

# Introduction to integrated resort investigation tourism essay



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Resort is normally known as a place where people go together for a vacation, relaxation or recreation with their families or friends. Therefore, most of the resorts are settled along the seaside, on the mountains, near scenery areas or the places with abundant of natural resources. Because the purpose of any resort is to provide an experience that can make people escape from their busy and hectic lives to spend some time with their friends and families. The resorts in the past do not provide a lot but the beautiful environment and some of the recreation services. The target customers of the resort were only people who are in a holiday. Nowadays, in order to attract more customers, the concepts of resorts have been changed. They not only provide creational facilities and services, but also business facilities and service such as MICE facilities and service. Therefore businessmen are included in one of the target customers of resorts.

My emphasis on this paper is about the integrated resort. The concept of an Integrated Resort is a huge complex of famous branded shops, high-class restaurants, convention centre, gaming centre, spectacular shows, interesting attractions and luxury hotels all in one destination (Mti, 2012). Relatively speaking, there are two successful integrated resorts launched in Singapore, they are Marina Bay Sand and Resort World Sentosa. There is no doubt that the integrated resorts will bring benefits but disadvantages.

Since the tourism and hospitality industry is one of the biggest industries in Singapore, it is very important to develop it and remain its competitiveness. According to the speech made by prime Minister Lee Hsien Loong (2005) stated that " Three major developments caused us to re-examine our position: We are losing ground in tourism. Cities all round the world are

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reinventing themselves, and we are not considering a casino, but an IR – an integrated resort. The IRs will have all kinds of Amenities... The great majority will not be there to gamble... but within this large development and slew of activities, there is one small but essential part which offers gaming and which help make the entire project financially viable”.

In 1823, legalized gambling in was a colony of Singapore, but experiments led to gambling addiction and crime increased, gambling is for three years again.

Since then, the operation of the legal gambling in Singapore has been limited to the government management of Singapore lottery, pool Singapore turf club racing. However, in a council meeting in April 2005 and day, lee hsien loong, Singapore prime minister announced that the cabinet decided to develop two casinos and related hotels and shopping center in the south shore and sentosa.

The government says, the purpose of the project is to improve the Singapore tourism has face fierce competition from other destinations, especially from surrounding area near Bangkok and Hong Kong after, is also regarded as casinos, plan in Singapore. Even closer to home area, Malaysia for a long time have a legal casino and theme park in genting, this proves that Singapore visitors welcome. The irs in Singapore can be expected to create around 35000 jobs directly and indirectly. In addition to the casino, the irs will have other facilities including hotels, restaurants, shopping and conference center, theatres, museums and theme park. The industry is expected to the investment of us \$7. 1 billion in the integrated resort, which

means that there are \$3.5 billion in Marina Bay, 3.6 billion dollars in the Resort World (Sohu, 2012).

The plan is to build a casino by considerable debate in Singapore. Some organizations, such as those who belong to the Muslim and Christian community and social workers, publicly expressed their dissatisfaction with casinos. They put forward the worry about the negative social influence of the casino gambling, reason to worry about casino gambling, can encourage more increases the risk of compulsive gambling. Rights groups think, casinos and may result in undesirable activities often and gambling, including money laundering, usurer even organized crime. Lee admitted faults have comprehensive resort and public express concerns. He promised to have security measures to limit the social influence of the casino gambling. He said he would have limited the casino entrance of local residents, such as, family members sponsor casino may prevent him or her into and gambling. Li announced a steep admission of \$100 each entry or \$2000 a year and a system for all Singaporeans except the. In addition, the casino would not be permitted to extend credit to the local population.

In April 2005, Singapore prime minister Lee Hsien Loong in congress announced that it will cost 5 billion Singapore dollars in domestic construction of two world casino resorts, thereby improve the square national image and promote tourism. Actually build casino in Singapore or caused a lot of controversy, Singapore cabinet agreed to encourage national discuss the casino plan, citizen in succession in the media, web site, office and home are in this discussion, polls show support and opposition opinion

mixed. Lee hsien loong more means, the government cabinet ministers have differences of opinion.

Although the Singapore have to bet on horses, lottery and sports gambling activities, but critics say, and other forms of gambling is different, 24-hour casino will bring more pathological gamblers, break the family, and will affect the image of Singapore. Lee hsien loong in congress stressed that Singapore is not only build the casino, but to build a comprehensive resort, casino part accounts for only of the whole project less than 5% of the space. The integrated resort include hotels, restaurants, shopping center, the drama center, conference center, amusement parks and museums.

