

MYSTIC EAST

...an unexplored horizon

A bi-monthly magazine by HRAEI | Vol 4 | Issue 4 | July - August 2018



COME, SLEEP IN PODS

Japanese style capsule hotels are in India to woo travellers looking for a short stay on a budget



VISION

- ✌ Make the Eastern Region comprising 12 States and a Union Territory a flourishing destination for domestic and foreign tourists by projecting their captivating tourism assets.
- ✌ Promoting best industry practices and setting benchmarks for industry constituents.

MISSION

- ✌ A common voice for hotels, restaurants and associates for unhindered progress of the hospitality industry in the country's Eastern Region.
- ✌ Create value for members by ensuring government policies remain supportive of tourism and the industry.



DIRECTOR'S NOTE



Our main focus will be to work with various state governments to realise the potential of tourism and hospitality in the region



Dear Fellow Members,

It is my privilege and a great joy for me to thank all members who have chosen me the President of this apex body of the hospitality sector in Eastern India. This region, with members from 13 states, is the most unexplored yet the most bountiful in the country. It's my dream to make the region into a driver of the hospitality sector in India. With ever increasing number of members in our association we have plans to promote a lot of inbound tourism to tap the tremendous growth potential of this region.

I am proud to be a member of a great family called HRAEI. Whatever we have achieved so far has been possible due to a strong team guided by seniors like Mr T.S. Walia and Mr Sudesh Poddar. Now that we have a new office building at a premium location in Sector V we shall have more space and opportunity to meet more frequently to strengthen our team work. Our main focus will be to work with various state governments to realise the potential of tourism in the region.

The inauguration of Pakyong Airport in Sikkim is expected to bridge a wide gap in the region's tourism and infrastructure. We, as a key hospitality sector player, had been pushing our demand for air- connectivity in this region for over a decade. Now that the airport is operational, more tourists from India and abroad will be attracted to the pristine beauty of these parts opening up a horizon for the hospitality sector in the region.

We shall work together towards similar endeavors to improve infrastructure and other teething problems for the hospitality sector in the eastern region.

Pranav Singh
President, HRAEI

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SECRETARY'S MESSAGE



“
Hotels and restaurants
must think critically
about the tasks they
undertake every
day to prevent food
wastage
”

Dear Fellow Members,

According to an estimate by the Food and Agriculture Organisation (FAO) of the United Nations one-third of food grown globally is thrown away. Beyond financial losses, this is a waste of 66 trillion gallons of water, 5.4 million square miles of land, and 4.4 billion tons of greenhouse gas emissions. The impact of these wasted resources is compounded by staggering rates of global hunger and food insecurity.

Reducing food waste depends on shifting the way people value food. Hotels and restaurants must play an important role to come together and think critically about the tasks they undertake every day to prevent food wastage.

In a bid to tackle food wastage, last year the Indian government announced plans to fix food portion sizes served in star hotels and restaurants. The Indian government's proposed cap of food portions is not the only attempt by India to curb the problem. There are some volunteer-based organisations that work to get surplus food from hotels and restaurants to the less fortunate sections of society.

We, the members of hospitality industry, must also come together to raise our own armies to prevent food wastage.

