

New fates for two cities

East Kalimantan has a long way to go to become a viable new capital city that will attract both business and leisure traffic, while Jakarta is expected to shine much brighter as a dedicated economic hub. By **Alez Kurniawan**

Indonesian president Joko Widodo surprised many when he announced his plans to crown the little-known Kutai Kartanegara and North Penajam Paser regencies in East Kalimantan as the new capital of the country.

With the move, Indonesia's centre of administration will exit Jakarta, leaving the current capital city to function as an economic and commercial hub.

The move will cost the Indonesian government a hefty 466 trillion rupiah (US\$33 billion), which will also fund the construction of a 2,000-hectare administration complex that will house the state palace, ministries, house of representatives, Bank Indonesia, and a cultural park and botanical garden.

The National Development Planning Agency also revealed plans to erect a convention centre once the administration complex is complete. The convention centre will be part of a 40,000-hectare zone that will also boast a sports centre, museums, shopping malls, diplomatic compound and universities. Surrounding this zone will be a 200,000-hectare plot of land earmarked for a national park, an orangutan conservation centre and residential areas.

The president's plans for the new capital city have inspired big dreams among some of Indonesia's hospitality and business event leaders.

Hosea Andreas Runkat, chairperson of Indonesian Exhibition Companies Association (IECA), hopes that the Kutai Kartanegara and North Penajam Paser regencies will be home to a new MICE city which will contain South-east Asia's largest convention centre, hotels and other facilities for business event groups. He has conveyed this dream in a proposal to the government.

Hosea believes that the future city will cater to a boom in inbound business travel and MICE events once the new capital city is established.

Local hotel companies are eager to leap in with property investments too.

Vivi Herlambang, director of business development, sales & marketing of Sahid Hotel & Resorts, said her company is scouting for ideal locations for a future hotel which will be able to accommodate business events. During her recent site visit to the two regencies, she observed the presence of only small hotels with rooms for just 20 to 30 guests.

Meanwhile, Santika Indonesia Hotel and Resorts also has plans for a new hotel in East Kalimantan, revealed Sudarsana, general manager of business development, but the company is keeping the location under wraps as the project is still under discussion.

However, for new hotel

investments to materialise, hoteliers want to first see infrastructure improvements in the two regencies.

Vivi, who is already in talks with investors, also expects president Widodo to improve the local investment climate and remove potential red tape around business permits not only in East Kalimantan, but also the surrounding Central Kalimantan area and neighbouring provinces.

As leisure travel and MICE are two sides of the same coin for Pauline Suharno, managing director of Elok Tour, she has urged the government to improve East Kalimantan's tourist appeal. She explained that business travellers and meeting attendees usually extend their work trips for pleasure, so East Kalimantan should be able to cater to this need.

She warned that the capital city status alone, without business and leisure infrastructure improvements, will not guarantee higher arrivals.

"Naypyitaw became the capital of Myanmar (in November 2005) but it is like a ghost town, and not attractive for tourists. Restaurants and hotels are quiet unless the country welcomes a state visit," she said.

Despite the heightened attention placed on Indonesia's future capital city, industry players continue to watch Jakarta with keen interest.

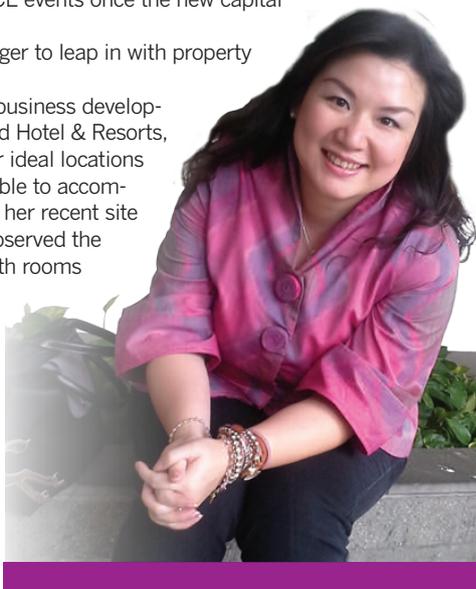
With the exit of administrative facilities, Hosea predicts that Jakarta will become less congested, less prone to political protests, and therefore, more welcoming for businesses.

