

So, Have You Been to Poipet?

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The Cambodian city close to greater Bangkok presents a unique opportunity.



When examining the major casino markets of Asia, Macau and Singapore most often come to mind. Most gaming executives are familiar with these markets, and their prodigious gaming revenue performance continues to attract the interest of the media and financial analysts.

The extraordinary performance of these markets has caused casino developers to look more closely at other regional Asia markets such as South Korea, Vietnam and Japan as they look for that next great opportunity.

What are often overlooked are other regional Asian markets that are already established yet are somewhat removed from major Asian cities. These gaming markets generate prodigious amounts of gaming revenue and serve as convenience-based gaming destinations to regional populations.

One such market is Poipet, Cambodia, which serves residents living in greater Bangkok, a metropolitan area with over 10 million people. With legal casinos prohibited in Thailand, Poipet is the nearest gaming option for those residents.

Poipet sits across from Aranya Prathet, a border town in northeastern Thailand that serves as the primary overland crossing between those two countries. The casino district is comprised of seven properties, ranging in quality from two-and-a-half stars to three-and-a-half stars. Each casino has 65-100 table games, 125-300 slots and 140-550 hotel rooms.

Poipet casinos' location relative to each country's immigration checkpoints is unique. One leaves Thailand and enters the Poipet casino district without actually going through Cambodian Immigration. This allows Thai residents to easily cross the border and enjoy a day of gaming entertainment without enduring the ordeal of passing into and out of Cambodian Immigration. A Thai citizen returning home need only present a border identification card to re-enter Thailand, speeding the border crossing process to just a few minutes. (Westerners,

who likely have a minimal impact on the town's gaming revenue, must at some point obtain a Cambodia visa stamp to re-enter Thailand.)

The casino district flanks either side of the road that connects the Thai Border Control to Cambodian Immigration. Nothing can quite prepare a first-time visitor for the street scene outside of the casinos. A cacophony of tourists, backpackers, trucks, touts and pushcarts line the street, creating a border-town atmosphere reminiscent of Tijuana in an earlier time.

Tourist Magnet

Poipet is also a primary entry point into Cambodia for tourists visiting Siem Reap and Angkor Wat, both popular tourist destinations that generate a considerable amount of pedestrian traffic through the border district. The casino-hotels serve as a jumping-off point for these and other tourist destinations in Cambodia.

Poipet is a three-and-a-half-hour drive by car from central Bangkok. A four-lane divided highway is now replacing a two-lane, two-way road, ostensibly to accommodate the burgeoning commercial traffic traveling to the border. In addition, regularly scheduled bus service from Bangkok, mini buses and taxis combine to provide a reasonable mix of transportation alternatives. An old rail system that runs from Bangkok is slated to be replaced with a high-speed line that will ultimately link Bangkok with Cambodia and China.

Once past Thai Border Control, gamers can easily walk to any of the casinos. All of the casinos offer relatively attractive gaming environments, a complete mix of dining options that one would expect to find in a casino resort, and appropriate quality lodging. Service standards are good and many staff members speak English, making it fairly easy for a Westerner to navigate the properties.

As in other Asian markets, baccarat is the most popular table game. Electronic gaming machines, while growing in popularity, remain a secondary feature. What is unique to the Poipet market is its embrace of a hybrid form of internet gaming.

In each casino, an area is reserved for internet table games. These tables sit under klieg lights and high-resolution cameras. As dealers play the game, gamers in Bangkok and other cities place wagers online and observe the outcome of those games on their computer monitors. It allows them to play against a person—not a computer—and witness in real time the outcome of each game.

This type of internet wagering allows gamers to overcome the trepidation and mistrust often associated with playing online; it allows remote wagering with the assurance that the game is legitimate.

So why have so few Western casino executives visited Poipet? For one, it is in a somewhat remote location that requires a bit of planning to get there. Another reason is that for years the only way to get to Poipet was on a dangerous two-lane highway. Another is the city's image. It is a border town in Cambodia, and with that comes a tawdry image, one that is fully justified. And finally, many people are simply unaware of the city's existence.

What most people do not appreciate is that it is the sole casino district within a three-hour drive from a city with 10 million people. With incremental improvements to these properties and more aggressive mass marketing, Poipet has the potential to grow gaming revenues substantially.

As the transportation infrastructure improves, the city has the potential to emerge as a regional gaming destination whose gaming revenues are expected to exceed those found in most U.S. regional markets.

PIOPET CASINOS AT A GLANCE

Golden Crown Casino

The Golden Crown Casino features 42,000 square feet of gaming space, 150 gaming machines and 79 table games. The property has one restaurant and a hotel with 156 rooms. Baccarat is the dominant game on the floor, but the casino does offer other table games such as blackjack, roulette and Pai Gow Poker. It is arguably the nicest property in the market, albeit below what one would find in most Western jurisdictions.

Grand Diamond City

Grand Diamond City Casino features a 62,000-square-foot gaming floor with 220 gaming machines along with 93 table games. Like the other casinos, the gaming floor is dominated by baccarat tables. It features a number of restaurants along with a 300-room hotel including 146 deluxe rooms, 127 suites, 18 junior suites and nine executive suites.

Holiday Palace Hotel & Resort

Holiday Palace Hotel & Resort features a 65,000-square-foot gaming floor with 300 gaming machines and 70 table games. Baccarat is the featured game on the floor, but blackjack, roulette, pai gow and 3 Card Poker are also offered. There is a 141-room hotel connected to the casino and multiple dining options. Holiday Palace also offers a full-service spa with a complete menu of services and amenities. The casino also features an 18-hole golf course next to the resort.

Holiday Poipet

Holiday Poipet features a full-service casino with 104 gaming machines. The casino also offers 71 table games including baccarat, blackjack, Pai Gow Poker and roulette. The property also has a 260-room hotel.

Princess Hotel & Casino

The Princess Hotel & Casino offers 63,000 square feet of gaming space with 166 gaming machines and 97 table games, with 87 devoted to baccarat. Two blackjack and three roulette tables also are offered, along with pai gow, tai sai and fan tan. The casino has a 240-room hotel and multiple restaurants.

Star Vegas International

Star Vegas International features a 31,000-square-foot gaming floor with 130 gaming machines and 88 table games including 70 baccarat, seven blackjack, seven roulette and four tai sai tables. The resort has a 550-room hotel that offers customers standard rooms or suites. The resort has a number of restaurants and an 18-hole golf course, along with a hair salon, karaoke piano lounge, spa and retail shops.

Tropicana Resort

The Tropicana Resort features a casino with 66 table games and 135 electronic gaming devices. It also has a buffet, a retail outlet and a hotel with 230 rooms. While it shares a name with several U.S. properties, it is not related to those companies.