Mr Mohammed Azhar
Secretary, HRAEI

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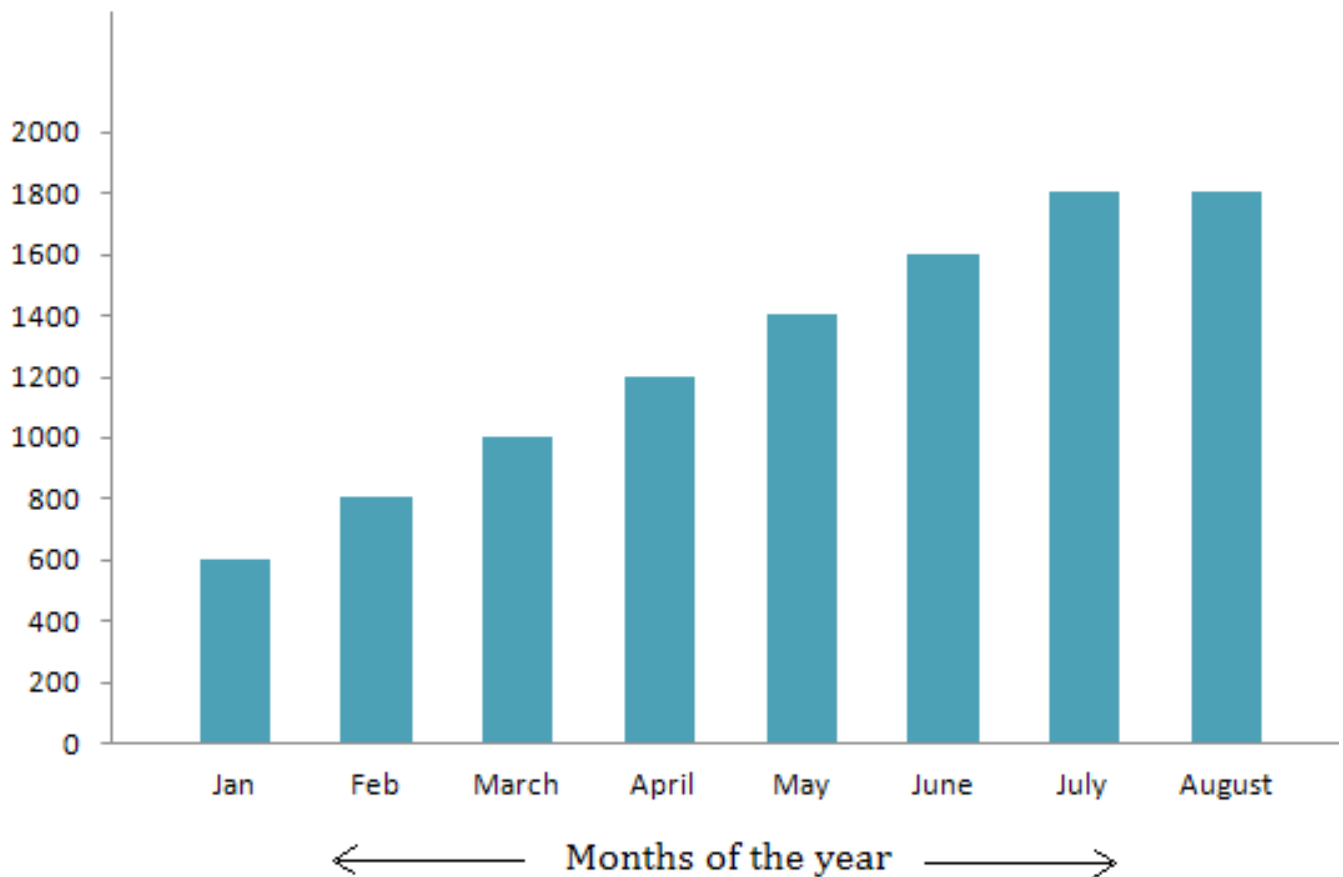


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Development of tourist infrastructure and other amenities can make Meghalaya the top tourist destination of India

INDIAN HOSPITALITY SECTOR WITNESSES SUBDUED GROWTH DURING Q1 FY2019: ICRA



THE domestic hotel industry witnessed a muted 2-3% growth in average room rates (ARR) at Rs. 5,500 during Q1 FY2019 on improved occupancies at 63% (a 3% growth). As per an ICRA research report on the industry, Q1 FY2019 was the 16th consecutive quarter of growth in revenue per available rooms (RevPAR); the same grew by 4.5% in Q1 FY2019. While demand growth of 5-5.5% was lower than expectation, muted supply addition of 3% during Q1 FY2019 still reflect as improving occupancies in most markets in India. The RevPAR

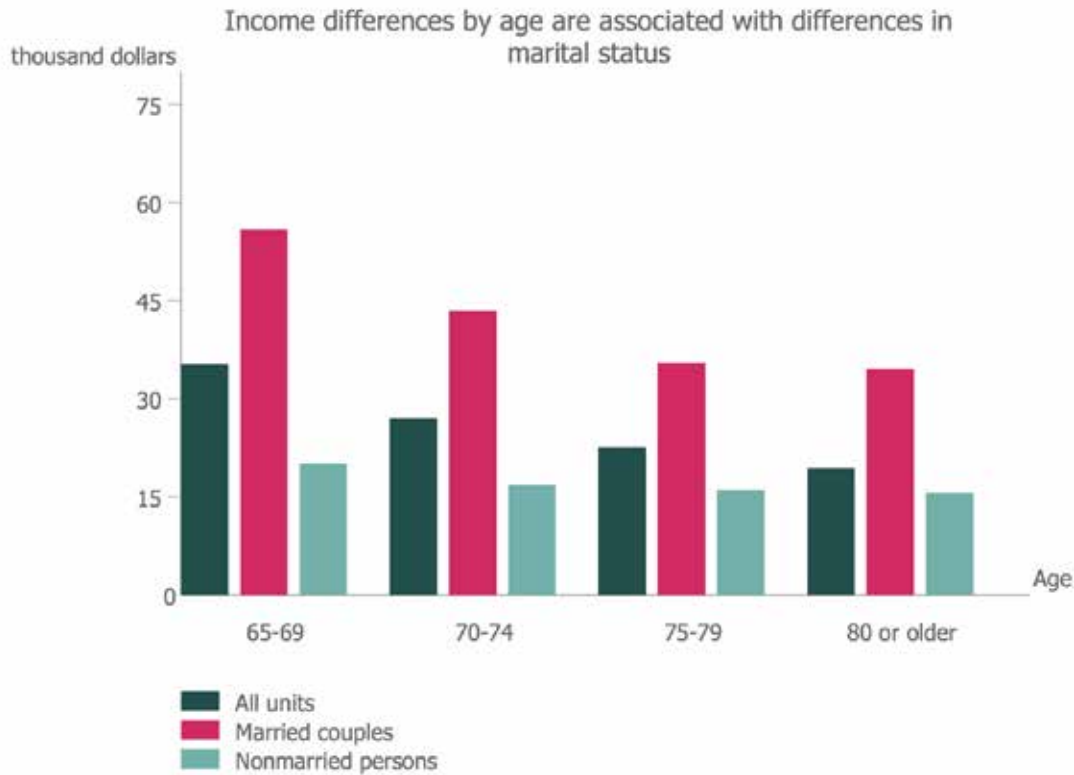
during FY2018 grew by 4-4.5%.

