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## **Competition within the hotel sector in Sihanoukville, Cambodia : a case study of the Seaside Hotel<sup>1</sup>**

**Stephen Paterson<sup>2</sup>**

**Heng Sopheap<sup>3</sup>**

**Sim Sovicha<sup>4</sup>**

**Bou Chanserey<sup>5</sup>**

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<sup>1</sup> Prepared by the Center for Entrepreneurship & Development at the National University of Management, Phnom Penh, Cambodia. Funded by UNCFSP/USAID.

<sup>2</sup> Faculty member at the National University of Management, Phnom Penh, Cambodia.

<sup>3</sup> Faculty member at the National University of Management, Phnom Penh, Cambodia.

<sup>4</sup> Faculty member at the National University of Management, Phnom Penh, Cambodia.

<sup>5</sup> Faculty member at the National University of Management, Phnom Penh, Cambodia.

## **Preface**

This case is intended primarily for teaching purposes in undergraduate or graduate courses related to entrepreneurship, strategic management and tourism/hotel management.

A supporting video, which includes an interview with the hotel owner, is also available from the Center for Entrepreneurship & Development at the National University of Management in Phnom Penh, Cambodia.

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## **Case Summary**

This case looks at the development of the hotel and tourism sectors in the port city and popular seaside destination of Sihanoukville, located in south-western Cambodia, approximately 230 km from the capital city, Phnom Penh. The case focuses on the Seaside Hotel which was established in 1993 and during the 1990's was considered by tour operators and expatriate customers to be the best hotel in Sihanoukville. In particular the case focuses on the strategic questions now facing the owner of the Seaside Hotel, as a result of the emergence of larger and higher end hotels and beach resorts which have opened in 2004 or are scheduled to open in 2005.

## **1. History of Sihanoukville**

The municipality of Sihanoukville, which consists of 868 square kilometers and with a population of 148,000, is located in the south-western region of Cambodia on the coast of the Gulf of Thailand, about 230 km from Phnom Penh. The coastline extends for approx. 120 kilometers, with about 35 km of good quality sandy beaches, and the remaining area consisting mostly of mangrove forest and rock. Also known as Kompong Som, it is home to Cambodia's only deepwater seaport.

The area was originally developed from 1955 to 1960 with French assistance to develop the seaport and with American assistance to build the main road, route # 4, connecting the area with the capital city Phnom Penh. A rail extension (266 km) was later added between Sihanoukville and the capital.

During the 1960s, the area slowly emerged as a major shipment and transportation port for Cambodia, and also as the second destination for holiday tourism after Kep. During the 1970s and 1980s, the name of the city was changed to Kompong Som, and with the end of the civil war and the return of King Sihanouk in 1991, the name reverted back to Sihanoukville. During the period of the United Nations Transitional Authority in Cambodia UNTAC (1991 to 1993), the area became host to Australian, Belgian and French units which also led to a boom in the local property and housing rental markets.

During the middle to late 1990s, Sihanoukville emerged as the main seaside holiday destination in Cambodia for both domestic and international tourists.

## **2. Climate, geography and transportation infrastructure**

The weather in Sihanoukville is overall quite warm, averaging about 30°C year round. The rainy season, which is also the off season for tourism, extends from June to September.

Sihanoukville has four main beaches which provide accommodation for tourists: Sokha Beach, Ocheuteal Beach, Independence Beach, and Victory Beach. Other beaches such as Otres beach are not yet developed. (See Map!)

Within the last few years, major international oil companies such as Chevron-Texaco and Mitsui Oil Exploration Company have signed agreements with the Royal Government of Cambodia to explore for offshore oil and gas which are believed to be in limited though commercially viable quantities within the territorial waters of Cambodia, off the coast of Sihanoukville. The Royal Government of Cambodia remains confident that these resources will be commercially exploitable within the next 5 years (Source: Phnom Penh Post, Vol.12 Issue 17, Aug. 15-28, 2003).

With regards to transportation infrastructure, most tourists visit Sihanoukville by national route # 4. The highway was completely renovated by the U.S. Government in the mid 1990s (funded by USAID), and the government has now transferred the operation and maintenance of the road to a private company (A-Z company) which will start to charge a user toll fee starting in 2004 for all trucks, buses and

cars traveling between Phnom Penh and Sihanoukville. The fee for trucks and buses has already been implemented as of 2003, with private cars expected to be charged at a rate of US\$ 1.10 (one-way) starting in late 2004 or the beginning of 2005.