In 2010, Singapore's two Integrated Resorts - Marina Bay Sands (MBS) and Resort World Sentosa (RWS) had been opened. These two well-known integrated resorts not only provide the catering and recreation services, but also offer more than 33, 500sqm of MICE space and over 4, 000 hotel rooms. These two Integrated Resorts have been bringing a positive impact to Singapore's economy. According to a report, it is stated that the intergrated resorts boosted the development of the tourism sector in Singapore. Along with the recovery of the world's economy and changed demands' concepts of the new tourism offerings, there were 13. 2 million visitor arrivals and 22. 3 billion in Trourism Receipts in 2011 (Mti, 2012). These two integrated resorts also brought lots of benefits to the sociaty. There are more than 40, 000 jobs supported by the Integrated Resorts throughout the economy including retail sector, F&B sector and transportation sector. About 22, 000 employees, mostly locals, are hired by the integrated resorts.

Only in those countries or cities where are allowed to do gambling business accrues the Integrated Resorts. Besides, it is because the gambling business that the countries and cities could be well off. For examples: the well-known gambling crowned city Las Vegas, special administrative region Macau in China, and the Philippines are all famous because of gambling. In this paper, I will concentrate on the Integrated Resort - MGM - development in Macau.

Macau is in a special location, it is under the rule by China but it is in the location where has been guaranteed by Chaptain Deng that one nation, two systems. It used to be ruled by Portugal and was famous for the gambling industry. When people informed Macau, some of the well-known gambling Integrated Resorts will be mentioned. Although it was regained by China and the gambling is illegal in China, Macau is the special place continuing its flourishing gambling business and is more prosperity these days. The reason is that there is a huge number of people from mainland China are able to go inside Macao to enjoy the Integrated Resorts. According to the report in China Daily, the data showed that the Macao casino industry 2012 income year-on-year rise 13.5% to a record \$38 billion, so as to further consolidate the as the world's largest gaming market position ( Chinadaily, 2012). Due to the influence of China's economic slowdown, add rich mainland China gamblers for fear the government corruption blow and have convergence, macau last year's gambling revenue growth rate is 42% in 2011 to slow sharply (China Daily). According to statistics, from mainland China who gamble for the macau gaming industry contributed two-thirds of the income. However, analysts pointed out that the mainland China middle class

gamblers the increase of the number of the offset the decline of the number of gamblers.

The main operators have casino Las Vegas sands group (LVS), WYNN resorts (WYNN) and MGM (MGM).

MGM Integrated Resort in Macau offers a wide range of choice of gambling, accommodations, food and beverage services, meeting and banquets facilities and recreation facilities like swimming pool, Gym and branded retail stores and some happy events for customers to enjoy with their friends and businessmen to do their business safely. MGM Integrated Resorts offers a focused, unrestrained and creativity life style.

There are various reasons for choosing this resort. First of all, it is sited above that MGM is one of the main operators in Macau, which means that MGM has a long history of development in Macau. It is an old brand and has lots of loyalty customers and has a big influence all around the world especially for gambling industry. MGM this brand was firstly known as a film company, it created lots of famous film such as 007 Series. However, after the Second World War, MGM film company had three fatal blows. 1, in May of 1948, the United States Supreme Court according to the antitrust law to make decision for large companies to stop illegal monopoly, the production company just production, give up issue and the cinema business management. Like MGM such set production, distribution, screening of a big company, the main revenue was cut off. 2, the 1950s, television began pouring into a family, take nearly half of the film audience. 3, due to the board of directors suspicions, MGM's largest contributor Meyer, in 1951 was

forced to leave the company. In 1957, MGM for 30 years of earnings situation is broken. In 1970, MGM had been purchased by United States Gambling King and began its gambling business. Macao elegantly-appointed (MGM Macau in April 2010, 23 says Macao elegantly-appointed mirage) located in the new port new reclamation area, the building is 154 meters high, high 35 layer, as a five-star casino hotel, with a total construction area of 200 square feet, belongs to the commercial trade in the region, south; South Taipa, one in the west, lake, north depends on Wynn Macau. MGM Macau is the first in macau casino hotel project, Macao's six gambling card (three main board and three board) in the last one gambling card company formally inaugurated flagship casino hotel, also marks the macau gaming industry official into six points of the situation. Macao eMGM brought by the bet fasten belong to Macao lottery co., LTD on the card board.

Macao MGM is the whole project investment of more than USD \$1. 25 billion, in the middle of 2005 for reclamation, fill and building engineering; In December 2007 and opening day ( Chinadaily, 2012).