Wisnu Budi Sulaeman, CEO of Pintamas Convex, also believes Jakarta will continue to be favoured for tradeshows because "almost all factories are there".

As it would take five or 10 years for the two regencies to have adequate accessibility, facilities and amenities, Jakarta will continue to welcome most of the country's inbound business events. After that, conferences and meetings in Greater Jakarta may decline, but the industry can shift their focus to exhibitions and sports events, Wisnu ventured.

Agreeing with Wisnu, I Ketut Salam, vice president director of Pacto Convex, said: "Business events do not have to be conducted in a capital city."

He pointed to Rio de Janeiro and Sao Paulo as examples, saying that more business events are conducted there than Brasilia, the capital of Brazil.



“The MICE industry in Jakarta will stand tall as the city has all the required infrastructure, and almost all the headquarters of MNCs are here.”

Pauline Suharno
Managing director, Elok Tour



A new side to Malaysia

There's room for everything here. Desaru knows it's a standout choice, and is getting a move on the regional MICE market. By **S Puvaneswary**

Desaru Coast in Johor believes it is in pole position to capture the attention of meeting planners and corporate companies across Asia, with two of its internationally-branded hotels, conference centre, two championship golf courses, and waterpark now fully operational.

Arokia Das Anthony, director, Luxury Tours Malaysia, called Desaru Coast a “refreshing and welcome addition” to what Malaysia can offer.

He said: “It is a new venue for meetings and incentives, especially for organisers who have already held events in traditional destinations such as Kuala Lumpur, Penang, Langkawi and Sarawak.”

Arokia also noted that Desaru Coast was a “young” destination that was officially launched in July, and had off-site venues that were good for incentives programmes. This is good for his company, as he indicated that they “always get queries from regional organisers and planners in India on what new destinations Malaysia has to offer”.

Vikram Mujumdar, general manager at the 275-key The Westin Desaru Coast Resort, shared: “The unique selling points of Desaru Coast as a business events destination are the facilities and attractions it has to offer.”

“Being away from the hustle and bustle of the city allows organisers to keep everyone in one place and happy. Delegates can attend meetings, teambuilding activities and incentive programmes, while spousal programmes can be arranged or family members can

▲ An aerial shot of Desaru Coast

keep themselves occupied with activities around the destination.”

Adjacent to the resort is the Desaru Coast Conference Centre, also managed by The Westin Desaru Coast Resort. The venue has a total of 1,252m² of fully-equipped event space with the capacity to host almost 1,400 guests.

The showpiece of the conference centre is a grand ballroom, which can be divided into four smaller event and pre-function spaces. There are outdoor venues by the beach available as well.

Vikram added that business to date for the ICCA-accredited conference centre has been encouraging

“We are targeting regional and international corporations and associations who are looking for new destinations in South-east Asia...”

Roslina Arbak
CEO,
Desaru Development Holdings One



7

The number of international destinations with direct air connections to Senai International Airport, serviced by AirAsia, Malindo Air and Jin Air. The direct routes are Guangzhou, Haikou, Ho Chi Minh City, Bangkok, Surabaya, Jakarta and Incheon

2.7 nights

The average length of stay of foreign conference delegates to Malaysia

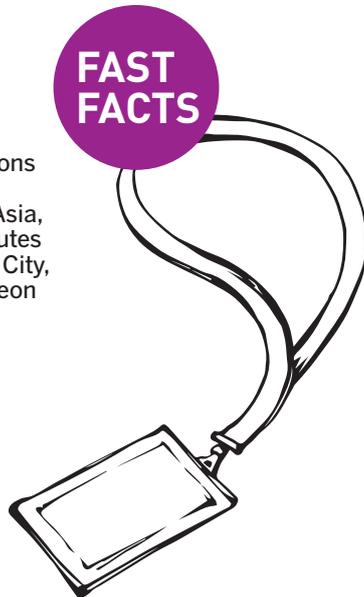
102,211

The number of international MICE delegates to Malaysia in 2018

RM1.6 billion

The estimated economic impact MICE delegates brought to Malaysia in 2018, equivalent to US\$358 million

FAST FACTS



from both corporate end users, as well as professional conference organisers. He hopes that the hotel's recent full opening will attract even larger international business events opportunities.