Ariston, a Malaysian company, has just finished renovating the domestic airport (which has been closed for several years) at Sihanoukville. The new airport was officially opened in April of 2004. There is some discussion of opening up the airport to international (regional) flights to such locations as Ho Chi Minh City, Vietnam; Pattaya, Thailand and Sabah, Malaysia, though no final decision has yet been made (Source: Cambodia Daily, Feb. 3, 2004). Currently, the airport is only receiving private chartered flights.

### 3. Market segmentation

Tourism in Cambodia can be divided into 3 categories:

- i) Cultural and historical tourism at Siem Reap (Angkor Wat);
- ii) Eco-tourism in the highlands of north eastern Cambodia
- iii) Seaside or beach holiday tourism at Sihanoukville.

This case is primarily interested in “beach tourism” which consists of about 80% of the tourism market in Sihanoukville. The main customer segments for beach tourism in Sihanoukville are as follows:

*I) Middle to Upper Middle Class families from Phnom Penh:* Middle-upper middle class residents from Phnom Penh (e.g. government civil servants, family business owners, private sector managers, etc.) usually drive down to Sihanoukville by car on the weekends and national holidays using route # 4, which usually takes about 3 and one half hours. The duration of stay in Sihanoukville is usually 1 to 2 nights.

During the early 1990s, most domestic tourists from Phnom Penh preferred to stay at inexpensive 1 and 2 star hotels located in the town of Sihanoukville (due primarily to security and price considerations), and then drive to Sokha Beach or Ochheuteal Beach for swimming and family picnics on the beach during the daytime. With the improvement of security in the latter part of the 1990s and with family incomes rising, more and more families decided to stay at slightly more expensive 2 & one-half star hotels located above Ochheuteal Beach (at the Golden Lion Roundabout) or at Ochheuteal Beach, which is currently the most popular beach in Sihanoukville.

*II) Expatriates* working with NGO's and other international companies and organizations in Phnom Penh during the 1990s, were also been primarily interested in short term beach holidays in Sihanoukville. Since the early 1990s, however, expatriates have preferred to stay at the more expensive hotels located at Ochheuteal Beach (e.g. Seaside Hotel and Crystal Hotel).

*III) Conferences:* Many NGO's and other organizations often hold conferences and training workshops / staff retreats at hotels in Sihanoukville. Conferences are usually held for several days and combine work with some time off for relaxation on the beach.

*IV) Tour Groups:* Starting in the late 1990's, many tour agencies / operators in Phnom Penh began to send tour groups consisting primarily of European and Asian tourists for short one to two day visits to the seaside in Sihanoukville.

*V) Backpackers* have also been coming in larger numbers preferring the more cheaper accommodation in one star guest houses located at one end of Occheuteal Beach. These tourists usually stay longer than the above groups, and have basically created their own little community at what is unofficially called Serendipity Beach.

## **4. Other activities**

While beach holiday tourism makes up over 80% of the market in Sihanoukville, it should also be noted that other activities such as casino gambling and small scale adventure and eco-tourism also exist.

*I) Casinos:* There is a small segment of foreign tourists who visit Sihanoukville for gambling at the casinos. Recently many of the casinos have closed due to a lack of customers, and only one casino, the Holiday Palace Hotel, remained open at the beginning of 2004.

*II) Eco-Tourism:* There are some eco-tourist activities in Sihanoukville and at the nearby national park at Ream. These activities include boat visits to some of the off-shore islands and scuba diving, though as of 2004, these activities are still relatively undeveloped, with some participation from the backpacker and expatriate segment of the market.

## **5. History of the Seaside Hotel**

The owner and founder of the Seaside Hotel, Mrs. Sok Leang, was born in Kompong Cham province in 1959. In 1975, she married Mr. Eng Pha also from Kompong Cham and in 1979, after the end of the Khmer Rouge Regime, she and her husband moved to Phnom Penh. It was not until 1985 when she and her family of 5 (3 daughters and 2 sons) decided to move to the coastal town of Sihanoukville.