Domestic tourist visits (DTV) during CY2017 is estimated to have grown in line with trends of CY2015 and CY2016 at 11-12%. The domestic revenue passenger kilometre (RPKM), a proxy for domestic travel, continues to exhibit robust Y-o-Y growth, growing by 21.3% during H1 CY2018 (18.7% growth for H1 CY2017). The annual RPKM grew by 15%+ during CY2015-CY2017. The growth in foreign tourist arrivals (FTA) though healthy was relatively muted during YTD July 18, partly due

to diversion of traffic to the 2018 Soccer World Cup in Russia.

Further, the Nipa virus scare in Q1 FY2019 and the August floods, both in Kerala, will adversely impact arrivals to India despite some part of the traffic being captured by other domestic tourist destinations. The aggregate industry revenues (ICRA's sample) grew by 8.6% during Q1 FY2019 while operating margins expanded by 140 bps (Y-o-Y) to 13.6%.

The improvement comes post subdued industry revenues over the previous few quarters (up to Q3 FY2018),



because of adverse factors like the liquor ban along the highways – which impacted food and beverage (F&B) and; meetings, incentives, conferences and exhibitions (MICE) revenues. Besides the Goods & Services Tax (GST) rollout, certain company-specific events such as large-scale renovations also impacted revenues.

The Q1 FY2019 operating profit margins improvement were driven by higher scale and controlled increase in costs, including employee expenses and power & fuel costs. Interest expenses have remained low over the past six quarters as the industry had pared debt over the past two years utilising proceeds from sale of assets and fresh equity infusion. There is still a long way to go, though interest coverage has improved with reduction in debt levels and improved operating profit, the overall debt levels continues to remain at elevated levels

for the industry on aggregate.

ICRA note says that for the Indian hospitality industry’s revenue to recover, a muted supply growth (CAGR) of 4% during FY2018-FY2022 remains the key. Currently the supply additions are clearly happening at a moderated pace following 8% compounded annual supply addition witnessed over FY2011-18. Double-digit growth in supply is expected only in Bengaluru and Chennai during FY2019, and Mumbai and Kolkata during FY2020. During the last down-cycle, the room inventory nearly trebled during FY2009-FY2014 leading to increased competitive intensity which coupled with an overall slower economic growth led to sharp rationalisation in ARR.

Says Pavethra Ponniah, Vice President and Sector Head, ICRA, “Though our interactions with most chain hotels in India indicate plans for a 7-8+% hike

in corporate contracted rates for the next season starting January 2019, ability to sell up the rates would be visible only during Q3 FY2019. Down-trading by corporate customers and higher bookings through online travel agents (OTA)s also appear to be constraining ARR growth.”

Regarding future growth estimates, Ponniah added, “The reported revenue growth of 8.6% in Q1 FY2019 is in line with ICRA’s estimates of revenue growth for FY2019. We maintain our RevPAR growth estimates for FY2019 at ~5-6% growth. Upside to ARR growth could also come from channelizing more bookings to company websites/ global delivery systems (GDS) as against bookings through OTA. Further, our long-term revenue growth estimates of 9-10%+ CAGR (FY2019-FY2023) are well supported by robust domestic demand, healthy FTAs and the return of pricing power.”

