have opened.** According to the REIC, more than 948 hotels and accommodations have been authorized for establishment between 2023 and the first half of 2024, adding 36,281 rooms. The Southern region continues to lead in terms of new hotel opening, with 195 hotels, but the highest increase in rooms is in Bangkok and Vicinities area (11,941 rooms). **The luxury hotel segment also saw a number of new openings between 2023 and 2024, many of which are located in Bangkok and Vicinities area, such as Aman Nai Lert Bangkok, Hilton Garden Inn Bangkok Riverside, Dusit Thani Bangkok, and The Ritz-Carlton Bangkok. In addition, several 5-star or equivalent hotels and resorts are expected to open within the next 1-2 years, both in Bangkok and in the major tourist provinces.** According to CBRE (Thailand), the number of hotel rooms expected to open in 2024 will exceed 5,500, with more than 7,500 rooms projected to be added by 2026. **This reflects an increasing level of competition in the 5-star hotel segment over the next 1-2 years, particularly in Bangkok and Phuket.**

**Figure 6** Number of Hotels and Rooms Applying for New Licenses Nationwide



Source: LH Bank Business Research Analysis based on data from Real Estate Information Center (REIC).

**Table 1** Examples of Newly Opened 5-Star Hotels during 2023-2024

| No. | Newly Opened Hotels                             | Province | Opening Date |
|-----|---|----------|--------------|
| 1   | Capella Bangkok                                 | Bangkok  | 2023         |
| 2   | Waldorf Astoria Bangkok                         | Bangkok  | 2023         |
| 3   | Eastin Hotel Phayathai                          | Bangkok  | 5 May 2023   |
| 4   | Four Seasons Hotel Bangkok at Chao Phraya River | Bangkok  | Dec 2023     |
| 5   | InterContinental Bangkok Sukhumvit              | Bangkok  | Dec 2023     |
| 6   | Courtyard Bangkok Suvarnabhumi Airport          | Bangkok  | Dec 2023     |
| 7   | Six Senses Forestias                            | Bangkok  | 2024         |
| 8   | Radisson Resort Phuket Mai Khao Beach           | Phuket   | 2024         |
| 9   | The Langham Customs House, Phuket               | Phuket   | 2024         |
| 10  | Eastin Resort Kata                              | Phuket   | 2024         |
| 11  | Wyndham Garden Platinum Bay Phuket              | Phuket   | 2024         |
| 12  | WYNDHAM Chalong Phuket                          | Phuket   | 2024         |
| 13  | Hyatt Regency Mai Khao Beach                    | Phuket   | 2024         |
| 14  | Fairmont Bangkok Sukhumvit                      | Bangkok  | 2024         |
| 15  | Valia Hotel Bangkok                             | Bangkok  | Early 2024   |
| 16  | Nysa Hotel Bangkok                              | Bangkok  | Mar 2024     |
| 17  | Aman Nai Lert Bangkok                           | Bangkok  | Q3 2024      |
| 18  | Hilton Garden Inn Bangkok Riverside             | Bangkok  | Sep 2024     |
| 19  | Dusit Thani Bangkok                             | Bangkok  | 27 Sep 2024  |
| 20  | The Ritz-Carlton Bangkok                        | Bangkok  | 4 Dec 2024   |

**Table 2** Examples of 5-Star Hotels Planned to Open during 2025-2026

| No. | Hotels Planned to Open                             | Province            | Opening Date |
|-----|--|---------------------|--------------|
| 1   | Wyndham Garden Phuket Kamala                       | Phuket              | Mar 2025     |
| 2   | Ramada Plaza by Wyndham Hua Hin Cha-am             | Phetchaburi         | Q2 2025      |
| 3   | KROMO Bangkok, Curio Collection by Hilton          | Bangkok             | Q2 2025      |
| 4   | Andaz One Bangkok                                  | Bangkok             | Q2 2025      |
| 5   | Crowne Plaza Bangkok Rama 9                        | Bangkok             | Q3 2025      |
| 6   | Crowne Plaza Bangkok Grand Sukhumvit               | Bangkok             | Q4 2025      |
| 7   | Voco Bangkok Surawong                              | Bangkok             | Q4 2025      |
| 8   | Canopy By Hilton Bangkok Sukhumvit 12              | Bangkok             | 2025         |
| 9   | Grand Nikko Bangkok Sathorn Hotel                  | Bangkok             | 2025         |
| 10  | Kimpton Hua Hin Beach Front                        | Prachuap Khiri Khan | 2025         |
| 11  | Kimpton Khao Yai                                   | Nakhon Ratchasima   | 2025         |
| 12  | Park Inn by Radisson Bangkok Don Mueang            | Bangkok             | 2025         |
| 13  | Radisson Hotel Bangkok Phloen Chit                 | Bangkok             | 2025         |
| 14  | The Langham Customs House, Bangkok                 | Bangkok             | 2026         |
| 15  | Hotel Indigo Bangkok Thonglor                      | Bangkok             | 2026         |
| 16  | InterContinental Chiang Rai Golden Triangle Resort | Chiang Rai          | Q4 2026      |