In 1992, during the period of the United Nations Transitional Authority in Cambodia (UNTAC), she decided to construct a villa at Ochheuteal Beach in order to rent to UNTAC personnel, who had a reputation for paying very high monthly rates. Unfortunately, by the time the villa was completed in 1993, the UNTAC forces were in the process of departing from Cambodia, so she decided to convert the villa into a 17 room hotel.

During the period from 1993 to 1996, the Seaside hotel (2 and one-half stars) emerged as the top hotel in Sihanoukville, in terms of quality, service, price and especially location. During this period, most of their customers were expatriates and foreign tourists. Expatriates working for the more than 300 NGO's in Cambodia and embassy officials and staff would often stay at the hotel on holiday weekends. Room rates ranged from a low of US\$ 25. to US\$ 55. per day. All rooms were equipped

with cable t.v., air-conditioning and hot water. A small restaurant was also established to serve breakfast and other light meals to the guests.

Most of the guests chose to stay at the Seaside Hotel due to the location and also the service. Senior government officials and other visiting dignitaries were also regular guests of the Seaside Hotel.

During the 1990s, extensions were also made to the hotel, moving from 17 rooms to 40 rooms and then to 60 rooms and finally by 2004, reaching a total of 83 rooms.

In 1996, the first major competitor, the Crystal Hotel, was established on land adjacent to the Seaside Hotel. While a smaller hotel than the Seaside, it quickly became a competitor as it shared the same seaside location at Ochheuteal Beach, and given that it was a new facility, it quickly attracted some of the guests who had previously stayed at the Seaside Hotel. With only 47 rooms, however, the market was still large enough for both hotels, especially on the weekends and major holidays.

Starting in 1997, new competitors emerged on the hill overlooking Ochheuteal Beach which is locally referred to as the Golden Lion Roundabout. Two and one half star hotels such as the CCS (1997) and Golden Sea Hotel (2001) quickly became popular with the middle and upper middle class families who were spending their weekends at Sihanoukville. These hotels were priced slightly lower than the Seaside and Crystal Hotels, though above the prices of the hotels located in the centre of the city. The expatriate and tour operators, however, continued to place a premium on accommodation at the seaside which meant that the Seaside hotel and to a lesser extent the Crystal Hotel, still dominated the market with regards to expatriates, tour groups and NGO's.

In 2003, however, the competitive environment started to radically change. The Golden Sand Hotel opened as a three star hotel with a swimming pool at Ochheuteal Beach on the road behind the Seaside hotel. While not located directly on the beach, this large hotel with 108 rooms hired a professional manager with prior experience from a top hotel in Siem Reap, and started to aggressively target the tour agencies/operators in Phnom Penh. Other big projects, such as the four star Sokha Beach Resort at neighboring Sokha Beach which officially opened in April of 2004, and the newly renovated Independence Hotel (4 stars) which is expected to open in January of 2005, will also place a lot of competitive pressure on the Seaside hotel with regards to the expatriate and foreign tour group segments.

## **5.1 Management and Human Resources**

The Seaside Hotel is a family run business. The hotel employs a total number of 40 staff. Most of the employees working at the hotel have completed secondary school. The salary range is under US\$100. per month.

Most of the employees have worked with the hotel since 1993, and overall employee turnover is low.

## 5.2 Customer groups

During the early and mid 1990s, almost all of the customers were expatriate and foreign tourists. During the present period, however, about 60% of the customers are from the domestic market (middle and upper middle class families from Phnom Penh), with the other 40% consisting of expatriates and foreign tourists (tour groups).

During the high season (November to January), inbound tour groups are an important segment for the hotel. NGO conferences are also important, averaging about 1 to 2 per month.

## 5.3 Customer satisfaction

During a holiday weekend in November of 2003, 40 guests volunteered to complete a customer satisfaction questionnaire. In terms of nationality, 10 guests were from Austria, 1 from Switzerland, 1 from Norway, 1 from Canada, 1 from Belgium, 2 from Russia, 3 from the U.S., 1 from China, 4 from Germany, 5 from Britain, 4 from Japan and 7 were Cambodians from Phnom Penh.

When asked to rate the overall quality of the hotel (Excellent / Very Good / Poor), only 11 chose "excellent" with the remainder choosing "very good."

When asked "How would you rate this hotel compared to the other hotels in Sihanoukville?" (Best Hotel / Good / Satisfactory / Poor / Don't Know), only 8 guests selected "Best Hotel," 8 selected "Good," 4 selected "Satisfactory" and the rest selected "Don't Know."