The second reason to choose MGM resort is because the MGM Mirage is going to make a further development in Macau. The MGM casino operators (MGM MIRAGE) and its joint venture partners Mr. He Chaoqiong (Pansy Ho) plan for further development of business in macau, in a circumference fill on the land to build a super luxury hotel and casino. At the moment this land on many construction projects are in full swing. The joint venture company's first project Macau MGM mirage (MGM Grand Macau) has opened on Tuesday. Located in the downtown MGM Mirage including a casino and 600 suites hotel, a total investment of 1. 25 billion us dollars ( Wsj, 2012). MGM <https://assignbuster.com/introduction-to-integrated-resort-investigation-tourism-essay/>



chief executive Mr. Terry Lanni said, at present the company is a joint venture with the government of Macao in Cotai development of the second project negotiations, Cotai distance crowded the city a few kilometres away, at present also become an increasingly important source of gaming hub ( Wsj, 2012). Two of the joint venture company called MGM Mirage super defense (MGM Grand Paradise Ltd.). Even the enrichment said, the company plans to open a Cotai boutique hotel and casino in Las Vegas Sands, scale than rival company (Las Vegas Sands Corp.) in August this year Cotai opened “ Venetian” (Venetian), but will be more unique and chic. Venetian has 3000 suites and 700 zhang gambling table. MGM mirage super defense has determined the location, and submit to the government department for construction planning. Even the enrichment said, the company will get in land within one year after the start. “ this project still need to get government approval. We have entered the early planning.”, said by MGM partner HeChaoQiong who is Macao Gambling King’s daughter. There are three American company held in Macao casino business license, the MGM casino is the last of a business. Las Vegas Sands, the company set up the very large scale the Sands casino (Sands) and later Venetian. Last year, Wynn vacation (Wynn Resorts Ltd.) high-end Macau Wynn resort hotel (Wynn Macau) announced that opening. The Macao special administrative region is China’s only a legal gambling places. Even the enrichment said, he expects the MGM mirage guest there will be 85% to 90% from mainland China, these people can directly go to the macau, also can borrow tao Hong Kong ( Wsj, 2012). Some people worry that the new open casinos and hotels may supply exceeds demand, even the enrichment to disagree, he thought that as long as China’s economy continues to grow, Macao will have plenty of tourists.

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Cotai and several other casino and hotel also under construction. Even the enrichment said, “ China produced every day a lot of millionaire is a very good sign” (Wsj, 2012). But he also pointed out that, once the Chinese government’s decision to limit inlander to Macao tourism, will seriously affect the operation.

MGM Macau contributes Macau’s gambling industry, which can improve the local infrustructure. It is reported that a bridge is being built across the Pearl River estuary to connect Hong Kong, Zhuhai and Macao and it will be completed in 2016, which can make people from mainland China access Macao much easier ( Chinadaily, 2012).

Beside, MGM Macao provided thousands of jobs for local and migrants from other cities and immigrants from other countries with a well paid salary. The data on the report from Chinadaily showed that by the end of 2011, over 50, 000 local residents of Macao’s 345, 000 working population were working in the gaming and related sector, like hotel and restaurants inside the casinos (Chinadaily, 2012). A twenty years old Macao resident said that even he did not study at a university, he can be able to make almost 17, 000 patacats a month after doing the dealer in MGM casino for only two years.

Moreover, the gambling operators like MGM Mirage contribute a lot in Macao’s economy. The booming gaming industry accounts for over sixty perscent of the city’s gross domestic in 2012, and which even pays nearly nighty percent of the total taxes that the local government collects every year ( Chinadaily, 2012).

At the end of the report, I am going to write about the sustainable development of Integrated Resorts. The sustainable development could be practice in each aspects of the integrated resort. For the hotel, Compared to other integrated resort properties, the MGM and the integrated resorts in Singapore have notable best practices in their guest rooms. However, for the sustainability practice to be monitored and assessed well there should be an appraisal framework using a standard unit. For the food and beverage, IR needs to include information about the source of their food supply including the list of their chains of supplier, the items purchased, food preparation processes and its by products, and the means of recycling implemented in the department together with their accomplishments in the area. For the convention, Marina Bay Sands and Convention Centre has notable green meeting and convention program that allows choices of standard environmentally sound services. They have additional methods of services to create a more socially and environmentally planned events. However, referring to what was revealed from their webpage and short publication, there is no case study of which services they supported exactly and how they accomplished the objectives of the project. To add, there is a need to establish the tracking and monitoring system utilized and to develop a standard sustainability measurement framework with a standard unit. For the Entertainment Department of IR, there's no information available regarding their sustainability effort in particular, the staging of shows and exhibits such as the Phantom of the Opera and The Blue Man Group. For the casino, Even though The MGM was granted LEED certification, the Casino was not included in this (Chinadaily, 2012). For a long term perspective, if MGM wants to imply that it's gaming area is where everybody can enjoy. <https://assignbuster.com/introduction-to-integrated-resort-investigation-tourism-essay/>

There is a need to improve its environmental condition. The casino part is a tricky area to discuss with smoking not banned within its vicinity. However, in the other department, namely the health and working environment area, it is pushing the issue regarding this matter since it is also a concern of health.