INDIA'S HERITAGE HAS HUGE POTENTIAL FOR TOURISM DEVELOPMENT & JOB CREATION: VICE PRESIDENT



WHILE inaugurating two Swadesh Darshan scheme projects of the Ministry of Tourism (MoT) in Tirupati, Andhra Pradesh earlier this week, M. Venkaiah Naidu, President of India, said that India's rich cultural, historical, religious and natural heritage provides a huge potential for development of tourism and job creation. He further said that the tourism industry is one of the greatest sources of economic growth and job creation. Tourism sector has become a mass industry in the last two decades and is con-

sidered to be a significant sector for regional development, he added.

The projects are Development of Kakinada - Hope Island - Coringa Wildlife Sanctuary - Passarlapudi - Aduru - S Yanam - Kotipally and, Development of Nellore - Pulikat Lake - Ubbalamadugu Water Falls - Nelapattu -Kothakoduru- Mypadu - Ramateertham - Iskapalli. The inauguration event witnessed the presence of Union Minister of State (I/C) for Tourism, K.J. Alphons, Bhuma Akhila Priya Minister for Tourism, Government of Andhra Pradesh,

and, Rashmi Verma, Union Tourism Secretary in Tirupati. These projects are the first under the Swadesh Darshan scheme to be inaugurated in the Southern region. The Vice President also inaugurated the state-of-the-art, Indian Culinary Institute (ICI) campus, Tirupati.

Inaugurating the projects, the Vice President said that Indian cuisine reflects the culture and tradition of the country which includes varied landscapes, linguistic diversity, colourful festivals, and multi-ethnicity. He said that he looks at Chefs as not

only the practitioners of their art, but also as the protectors and flag-bearers of our great culinary heritage and legacy.

Speaking at the event, the Alphons said that the tourism industry is one among the major contributors to employment generation in the country and the Culinary Institute will help in imparting skills to more youth thereby further generating employment. The Minister also added that the Government will also provide financial assistance for roping in international faculty for the institute if necessary, so that ICI could be one among the premier culinary institutes.

The Swadesh Darshan scheme is one of the flagship schemes of MoT for development of thematic circuits in the country in a planned and prioritised manner. Under this scheme, the Government is focussing on development of quality infrastructure with the objective of providing better experience and facilities to the visitors and foster economic growth. The scheme was launched in 2014-15 and, as on date the Ministry has sanctioned 74 projects worth INR 5,997.47 crore to 31 states and UTs. 30 of these projects are expected to be inaugurated this year.

The project Development of Kakinada - Hope Island - Coringa Wildlife Sanctuary - Passarlapudi - Aduru - S Yanam - Kotipally was sanctioned by MoT in March 2015 for INR 69.83 crore. The project covers Kakinada and Konaseema region in East Godavari District. This region is known for its beaches, wildlife, forested hill ranges, agricultural landscape, pilgrim sites and hospitable people. Development of tourist facilities will help in establishment of this region as major tourist centre in region. Under the project, MoT has developed integrated facilities like Passenger Terminal, Multi-Cuisine Food Courts with Souvenir Shop, Amphitheatre, Laser Show, Parking facility at Kakinada Beach Front for INR 45.66 Crores. At Coringa Wild Life sanctuary, a world-class Interpretation Centre has been developed. In addition to the above, other facilities like jetties, illumination, last mile connectivity, landscaping, benches, drinking water facility, parking etc. has been developed at other sites under the project.



The 2nd project Development of Nellore was sanctioned in December 2015 for INR 59.70 crores. Nellore has huge potential to be developed as a leading tourist destination in the region because of its proximity to Chennai, Bengaluru and Tirupati and also due to its abundant natural resources. Keeping this in mind, the MoT has developed facilities like Tourist Facilitation Centres, Jetties, boating facilities, parking, Log Huts Water Front Development, Watch

towers, Trekking paths at these sites.

The Culinary Institute at Tirupati is set up by the MoT with its campus spread in 14 acres of land and the project being completed at a total cost of INR 97.92 crore. The ICI Tirupati campus comprises of an academic block with state-of-art kitchens, labs and classrooms; an administrative block; commercial restaurant; culinary museum, executive guesthouse; VIP cottages; hostels for boys and girls and staff residences.

ICI commences its 3-year BBA in Culinary Arts programme in collaboration with Indira Gandhi National Tribal University, Amarkantak. In addition to this, other under graduate level certificate and diploma level programmes for skill building are on the anvil. Post graduation and Doctoral level research programmes will also be started at this institute.

The main objective of setting up of the ICI is to institutionalise a mechanism to support efforts intended to preserve, document, promote and disseminate Indian cuisine, meet the sectoral requirement of specialists specific to Indian cuisine, as also of promoting cuisine as a Niche Tourism product. The main thrust area of ICI is to, not only create internationally recognized culinary experts, but also preserve the Indian cuisine, regional cuisine, document them and showcase them internationally.