When asked "Will you recommend this hotel to your friends?," 37 of the 40 guests surveyed said "Yes."

With regards to some of the other categories and written suggestions, the hotel restaurant/food/coffee received a poor rating from several of the Austrian, German, British and Japanese guests. The bathroom facilities also received a poor rating from several guests, with regards to the level of cleanliness. The Swiss guest also recommended to have natural and not plastic flowers in the room.

## 5.4 Current strategy & situation

As the Seaside Hotel enters the new year of 2004, its market strategy is to slightly lower its prices to \$15. during the off-season and \$20. during the high season, and also include a free buffet breakfast as part of the package. This strategy is aimed at the local domestic market (i.e. middle and upper middle class Cambodians from Phnom Penh). In addition, the hotel offers special rates to loyal customers (primarily expatriates) who have frequented the hotel for years.

The Seaside Hotel spends about \$1,000. per year on advertising, focusing on listings on the internet, guide books, and with tour operators. There is uncertainty, however, regarding how best to manage its future relationship with the main tour operators located in Phnom Penh.

With regards to the current situation, occupancy rates at the Seaside Hotel have experienced a slight increase over the last few years, though on the revenue side, the benefits of this increase have been largely offset by the lower room rates which are currently being charged as part of the hotel's new strategy.

## 5.5 The competition

The main competitors of the Seaside Hotel can be viewed in Table 1. They are divided by location (Beach).

### Sokha Beach

During the early and mid 1990s, the Sokha beach was the most popular public beach in Sihanoukville. Families from Phnom Penh and local residents would bring their families by car to spend the day at the beach. The only hotel on the beach was government owned and not well maintained, so most beach visitors arranged accommodation in the town.

In the latter part of the 1990s, Sokha beach was closed off to the public and the area was leased to Sokimex to develop a large scale beach resort. The four star **Sokha Beach Resort** officially opened in April of 2004. It has over 180 rooms, with private beach, swimming pool, tennis courts, water sports, health spa, and several restaurants.

### Ochheuteal Beach

Ochheuteal Beach which was always popular with expatriates, became also popular with the local and Phnom Penh based tourists after the closure of the Sokha beach due to the construction of the Sokha Beach Resort. It is currently the most popular beach in Sihanoukville for all segments of the market.

One part of Ochheuteal Beach has been unofficially renamed as Serendipity Beach by the visiting backpackers and is currently the home to many low end guest houses. These establishments do not compete directly with the Seaside Hotel as their price range is from \$5. to \$10. dollars, with very Spartan facilities.

Further along the main road at Ochheuteal Beach are situated the two main 2 and one half star hotels: the Seaside Hotel (83 rooms) and the **Crystal Hotel** (47 rooms). These two hotels have dominated the top end of the Sihanoukville market during the 1990s.

At the far end of Ochheuteal Beach, the **Jasmine Hotel** (2 stars / 70 rooms) was constructed in 2002, though this is not considered to be a main competitor as its overall quality is slightly lower than both the Seaside and Crystal Hotels.

Next to the Jasmine Hotel, the **Ochheuteal Golf & Beach Resort** is currently being constructed by Ariston, a Malaysian company. The 9 hole golf course is almost finished, though construction of the main hotel has not yet started. The resort (4 stars) is expected to open in 2005.



Half way up the hill located behind the Seaside Hotel (about 5 minutes walk from the beach) is the three star **Golden Sand Hotel**, which opened in 2003 and presently is the only hotel on Ochheuteal Beach that has a swimming pool. The manager, who has previous industry experience managing hotels in Siem Reap, is confident that he will be able to attract a greater percentage of the tour groups and higher end market to his hotel.

### **Golden Lion Roundabout**

Situated on the top of the hill which divides Ochheuteal Beach and Sokha beach, this area is known as the Golden Lion Roundabout (as there is a large statue of a Golden Lion). In general, hotels in this area are slightly cheaper in terms of price, though the quality of the rooms is similar to the Seaside and Crystal Hotels. Hotels in this area are usually quite popular with the middle and upper middle class segment from Phnom Penh.