"Corporate groups and events are the main business drivers and we foresee this trend to continue moving forward. As the development is still fairly new, the main focus is on marketing the destination as a large-scale integrated holiday and event destination," he offered.

The other hotel located within the integrated resort is Hard Rock Hotel Desaru Coast with 365 music-inspired rooms.

Two more properties will come online soon: Anantara Desaru Coast Resort & Villas on December 1 with 123 rooms and One&Only Desaru Coast by the end of 2019 with 42 suites.

Roslina Arbak, Desaru Development Holdings One's CEO, shared: "Desaru Coast's integrated facilities and strategic location make it a competitive location for the business events segment, which typically

▼ A guestroom within the brand new Westin Desaru Coast Resort



TTG Travel Trade Publishing is proud to be the travel trade media partner of the ASEAN Tourism Competitive Committee, working together

to support the ASEAN Tourism Marketing Strategy and promote ASEAN destinations for tourism and business events

DEVELOPMENTS TO WATCH

01 Malaysia Convention & Exhibition Bureau (MyCEB) offers a sponsorship programme for meeting planners and corporate clients. Known as The Malaysia Twin Deal V (V for vibes), there are two deals.

Deal 1 provides support for meeting and incentive groups starting from as low as 30 participants right up to delegations of 500 and above, while Deal 2 is aimed at meeting planners. The number of rewards accessible to groups grow with the number of attendees.

02 The Desaru Coast Ferry Terminal, which includes the Customs, Immigration and Quarantine complex, is scheduled for completion by end 2020. Once completed, the ferry terminal will provide direct access from Tanah Merah Ferry Terminal in Singapore to Desaru Coast, providing business events delegates another transportation option.

03 Work to expand Senai International Airport's arrival and departure halls will begin in 4Q2019. Costing around RM15 million (US\$3.6 million), upgrades and new features will include two new gates at the departure hall, toilets and a new ramp walkway.

hosts participants from varying geographies. We are targeting regional and international corporations and associations that are looking for new destinations in South-east Asia. We can tailor event experiences to specifically address their requirements for both business and leisure components."

Key markets for the company include the domestic segment, as well as Singapore, Indonesia, China, Hong Kong and India. The company is also targeting international business travellers coming into this region via Singapore.

In addition, Desaru Development Holdings One is in the midst of adding teambuilding activities and facilitation, as well as curating lifestyle and entertainment events that that will appeal to both the business event and bleisure traveller.

For instance, Desaru Coast hosted the inaugural edition of the Ombak Festival (July 5-7, 2019). The Ombak Festival will be an annual event with curated activities including culture, music and food that highlight homegrown talent and products, and showcase local expertise and creativity.

In the future, travellers to Desaru Coast can look forward to a wide range of outdoor activities that include ATV rides, mountain biking, a climbing tower and ziplines.

Planning out of the box

As demand surges for creative, customised events, Singapore's event planners are changing the game with innovation, writes **Pamela Chow**



▲ Singapore's event planners are increasingly embracing creative solutions and innovation to deepen engagement with MICE visitors

High personalisation and authentic experiences have trickled in from the leisure sector and taken root in business events, and Singapore's industry is coming up with increasingly creative solutions that bring out the flavour of the Lion City.

Setting the tone last year, the Singapore Tourism Board (STB) launched the Tour Design Challenge to encourage the development of immersive tours that tell an engaging tale about Singapore which appeals

to MICE visitors. For this, tour operators participated in a "Learn-Pitch-Pilot" process comprising industry workshops and site visits. Selected applicants were given grant support to pilot these new tours.

Tours that were successfully launched include Singapore 1920s: Trails of Ah Huat tour by Let's Go Singapore and the Silicon Valley of Singapore insider tour by UBE Singapore. The latter takes participants through thriving innovation hubs, one-north and JTC Launchpad, and is the debut product of UBE Singapore. The brand was recently established by tour operator Woopa Group in light of the demand for immersive concepts to stimulate the MICE industry.

"UBE is the pioneer of start-up and business innovation tours in Singapore. We aim to offer unique localised experiences to interact with creative start-ups and businesses from various key industries," said TY Suen, founder & CEO of Woopa Group.

"In the past two years, we have seen existing players and tourist guides start to innovate and develop more unique tour experiences. It has also begun to attract even players outside of the industry," he added.