ICI has been set up by MoT under Societies Registration Act, 1860, as an educational research Institute, headquartered at Tirupati with another campus created at Sector 62, Noida. In India, at present, there is a dearth of state-of-the-art training ground to groom top-of-the-line chefs of international standards. To fill this void, the ICI would provide appropriate training platform at par with the elite "Chef Schools" functioning in different parts of the developed world.

IT'S TIME INDIAN HOTELS PUSHED ROOM RATES UP TO BE PROFITABLE: FHRAI CONVENTION FORUM



EXPRESSING concerns in the continued rate slump in the hotel industry across India despite upward swing in hotel occupancies consistently for last three years, the industry stalwarts participating in the annual FHRAI convention forum in Lucknow urged the hotel operators at unit level to “take a pledge” to increase the room rates 10 to 15% immediately. They opined that it is high time Indian industry “showed the courage” and “sincerely rethink” on the rates so that hotels are profitable and offered right return on investment to hotel investors.

Despite strong revival in demand, the rates continued to be hover below \$100 in most of the destinations, said Vijay Thacker, Director, Horwath HTL, moderating a business forum on ‘Industry performance & Outlook’.

Neeraj Govil, Area Vice President – South Asia, Marriott International

said that the hotels have show more courage when it comes to rates. Selling out hotel completely three weeks in advance is a “ridiculous” act, he opined. However, he said that lifting the rates is a gradual process which requires a 2 to 3 years game plan. Enumerating different steps which can be employed, Govil suggested that hotels should avoid bundling several things to the room rent.

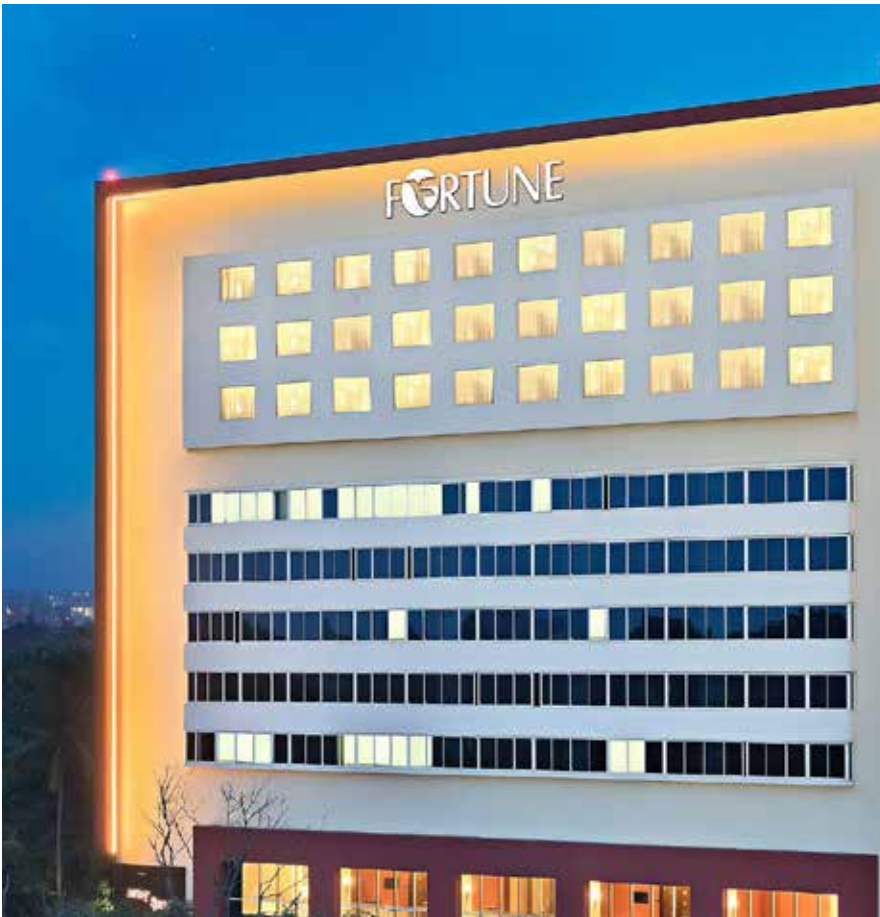
Arun Saraf, Managing Director, Juniper Hotels said that supply has come to a trickle in India, and if still hotels are selling room below \$100 it is unjustifiable. Customers are ready to pay, but competition is what killing the industry. “Industry should show discipline,” he said. Saraf also criticised the way breakfast and other things bundled into the room rates. By doing so, he opined, hotels are giving away so many revenue opportunities.