**Disclaimer:**

The information, analysis and opinions contained in this report have been prepared based on information obtained from reliable sources. It is intended for use in analyzing economic and industrial conditions and is an internal document of Land and Houses Bank Public Company Limited. The Bank will not be responsible for any loss. Anyone wishing to use the information, analysis, forecasts and various opinions contained in this report must accept the risk of any loss or damage that may arise.

|    |                                  |          |          |
|----|----------------------------------|----------|----------|
| 21 | Radisson RED Phuket Patong Beach | Phuket   | Dec 2024 |
| 22 | Meliá Pattaya City               | Chonburi | Dec 2024 |

Source: LH Bank Business Research Analysis based on data from [Tripadvisor](#), [Traveloka](#), [forbestravelguide.com](#), [realestateasia.com](#), [prestigeonline.com](#), [newhotelsopening.com](#)

|    |   |            |         |
|----|---|------------|---------|
| 17 | Kimpton Chiang Rai Golden Triangle Resort | Chiang Rai | Q4 2026 |
|----|---|------------|---------|

Source: LH Bank Business Research Analysis based on data from [Tripadvisor](#), [Traveloka](#), [forbestravelguide.com](#), [realestateasia.com](#), [prestigeonline.com](#), [newhotelsopening.com](#)

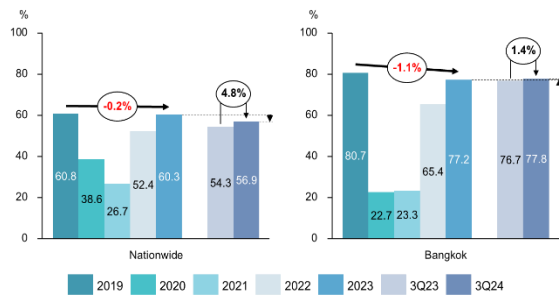
## Occupancy Rate and Room Rates Situation

- In the third quarter of 2024, the average occupancy rate for hotels and accommodations nationwide was 56.9%, showing a slight recovery from 54.3% during the same period last year, an increase of 4.8%YoY.** However, this remains lower than at the end of 2023, when the average occupancy rate was 60.3%, and still lower than pre-COVID-19 levels, which stood at 60.8%. Nevertheless, given the severe impact of the COVID-19 pandemic, which saw occupancy rate fall to 26.7% in 2021, it can be said that there has been a remarkable recovery since 2022, reflecting the return of tourists after the reopening of the country. **For hotels and accommodations in Bangkok, the average occupancy rate was 77.8%, recovering from 76.7% during the same period last year (an increase of 1.4%YoY),** and almost reaching the level of 77.2% at the end of 2023. However, this is still below the pre-COVID-19 levels, which were at 80.7%. In addition, hotels and accommodations in key tourist provinces such as Chonburi and Phuket also experienced improved occupancy rates, driven by the recovery of international tourists, particularly those with higher purchasing power, as well as government support measures such as visa exemptions for tourists from several nationalities.
- In terms of average room rates nationwide, they continued to improve, with the average room rate in December 2024 reaching 1,889 THB/night, an increase of 8.4% YoY and higher than the pre-COVID-19 average room rate of 1,816 THB/night.** Part of this increase was due to higher room rates in the Central region (including Bangkok) which rose by 21.3%YoY, and in the Southern region, which rose by 9.7%YoY. This is in line with the recovery of international tourists with high purchasing power visiting these two areas, where many 5-star hotels and accommodations are located. Other factors contributing to this growth include international events that attract foreign tourists and MICE (Meetings, Incentives, Conventions, and Exhibitions) travelers to Bangkok, as well as the price strategy adjustments by hotel operators under increased competition. **According to a survey conducted by the Thai Hotels Association and the Bank of Thailand in December 2024, hotels rated 4 stars and above were able to increase room rates compared to November.** In addition, 15% of hotels in the 4-star and above segment were able to sell rooms at an average price of 5,000-7,499 THB/night. Meanwhile, 44% sold at 2,500-4,999 THB/night, and 27% sold at 1,500-2,499 THB/night. **The outlook for average room rates in 2025 is expected to continue to rise, but at a slower rate, as prices have already increased significantly compared to the post-pandemic average room rates.**

