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Insights into the Arab market
shared by Arabian Falcon

Arabian success story

When Arabian Falcon started selling timeshare to travel-hungry nationals in the countries of the Gulf Cooperation Council (GCC), even its founder couldn't predict how it would be helping to further the growth of the holiday product in the Middle East, Asia and Europe. By **SARAH LEE**

IN DEPTH

AL MOHANNAD SHARAFUDDIN

is justifiably pleased with his company's progress. In just two years, marketing company Arabian Falcon has expanded from a largely homegrown base – selling Arabia to Arab nationals – to one that is spreading its reach to international markets.

Arabian Falcon started selling the Dubai timeshare product in 2003 to GCC nationals and African buyers. The business was largely focused on the Royal Club brand, which Sharafuddin created with British entrepreneur Pervaiz Naviede.

Then the first Royal Club at The Palm Jumeirah was born, a collection of 50 beach-facing, quality timeshare apartments on Dubai's iconic Palm Jumeirah. Following this, Arabian Falcon started marketing 35 timeshare apartments at Jumeirah Lake Towers, a five-star hotel and apartments in Jumeirah, and Royal Club at Bonnington Towers was launched.

The company's target markets are GCC nationals – from the United Arab Emirates, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and Kuwait – as well as wealthy Nigerians, Angolans, Kenyans and Senegalese clients with a passion for the Emirate.

Dubai, according to Sharafuddin, is an excellent destination for timeshare because of its many attractions, from the beach to designer shopping, desert safaris to indoor skiing. Given the appeal of Dubai, Arabian Falcon is expanding further at home – bringing more apartments into Royal Club at The Palm and extending sales at Royal Club at Bonnington Towers.



AL MOHANNAD SHARAFUDDIN

Founder of Arabian Falcon

New markets

Sharafuddin also spotted opportunity elsewhere. With a focus on the Arabian buyer, he set his sights on resorts in Asia and Europe and, with help from RCI, has introduced new products into the industry.

“We wanted to offer more variety to our foreign clients and something to Emiratis looking to purchase timeshare elsewhere,” he said.

“We knew certain destinations were popular with Arab buyers. Malaysia is very popular in this part of the world because it’s

in Dubai, but at a lower price point to clients at his Emirate sales centre. “We start by offering clients Dubai,” he explained.

“And when we see they are interested in the product and how it is structured, but can’t afford the Dubai properties, we offer them Malaysia and the idea that with RCI exchange they can holiday in Dubai.

“We explain about the trading power requirements of course, for example values of their week and the advantages of booking well in advance with RCI to secure their desired exchange.

Malaysia’s Sepang coast, around 40 kilometres from Kuala Lumpur. Arabian Falcon is selling 100 units at the resort.

Both of the Malaysian resorts sell for approximately US\$9,000-\$15,000 a week, depending on the season – a stark contrast to the US\$27,000 per week at Arabian Falcon’s Dubai properties. This price point, and the quality of the resorts, are proving popular with the company’s clients.

Another destination where Arabian Falcon is seeing success is Istanbul, Turkey, where it worked with RCI to bring another



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an open Islamic state, but still moderate. There is a lot to see there and we love visiting for the city life of Kuala Lumpur and the countryside of the Genting Highlands.

“A lot of Arab families like to travel to London and Western Europe, but it’s a different market. Some can’t afford European travel or can’t morally agree to going there, so Malaysia is much more feasible for them.”

Sharafuddin also wanted to offer products of the same high quality as the Royal Club resorts

However, they often fall in love with the resorts in Malaysia once they have holidayed there and don’t give Dubai another thought.”

It’s easy to see why. The Malaysian resorts in question are excellent products. Palace of the Golden Horses in Kuala Lumpur is a grand resort with 90 timeshare units and offers a wide range of health and wellness treatments, including Chinese medicine. The spectacular Golden Palm Tree Iconic Resort & Spa is managed by luxury brand Anantara and consists of floating villas on

new player into timeshare. It is selling the Elysium Vacation Club, managed by Rixos Hotels group.

“The company was introduced to us by RCI,” said Sharafuddin. “With the RCI team, we spent considerable amounts of time with them, talking through the timeshare model and how it could improve their bottom line.