Param Kannampilly, CMD, Concept

Hospitality attributed the current dilemma in the industry to two factors - one Online Travel Agents and the second the GST. The OTAs have created the perception that Indian hotels are cheap, while the Rs 7,500 luxury slab in the GST forced the industry from pushing the rate beyond that in the fear of losing customers. Because of these twin reasons India has become the cheapest hospitality market in the world, he said.

The forum also discussed issues like right size of hotel assets and reasons for not having large hotels with average room inventory of more than 500 in India. The hoteliers opined other than three or four gateway cities, India doesn’t have too many cities where a large inventory hotel would give return on investment. The investment required would be high and the risk factor would also be high, they said.

FORTUNE MAKES FIRST FORAY INTO DURGAPUR



FORTUNE Hotels, a member ITC's hotel group, has flagged off its first hotel in the steel city of Durgapur. Fortune Park Pushpanjali, Durgapur offers 89 contemporary guest rooms with full services and amenities like 24-hour room service, high-speed Wi-Fi connectivity, satellite LED TV, electronic safe, mini bar, tea/ coffee maker, and iron & ironing board.

The hotel features a banqueting and conferencing hall that has a capacity for 200 guests. Located on Level 1, the

banquet hall comes with a spacious pre-function area, dedicated entry, and ample parking space. The hotel also features a well-equipped board room that can cater to 10 guests for corporate meetings, presentations, brain-storming sessions and discussions.

The other offerings at the hotel include a Wellness Centre with gymnasium, swimming pool, spa services, doctor on call, airport transfers, travel desk, valet service and in-house laundry.

The dining choices at the hotel include Orchid – an all-day dining multi-cuisine restaurant featuring a selection of Indian, Oriental and Continental delicacies, Neptune – bar and lounge and Fortune Deli – offering confectionery and breads.

Commenting on the launch, Samir MC, Managing Director, Fortune Park Hotels Ltd., said, "Fortune Hotels is building momentum across India through the launch of smart hotels as well as growth of our portfolio. After Haridwar and Vellore, we are delighted to announce our brand new hotel, Fortune Park Pushpanjali, an iconic hotel in the steel city – Durgapur."

He added, Durgapur is one of the fastest growing Smart Cities in India, and with excellent location, contemporary design, first class full services, we are confident that the hotel will see great success and offer best in class guest experience to the travellers visiting the city.

Marking this celebration, the chain's senior leadership team including Samir MC, Rohit Malhotra, VP – Operations, Dhananjay Saliانkar, Head – Sales & Marketing and Kovid Sharma – Head Human Resources, were present at the flagging off ceremony. With the inauguration of this hotel, Fortune now has 46 hotels across 39 cities in India.

Fortune Park Pushpanjali is centrally located in Durgapur City Centre with easy access to Durgapur Steel Plant, shopping district and other key corporate establishments. The hotel is only 15 minutes drive from the Kazi Nazrul Islam Airport, Durgapur, 10 minutes from the Durgapur Railway Station and 5 minutes' walk from the Junction Mall.

OYO RAISES A USD 1 BILLION FROM SOFTBANK TO FUEL EXPANSION PLANS



ACCORDING to the Economic Times, Indian hotel chain Oyo Hotels has raised \$800 million from Japanese telecom major Softbank through Softbank Vision Fund along with an additional commitment of USD 200 million taking the entire round to USD 1 billion. The round also saw participation from Lightspeed Venture Partners, Sequoia and Greenoaks Capital, its existing investors.

ET had written in its August 16 edition that Oyo was in talks to raise upto a billion dollars from Softbank.

Oyo plans to channel approximately USD 600 million to fuel expansion plans into China and the remaining to retain leadership position in India and enter into newer markets. With this additional funding, the company plans to continue investing in technology and talent and deploy fresh capital to take their model globally.

In a statement to the press, the Gurugram based startup said that it already counts more than 1.25 lakh rooms across the country and is witnessing more than three times growth year on year with net take rates of over 20%. JP Morgan played the role of the financial advisor to Oyo during the funding.

Other than attaining unit level profitability, the company claims to be benefiting from 90% of the demand coming from the direct channels and 67% of the topline in India coming from repeat customers.

Simultaneously Oyo which forayed recently into China has over 87000 rooms across 171 cities. ET had written that Oyo's valuation could balloon to more than \$4 billion therefore becoming part of one of the most highly valued Internet startups along with Flipkart and Paytm.

Oyo was previously valued at about USD 850 million when it raised about USD 260 million from SoftBank and other investors in September last year.