**Disclaimer:**

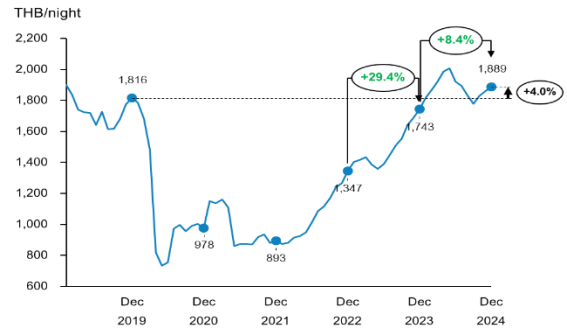
The information, analysis and opinions contained in this report have been prepared based on information obtained from reliable sources. It is intended for use in analyzing economic and industrial conditions and is an internal document of Land and Houses Bank Public Company Limited. The Bank will not be responsible for any loss. Anyone wishing to use the information, analysis, forecasts and various opinions contained in this report must accept the risk of any loss or damage that may arise.

**Figure 7 Average Occupancy Rate Nationwide and Bangkok**



Source: LH Bank Business Research Analysis based on data from Department of Tourism, Ministry of Tourism and Sports

**Figure 8 Average Room Rates Nationwide**

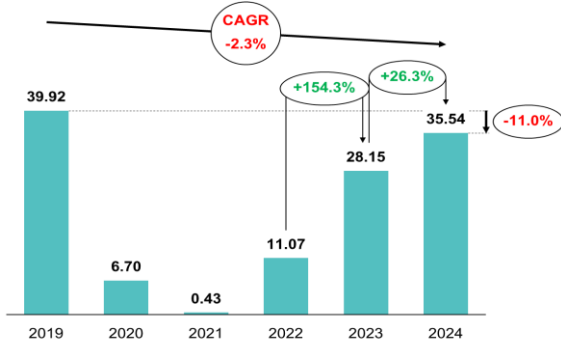


Source: LH Bank Business Research Analysis based on data from Bank of Thailand

## Foreign Tourist Arrivals in Thailand

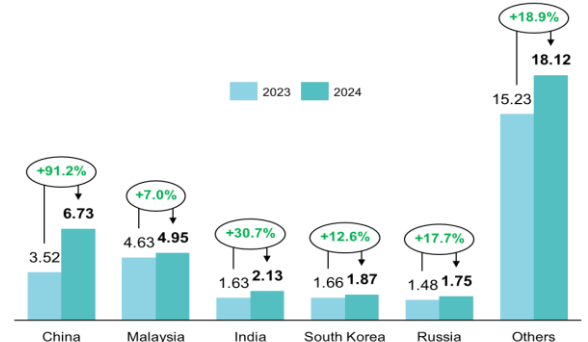
- In 2024, the number of foreign tourists continued to grow significantly, reaching a total of 35.54 million, an increase of 26.3% YoY.** Chinese tourists were the largest group, with 6.73 million visitors, accounting for 18.9% of all foreign tourists. This was followed by tourists from Malaysia (4.95 million), India (2.13 million), South Korea (1.87 million), and Russia (1.75 million). The significant increase in Chinese tourists was primarily driven by the permanent visa exemption measure that came into effect on March 1, 2024, resulting in a growth of 91.2% YoY. Indian tourists also increased by 30.7% YoY, driven by new routes and more frequent flights by airline. Although the number of foreign tourists in 2024 increased significantly compared to 2023, it remained below the pre-COVID-19 level of 39.92 million. The government plans to continue its initiatives to promote tourism, such as the visa exemption measures, extension of the length of stay, adding new flight routes, and the “Amazing Thailand Grand Tourism and Sports Year 2025” initiative, which will be implemented in 2025. Other promotional efforts include the “Thai Charms” and “Must-Visit Cities” campaigns, as well as activities under the 5 Grand concept (Grand Festivity, Grand Moment, Grand Privilege, Grand Invitation, and Grand Celebration), including events such as the SEA Games and the Women’s Volleyball World Championship. **The Ministry of Tourism and Sports expects the number of foreign tourists to continue to grow and reach 40 million by 2025.**