The Tour Design Challenge is part of STB's ongoing collaborations with industry players "to catalyse

"Authentic local experiences and customised solutions help to enhance the overall experience of business visitors."

Edward Koh

Executive director, conventions, meetings & incentive travel, STB



new tours to build stronger destination affinity” with MICE visitors, said Dr Edward Koh, executive director, conventions, meetings & incentive travel, STB.

He added: “Authentic local experiences and customised solutions help to enhance the overall experience of business visitors. They deepen visitors’ engagement with Singapore as an inspiring destination that offers experiential events and authentic local character.”

Event planners are also seeing a parallel trend towards demand for exhibitions and conventions that bring out authentic flavours of Singapore. This May, Resorts World Sentosa (RWS) played host to the Skift Forum Asia held at Equarius Hotel, which featured uniquely Singaporean dishes at live stations and meeting areas designed to resemble traditional kampung huts and coffee shops.

“There is an increase in demand for bespoke events and festival-style conventions with greater elements of entertainment, networking and audience engagement rolled into one, alongside the formal seminars. With more emphasis on creative programming, flexibility, customisation and out-of-the-box ideas are key,” said an RWS spokesperson.

Aloysius Arlando, CEO of SingEx Holdings, claimed that localised event experiences are an instance of “highly customised solutions” that can leave a “significant impact” on attendees. SingEx is well-acquainted with running innovative F&B experiences – it popularised the concept of festivalisation through its Singapore Fintech Festival, where guests enjoyed an all-day, multi-ethnic Asian menu in a space spruced up with sampan boats and a batik motif.

Such localised experiences are examples of “novel highlights” that SingEx is seeking to integrate into its suite of solutions, having revealed earlier this year the possibility of introducing “hawker-style” dining concepts for event organisers.

This will be officially announced in Q4 this year, when Singapore EXPO and MAX Atria, which are operated by SingEx, are slated for a relaunch with a new suite of customisable event solutions. This will be led by “a service partnership approach”, said Arlando, in which SingEx will function as both venue provider and a “full-service concierge” to “co-develop a customised suite of products and services” with clients.

He added: “The bleisure trend is predominantly increasing, (and as) international MICE delegates are taking the opportunity to mix work with leisure while travelling, they too want to explore like a local... being able to offer experiences that embrace local flavours and culture will provide international clients with a deeper impression of Singapore as a unique destination.”

Creative events have ignited so much demand that The Special Event Show will make its Asia debut in RWS this November, converging the top offerings in event conceptualisation, planning and show production to bridge buyers with MICE service providers.



FAST FACTS

17

The number of consecutive years Singapore has emerged Top Asia-Pacific Meeting City in the ICCA Rankings 2018

1.4 million

The total number of delegates who attended the 3,600 events held at the Sands Expo & Convention Centre in 2018

15,000

The estimated number of local and foreign delegates expected to attend the 25th World Congress of Dermatology in 2023, the largest medical convention ever hosted in Singapore

DEVELOPMENTS TO WATCH

01

Greater Southern Waterfront: Pulau Brani will soon house a host of new attractions and a possible resort in plans comparable to Universal Studios Singapore on Sentosa, announced Prime Minister Lee Hsien Loong. The island, currently home to Brani Terminal, is part of the government’s plans to remake Singapore’s Greater Southern Waterfront.

02

New hotels for Resorts World Sentosa: As part of its S\$4.5 billion redevelopment plans, Resorts World Sentosa will expand its existing hotels in the Central Zone and introduce a new waterfront lifestyle complex helmed by two new destination hotels, adding a total of up to 1,100 more rooms to the integrated resort.

03

More MICE spaces for Marina Bay Sands: Marina Bay Sands is pumping in S\$4.5 billion into expansion plans that include a fourth tower, to be constructed on roughly eight acres of land beside the current resort. It will feature a suites-only luxury hotel with some 1,000 keys, a sky roof with a swimming pool and a signature restaurant, ballrooms, exhibition halls and F&B offerings.



TTG Travel Trade Publishing is proud to be the travel trade media partner of the ASEAN Tourism Competitive Committee, working together

to support the ASEAN Tourism Marketing Strategy and promote ASEAN destinations for tourism and business events