"In a short span of time, Oyo Hotels has grown to become the most-preferred hotel brand in both economy and mid-market segments. We have already started expanding our presence to newer segments, with Oyo Home, Oyo Townhouse and more recently Palette Resorts by Oyo. We will continue to explore newer businesses while remaining focused on both organic and inorganic growth," said Ritesh Agarwal, founder of Oyo.

In the last 12 months, Oyo increased its international footprint to five countries - India, China, Malaysia, and Nepal, and more recently in the UK.

(Source: Economic Times)

FSSAI TO REVIEW PROGRESS ON DE-LISTING OF NON-LICENSED RESTAURANTS IN OCT



FOOD regulator FSSAI will review in the first week of October the progress made by the online food delivery platforms, including Zomato and Swiggy, on delisting of non-licensed restaurants and catering establishments. In July this year, FSSAI had directed the food delivery platforms to de-list non-licensed establishments after getting consumer complaints of sub-standard food being served through e-commerce platforms.

"We had given time till end of September (to these platforms). We will review in the first week of October on the progress made on de-listing of

non-licensed restaurants and catering firms," Pawan Kumar Agarwal, CEO, Food Safety & Standards Authority of India (FSSAI) said on the sidelines of the Retail India Summit and Expo.

Earlier this month, Zomato said it is de-listing restaurants that are not compliant with the Food Safety and Standards Authority of India regulations from its platform.

When asked how many establishments have been de-listed so far, Agarwal said: "I don't know. We will know after the review the progress made so far".

Agarwal also challenged the retailers to find a way to continue achiev-

ing growth along with sustainable consumption. He said the food safety eco-system is being developed and the retailers need to build a culture of self compliance.

In February this year, FSSAI had operationalised guidelines for e-Commerce Food Business Operators (FBOs). It later directed Box8, Faasos, FoodCloud, Foodmingo, Foodpanda, JusFood, LimeTray, Swiggy, UberEats and Zomato to de-list non licensed eateries after consumer complaints of sub-standard food being served through e-commerce platforms.

(Source The Economic Times)

IT'S A SHAME INDIA WAS NOT ABLE TO HARNESS THE VAST COASTLINE FOR ITS TOURISM: PRS OBEROI



DOYEN of Indian hospitality and Chairman of the Oberoi Group of Hotels, PRS Oberoi has termed it a “great shame” that India was not able to harness its vast coastline on the East and West Coast for Tourism. He was speaking after receiving the ‘Legend of the Industry’ Award at PACE 2018, the annual forum of PUSA Institute Hotel Management Alumni Association (PIHMAA) in New Delhi.

Oberoi said that when the Taj Mahal and the Golden Triangle, etc. are iconic in their own right, India’s vast coastline is a “lost opportunity” for Indian tourism because of conserva-

tive CRZ guidelines. “It’s a shame we were not able to develop our beaches. We have thrown the opportunity away,” he said. In a tête-à-tête with Kapil Chopra, former President of the Oberoi Group, the veteran hotelier said that country’s coastal regulations that stipulate 200 m set back is a “great handicap”.

Citing a recent study report, Oberoi said that only 2.5 million out of the total 10 million inbound which India receives are leisure tourists. “Even Sri Lanka gets 1.5 million leisure tourists,” he added.

He said that India needs more hotels and for that the government

has to extend the “Infrastructure Status” to the hotel industry. Saying that Indian hotel industry has been a “self-sustaining industry” all these years, veteran hotelier said that “some support” from the government would help in setting up the infrastructure India requires in the hospitality sector.

Sharing his work ethics and passion, Oberoi said that hotels are his passion and he thinks about “building a new hotel” even when he is half asleep. He said that it is that passion for the business that makes him work for 8 to 10 hours a day even at the age of 89.

ICRA: INDIAN HOSPITALITY SECTOR WITNESSES SUBDUED GROWTH DURING Q1 FY2019



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Says Pavethra Ponniah, vice president and sector head, ICRA, “Though our interactions with most chain hotels in India indicate plans for a seven to eight+ per cent hike in corporate contracted rates for the next season starting January 2019, ability to sell up the rates would be visible only during Q3 FY2019. Down-trading by corporate customers and higher bookings through online travel agents (OTA)s also appear to be constraining ARR growth.”

As per available data, domestic tourist visits (DTV) during CY2017 is estimated to have grown in line with trends of CY2015 and CY2016 at ~11-12 per cent. The domestic revenue passenger

kilometre (RPKM), a proxy for domestic travel, continues to exhibit robust Y-o-Y growth, growing by 21.3 per cent during H1 CY2018 (18.7 per cent growth for H1 CY2017). The annual RPKM grew by 15 per cent+ during CY2015-CY2017.