**Figure 9 Number of Foreign Tourists Visiting Thailand**



Source: LH Bank Business Research Analysis based on data from Department of Tourism, Ministry of Tourism and Sports

**Figure 10 Top 5 Nationalities of Foreign Tourists Visiting Thailand**



Source: LH Bank Business Research Analysis based on data from Department of Tourism, Ministry of Tourism and Sports

Disclaimer:

The information, analysis and opinions contained in this report have been prepared based on information obtained from reliable sources. It is intended for use in analyzing economic and industrial conditions and is an internal document of Land and Houses Bank Public Company Limited. The Bank will not be responsible for any loss. Anyone wishing to use the information, analysis, forecasts and various opinions contained in this report must accept the risk of any loss or damage that may arise.

## Future Business Outlook

- **The outlook for the 5-star hotel business in Thailand over the next year is expected to continue its growth trend, supported by the recovery of both international and domestic tourism.** Several positive factors are driving this growth, such as **government tourism promotion measures**, which will help generate interest and attract more tourists. In addition, **changes in tourist behavior following the COVID-19 pandemic**, with tourists now placing more importance on hygiene, safety, and service quality, will benefit luxury hotels that can better meet these demands compared to lower-tier hotels. Furthermore, **high-spending tourist groups, such as European, Middle Eastern, and Chinese travelers, have started to travel more**, which is driving the upward trend in room rates, particularly in Bangkok and major tourist provinces, which will benefit the revenue prospects of 5-star hotels concentrated in these areas.
- **However, despite the positive growth outlook for the 5-star hotel business, there are several risks and uncertainties to consider.** These include **increased competition** from 1) **the increasing supply of luxury hotels set to open in the next 1-2 years**, particularly in tourism hubs such as Bangkok, Phuket, and Chonburi, which may put pressure on hotel prices and occupancy rates in the future; 2) **the rising business costs for hotels businesses**, such as the cost of goods, energy prices, labor, and construction expenses, which will limit pricing strategies and potentially affect profitability in the long term; and 3) **Stricter environmental and sustainability standards (Environmental, Social, and Governance: ESG) for the hotel and accommodation industry**, requiring hotels to invest in infrastructure (e.g., energy management systems, waste and water management, and the use of environment-friendly materials) and green technologies. **In addition, external factors such as global economic conditions, currency fluctuations (e.g., the Thai baht), and the economic recovery situation in key countries**, particularly China, which is facing significant economic risks and concerns about safety, may affect tourists' ability to travel and affect the number of foreign visitors to Thailand in the coming year. **Entrepreneurs in this business must adapt to increased competition and manage potential risks, such as investing in technology to improve operational efficiency and offering unique experiences that meet the specific needs of target customer groups.**

### Authors:

Nuttachat Viroonhausava ([nuttachatv@lhbank.co.th](mailto:nuttachatv@lhbank.co.th))

Cheawchan Srichaiya ([cheawchans@lhbank.co.th](mailto:cheawchans@lhbank.co.th))

Business Research,

Land and House Bank PLC

### Disclaimer:

The information, analysis and opinions contained in this report have been prepared based on information obtained from reliable sources. It is intended for use in analyzing economic and industrial conditions and is an internal document of Land and Houses Bank Public Company Limited. The Bank will not be responsible for any loss. Anyone wishing to use the information, analysis, forecasts and various opinions contained in this report must accept the risk of any loss or damage that may arise.

## LH BANK BUSINESS RESEARCH



**Thanapol Srithanpong, Ph.D.**

Head of Business Research



**Nuttachat Viroonhausava**

Senior Industrial Specialist



**Taratnon Sritongterm**

Senior Economist



**Cheawchan Srichaiya**

Senior Industrial Specialist



**Wilanda Disorntetiwat**

Senior Economist



**Watcharapan Niyom**

Senior Industrial Specialist



**Nawatch Hansuvech**

Senior Thematic Specialist



**Sri-Ampai Ingkhakitti**

Senior Industrial Specialist

### LH Bank Business Research

**A**CTIVE

**I**NCLUSIVE

**D**ECISIVE



For More Articles

<https://www.lhbank.co.th/economic-analysis/>

**Disclaimer:**

The information, analysis and opinions contained in this report have been prepared based on information obtained from reliable sources. It is intended for use in analyzing economic and industrial conditions and is an internal document of Land and Houses Bank Public Company Limited. The Bank will not be responsible for any loss. Anyone wishing to use the information, analysis, forecasts and various opinions contained in this report must accept the risk of any loss or damage that may arise.