



The Knowledge to Decide

[www.spiresearch.com](http://www.spiresearch.com)

---

TODAY Online  
27 December 2008

## **Hotels slash rates**

### Synopsis

Hotels in Singapore have slashed their room rates by 20 to 30 percent since the fourth quarter of this year. Last month's average rate was 5.1 per cent lower than that of October, according to STB.

Singapore hotels in general may be moving too slowly in response to the fast-deteriorating picture for the global travel industry, said Leon Perera, group managing director of Spire Research and Consulting: "The industry response has not been fast enough or sufficient."

The economic crisis has hit the Asian tourism market — which Singapore is reliant on — hard, he added, and hotels need to offer competitive deals to draw tourists here instead of other cheaper destinations in the region. Those from Indonesia, China, Australia, Malaysia and India made up the top five groups of visitors to Singapore, accounting for almost half of the 760,000 arrivals last month.

Since June, Singapore has been reporting a year-on-year slide in inbound tourism. STB had earlier announced that Singapore is expected to fall short of its 2008 target of 10.8 million visitors and \$15.5 billion in tourism receipts.

---