In 1997, the **CCS Hotel** was established in this area. It was later expanded to a total of 57 rooms and in 2003, a large conference centre (capacity 300) was also opened. This hotel has proved very popular with the middle and upper middle classes coming from Phnom Penh. With the addition of the new conference centre, the CCS hotel is now targeting the NGO conference segment.

In 2000, the **Golden Castle Hotel** was established. This large hotel with 74 rooms initially opened as a casino, so it was not considered a direct competitor to its neighbour the CCS Hotel or to the Seaside Hotel and Crystal Hotel at Ochheuteal Beach. The owner rented the hotel to a Korean company to run a casino. In 2002, the casino closed due to a lack of customers. The owner is now directly managing the hotel and is trying to attract the middle and upper middle class segment of the market, in addition to the NGO conference segment.

In 2001, the **Golden Sea Hotel** was established. This hotel with 86 rooms and conference facilities is very popular with the middle and upper middle class segment. Its conference facilities are also popular with NGO's, especially as there is a lot of outdoor space in the garden for small group discussions.

### **Independence Beach**

With the exception of a few guest houses, there is only one main hotel located at Independence Beach, the appropriately named **Independence Hotel**, also known as the 7 storey hotel as it has 7 floors. This hotel was originally built during the 1960s, to provide luxury accommodation to the elite from Phnom Penh. During the war, however, the hotel was abandoned and slowly deteriorated over the next few decades. Recently, however, the Canadia Bank in Phnom Penh has embarked on a multi million dollar restoration of the facility which will include a glass tower and restaurant, a swimming pool, in addition to having its own private beach. The newly renovated Independence hotel is expected to open in January, 2005 as a 4 star accommodation and will directly compete with the Sokha Beach Resort in addition to targeting some of the expatriate and tour group segments of the market who currently frequent the Seaside Hotel.

### **Victory Beach**

Victory Beach is located next to the deep water seaport. The quality of the beach is not as good as the Sokha, Ochheuteal and Independence beaches as it is primarily a rocky area, with little sand.

The largest hotel at Victory Beach is the **Holiday Palace Hotel** (3 stars, 141 rooms) which opened in 2001. The hotel is owned and managed by an Indonesian company. The main focus of the hotel is its casino, so it is targeting mostly customers who arrive as part of organized gambling tours from other neighbouring countries. In addition, however, the hotel is actively targeting beach tourists from Phnom Penh by lowering its prices and offering free breakfast. The general manager from Indonesia views the Golden Sand Hotel as his main competitor.

The **New Beach Hotel** which opened in 2003 is located right next to the deep water seaport. The hotel has 37 rooms, with restaurant and limited conference facilities. It can be classified as a two and one half star hotel. According to the manager, his main competitors are the Seaside Hotel and Crystal Hotel.

### **The Peak**

On one of the largest hills in Sihanoukville, is located the **Peak Hotel** which opened as a 3 star accommodation in 1999. The hotel originally opened as a casino resort, though the casino closed at the end of 2003 due to a lack of customers. The hotel is now focusing on tour groups from Phnom Penh and also part of the domestic market from Phnom Penh.

## **5.6 Travel agencies : recommendations**

Several Travel Agencies were also contacted in Phnom Penh in order to gain their insights regarding the overall quality of hotels in Sihanoukville, and especially concerning the individual hotels which they currently recommend to their clients (both individuals and groups). Their recommendations are contained in Table 2.

Overall, the Seaside Hotel was highly recommended, especially with regards to location, quality and price, though clearly location was a key attraction. Several of the Travel Agencies mentioned that they will also establish contracts with some of the higher end hotels (e.g. Sokha Beach Resort) as their clients have diverse requirements with regards to price, quality, etc., though the general perspective was that the Seaside Hotel will continue to be recommended by their agencies.

## **5.7 Business and investment outlook**

The annual growth rates for the overall tourism sector in Cambodia and also for the Sihanoukville region can be derived from the data contained in Tables 3, 4 and 5.

Growth in occupancy rates for hotels located at Ochheuteal Beach have witnessed modest annual increases over the last several years, though these increases have been offset on the revenue side by declining prices due to increased competition. During the high season, most hotels at Ochheuteal

Beach have an average occupancy rate of 52%, and during the low season the occupancy rates fall to an average of only 15%. During national holidays and on weekends during the high season, occupancy rates near 100%.