“The real estate market is booming in Istanbul so to commit to 25-30 years of timeshare is not really what developers are looking for. But we showed them that whatever profits real estate

Above: Golden Palm Tree Iconic Resort & Spa features floating villas on the Sepang Coast, Malaysia. Opposite page: Burj Khalifa, the world’s tallest building, symbolises the aspirations of Dubai’s property developers.

“ This is the challenge of meeting the expectations of Arab travellers – they are quite different to Europeans who will travel to a beach resort and stay there for a week. ”

- AL MOHANNAD SHARAFUDDIN

can reap, timeshare will make them multiples of that. After much discussion, and with the help of RCI in Istanbul and Athens, we brought Rixos Hotels into the industry. The group placed 35 of its 100 duplex apartments with us and if it does well they will put the whole

with his clients as it fits the way that Arabs generally like to holiday. “Arabs prefer urban destinations to beaches,” he explained. “So we think the Istanbul development will do well here.

“We focus on choosing popular destinations for Arab travellers.

allowing for one-, two- or three-night stays. This works very well for Arab clients who want to stay there for a night or two, then travel to Kuala Lumpur and perhaps somewhere else for a few nights, possibly returning to the resort for another night before they leave the country.

“This is the challenge of meeting the expectations of Arab travellers – they are quite different to Europeans who will travel to a beach resort and stay there for a week. Arabs would probably be very bored by that. So as beautiful as Golden Palm Tree Iconic Resort



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development into timeshare.”

As the property market is thriving, the price of a week at the Istanbul-based resort is at the high end of competitive – it sells for US\$30-\$40,000. But that’s not deterring buyers and Sharafuddin is eyeing possible new ventures in the Asian half of the city.

“I hope we will be the first to make Istanbul a destination for timeshare city escapes,” he said.

Know your market

Sharafuddin is confident of the Istanbul development’s popularity

Before we contacted the Malaysian resorts they were both doing well selling to the Chinese. They had a lot of Arab visitors, but didn’t know how to connect and sell to them.

“We’ve helped them overcome some of the challenges they were facing. We suggested Palace of the Golden Horses introduce a split week interval for example, allowing clients to stay for three or four nights at a time in Malaysia’s capital city.

“Meanwhile we worked with Golden Palm Tree Iconic Resort & Spa to restructure its usage

& Spa is, they would not want to stay there for more than a few days at once.”

It’s this expertise and knowledge of the Arabian market that companies enjoy when working with the Dubai-based firm. But they also bring a market looking to travel beyond traditional Middle Eastern holiday hotspots.

“Arabs are travelling further afield now. In the past three years there’s been a lot of instability in the region due to the Arab Spring, civil war in Syria and other political unrest,” said Sharafuddin.

Above: Royal Club at Bonnington Towers on the Palm Jumeirah.
Above left: Palace of the Golden Horses in Kuala Lumpur.



Above: Palace of the Golden Horses offers 90 timeshare units. Below: Arabian Falcon is currently selling 100 units at Golden Palm Tree Iconic Resort & Spa.

“People don’t want to travel in the region as much now and are looking elsewhere; they just need to find things that are attractive to them. They like to see something different and to shop and enjoy shows and entertainment venues, but are not interested in museums – we have plenty of history here in the Middle East.”

That said, Sharafuddin believes Dubai has much to offer both Arab and non-Arab timeshare clients. “Dubai is one of the best options for timeshare development right now and is growing. But I think it can do much better – we just need

more of the big players to enter the market here,” he said.

“Marriott is doing very well here, but 40 per cent of its sales are from existing owners. What Dubai needs is more of the big names in Europe and the US, such as the Hiltons and Fairmonts. Really it’s about recognisable brands that bring authority to the industry. For example, Rotana Hotels is a strong brand, and it’s very popular with Asian and Middle Eastern travellers.”

Sharafuddin has enjoyed a positive relationship with the RCI business development team,

working with them to develop opportunities and sales for both the Istanbul and Malaysia resorts. Looking ahead, the two companies are investigating further opportunities in Marrakech, Morocco.

He concluded: “Working with RCI has been a good relationship and we are happy to continue working with them to find developers in markets popular with our Arab clients. Both Arabian Falcon and RCI would like to see more RCI-affiliated resorts in Dubai – there is great opportunity here.”