Land prices in Cambodia have witnessed a sharp increase in value over the last several years. Siha-noukville is considered to have the third highest land prices after Phnom Penh and Siem Reap which are ranked first and second respectively.

Ochheuteal beach is considered by real estate agents to be one of the most expensive areas in Siha-noukville with land prices ranging from between US\$280. to US\$350. per square meter for land located along the main road # 1 at Ochheuteal beach. On street # 2, land prices are between 30 to 50% lower. At Otres beach, which has not yet been developed, land can still be purchased for as low as \$5. per square meter.

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## Discussion questions

- 1) Prepare a SWOT Matrix for the Seaside Hotel.
- 2) How would you evaluate the current strategy of the Seaside Hotel?
- 3) Given the new competitive environment which is emerging in Sihanoukville, if you were the general manager of the Seaside Hotel, what strategy would you pursue?
- 4) If you were an investor, would you consider building a hotel in Sihanoukville? Support your answer by utilizing Porter's 5 Forces Model.

Table 1 : COMPETITIVE ANALYSIS

HOTEL	LOCATION	YEAR ESTABLISHED	OWNERSHIP	# OF ROOMS	PRICE RANGE	FACILITIES	Star Rating
Seaside Hotel	Ochheuteal Beach	1993	Khmer	83	\$20. to \$50.	Air-conditioning, hot water, cable t.v., restaurant, business center, confer- ence facilities	***½
Crystal Hotel	Ochheuteal Beach	1996	Khmer	47	\$25. to \$80.	Air-conditioning, hot water, cable t.v., coffee house, conference room	***½
Jasmine Hotel	Ochheuteal Beach	2002	Khmer	70	\$10. to \$30.	Air-conditioning, hot water, cable t.v., restaurant, conference facilities	**
Golden Sand Hotel	Ochheuteal Beach	2003	Khmer	108	\$30. to \$80.	Air-conditioning, hot water, cable t.v., pool, business center, restaurant, conference facilities	***
Ochheuteal Golf & Beach Resort	Ochheuteal Beach	2005?	Malaysia	?	?	9 hole golf course	****
CCS	Golden Lion Roundabout	1997	Khmer	57	\$15. to \$30.	Air-conditioning, hot water, cable t.v., conference hall (capacity 300)	***½
Golden Castle Hotel	Golden Lion Roundabout	2000	Khmer	74	\$15. to \$50.	Air-conditioning, hot water, cable t.v., restaurant, sauna, conference facili- ties	***½
Golden Sea Hotel	Golden Lion Roundabout	2001	Khmer	86	\$15. to \$30.	Air-conditioning, hot water, cable t.v., health club, convenience store, con- ference facilities	***½

Sokha Beach Resort	Sokha Beach	2004	Khmer	180	\$88. to \$250.	Air-conditioning, hot water, cable t.v., Swimming pool, tennis courts, restaurant, health club, water sports, conference facilities, private beach	****
Independence Hotel	Independence Beach	2005 (January)	Khmer			Air-conditioning, hot water, cable t.v., Swimming pool, restaurant, observation tower, private beach	****
Holiday Palace Hotel	Victory Beach	2001	Indonesian	141	\$15. to \$45.	Air-conditioning, hot water, cable t.v., casino, restaurant, conference room	***
New Beach Hotel	Victory Beach	2003	Khmer	37	\$20. to \$50.	Air-conditioning, hot water, cable t.v., restaurant, business center, conference facilities	**½
Peak Hotel	Peak	1999	Khmer	60	\$15. to \$40.	Air-conditioning, hot water, cable t.v., restaurant, beauty salon, Pool	***

**Table 2 : Travel Agency Recommendations**

#	Travel Agency	Hotels recom- mended	Remarks
1	Hanuman Tourism	Jasmine	Good location and Space
2	Transpeed Travel Pte Ltd.	Peak and Holiday Palace	Casinos
3	JHC	Seaside Hotel	Quality
4	Diethelm Travel	Seaside Hotel and Sokha Beach Resort	Quality and Location
5	Exotissimo Travel	Seaside Hotel	Location, Service and Facilities
6	First Travel	Seaside Hotel Crystal Hotel	Location
7	All Cambodia Service	Seaside Hotel Crystal Hotel	Location and Price

**Table 3 : International Arrivals in Cambodia (1998 to 2003)**

1998	1999	2000	2001	2002	2003
286,524	367,743	466,365	604,919	786,524	701,014

Source: Ministry of Tourism, [www.mot.gov.kh](http://www.mot.gov.kh)

**Table 4 : International Arrivals in Cambodia (By month, 2003 to 2004)**

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
2003	76,255	72,162	60,415	37,154	30,485	35,477	47,555	58,263	52,600	54,020	78,387	98,241
2004	99,425	81,021	73,991	68,977	63,358							

Source: Ministry of Tourism, [www.mot.gov.kh](http://www.mot.gov.kh)

**Table 5 : International & Domestic Arrivals in Sihanoukville**

2001 (Domestic)	2001 (International)	2003 (Domestic)	2003 (International)	Est. 2004 (Domestic)	Est. 2004 (International)
72,980	28,380	83,888	N.A.	92,097	35,923

Source: "Master Plan for Tourism Development in the Coastal Zone," Draft copy prepared by Thailand Institute of Scientific and Technological Research in cooperation with Cambodia's Ministry of Tourism, Nov. 2003.

**Table 6 : Total Accommodation by Region (2003)**

Region	Hotels		Guesthouses	
	#	# of Rooms	#	# of Rooms
Phnom Penh	120	5795	113	1614
Siem Reap	53	2722	100	1018
Sihanoukville	38	1234	54	485

Source: Statistical Yearbook 2003. National Institute of Statistics, Ministry of Planning, Phnom Penh, Cambodia, p. 288



# KRONG PREAH SIHANOUK



(Source: [www.visit-mekong.com/cambodia/maps/city\\_maps/map\\_sihanoukville.htm](http://www.visit-mekong.com/cambodia/maps/city_maps/map_sihanoukville.htm))

# APPENDICES

### Annex 1 : Customer Survey

The following survey is being conducted in order to improve the services of the Seaside Hotel. May we kindly request a few minutes of your time to complete this survey.

Thank you!

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1- What is your nationality? .....

2 – Is this your first time to stay at the Seaside Hotel? ☐ Yes ☐ No

3 – Why did you choose this hotel? (Please check one or more)

☐ Good Price.....

☐ Good Location

☐ Good Quality.....

☐ Good Service

☐ Good Security.....

☐ Other.....

4- What do you like about your stay at this hotel? (Please rate the following:)

	Excellent √	Very Good √	Poor √
Cleanliness			
Quiet Environment			
Politeness of Staff			
Knowledge of Staff			
Security			
Parking Facilities			
Cable T.V.			
Air-Conditioning			
Bathroom Facilities			
Hot Water			
Laundry Service			
Restaurant			
Quality of Food			
Speed of Service			
Acceptance of Credit Cards			
Overall Quality			

5 – How would you rate this hotel compared to the other hotels in Sihanoukville?

☐ The Best Hotel

☐ Good

☐ Satisfactory

☐ Poor

6 – What suggestions can you make to improve this hotel?

.....

.....

.....

.....

7 – Will you recommend this hotel to your friends?

☐ Yes ☐ No

**Annex 2: Interview Questions (Video Interview with owner of the Seaside Hotel)**

- 1) Why did you decide to open the Seaside Hotel in 1993?
- 2) How did you raise the necessary capital to finance the purchase of land and construction of the hotel?
- 3) Why did you choose this particular location (e.g. Ochheuteal Beach) to build your hotel?
- 4) Who were your guests in the past and how have they changed over the last 10 years?
- 5) Who were your main competitors in the past?
- 6) Who are your main competitors today?
- 7) How would you describe your occupancy rate? Have you noticed any major changes over the last 10 years?
- 8) How about the room rates? Have prices changed over the last 10 years?
- 9) How would you describe your advertising strategy and how has it changed over the last 10 years?
- 10) What type of training do you provide for your staff?
- 11) How would you describe your management philosophy?
- 12) What is your current / future strategy, or how do you plan to compete against the new 3 and 4 star hotels which are currently opening in Sihanoukville?
- 13) If you were giving advice to business students regarding future careers, would you recommend to them the possibility of opening up a hotel or guest house in Sihanoukville?
- 14) Are you optimistic about your business? What do you think the future will be like?
- 15) Are you concerned about the recent problems of SARS and Avian Bird Flu and the possible impact on the tourism industry in Sihanoukville?