The growth in foreign tourist arrivals (FTA) though healthy was relatively muted during YTD July 18, partly due to diversion of traffic to the 2018 Soccer World Cup in Russia. Further, the Nipavirus scare in Q1 FY2019 and the August floods, both in Kerala, will adversely impact arrivals to India despite some part of the traffic being captured by other domestic tourist destinations.

The aggregate industry revenues



(ICRA's sample) grew by 8.6 per cent during Q1 FY2019 while operating margins expanded by 140 bps (Y-o-Y) to 13.6 per cent. The improvement comes post subdued industry revenues over the previous few quarters (up to Q3 FY2018), because of adverse factors like the liquor ban along the highways – which impacted food and beverage (F&B) and; meetings, incentives, conferences and exhibitions (MICE) revenues. Besides the Goods & Services Tax (GST) rollout, certain company-specific events such as large-scale renovations also impacted revenues. The Q1 FY2019 operating profit margins improvement were driven by higher scale and controlled increase in costs, including employee expenses and power & fuel costs.

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ICRA note says that for the Indian hospitality industry's revenue to recover, a muted supply growth (CAGR) of four per cent during FY2018-FY2022 remains the key. Currently the supply additions are clearly happening at a moderated pace following ~eight per cent compounded annual supply addition witnessed over FY2011-18. Double-digit growth in supply is expected only in Bengaluru and Chennai during FY2019, and Mumbai and Kolkata during FY2020.

During the last down-cycle, the

room inventory nearly trebled during FY2009-FY2014 leading to increased competitive intensity which coupled with an overall slower economic growth led to sharp rationalisation in ARR.

Regarding future growth estimates, adds Ponniah, "The reported revenue growth of 8.6% in Q1 FY2019 is in line with ICRA's estimates of revenue growth for FY2019. We maintain our RevPAR growth estimates for FY2019 at ~five-six per cent growth. Upside to ARR growth could also come from channelizing more bookings to company websites/ global delivery systems (GDS) as against bookings through OTA. Further, our long-term revenue growth estimates of 9-10 per cent+ CAGR (FY2019-FY2023) are well supported by robust domestic demand, healthy FTAs and the return of pricing power."

Treasure from trash

How do you recycle the gargantuan wastes in your hotel? Here are the best practices



► Hospitality sector must look for the most cost-effective, efficient and environmentally friendly practices of recycling waste

THE uniqueness of your hotel's offerings helps your property stand out in a crowded hospitality marketplace, but could result in additional headaches when considering the best way to dispose of these goods. Hotel guests adore the varied accoutrements offered by accommodations big and small around the globe. But keeping an edge on in-room swag results in other considerations and complications—even when it comes time to trash the discarded leftovers. What are the most cost-effective, ef-

ficient and environmentally friendly practices when recycling amenity items guests leave behind? Here are 10 of the best ways to recycle.

1. Thoroughly evaluate your recycling needs

Audit, audit, audit. How do you know what your needs are if you don't understand your waste output? Hotels can recycle an incredible number of amenities. A waste audit results in a thorough examination of the amount and type of waste hotels produce, as

well as the source of the waste. Not all waste is created equal—your amenities may cost much more to transport and recycle. A thorough look at your practices and needs sets the baseline for future practices and allows hoteliers to tailor programs to the personalized needs of hotel properties. The type of recycling program you need is unique not only to your industry, but to your specific property. It's worth the investment up front to implement cost savings by evaluating your recycling efforts.



► Not only are your waste needs unique, they also change with the seasons, just like your guests.

2. Continuously monitor and evaluate

Not only are your waste needs unique, they also change with the seasons, just like your guests. Auditing your waste is the first step, but the real benefit comes from a continuous monitoring of a hotel owner and operator's waste output. Arguably the most oversimplified and overlooked aspect of recycling, metrics allow you to capture essential information throughout the entire process. So hoteliers will be able to understand the flow of amenity recycling from start to finish as long

as you decide to evaluate it. Whether guests are recycling shampoo bottles, mouthwash containers, water bottles, newspapers or other items, the type and amount of waste fluctuates throughout time and should be closely examined so your recycling is optimized.

Partnering with a provider that will use metrics and measurements to evaluate waste flow over time is a game changer when it comes to reducing costs (and your environmental footprint). In addition, some waste solutions even include the monitoring

of your entire waste system—temperature, controls and connections, safety features, performance, fullness and more. As a result, the provider can calibrate your equipment and service to your exact needs. Plus, with an increasing number of vendors taking advantage of the Internet of Things, simply renting a "smart" compactor allows hotel owners and operators to take advantage of a completely integrated product tailored to your program, with remote monitoring included.

For hoteliers who decide to monitor



► **Consider in-room sorting by housekeeping, especially if you do not have separate recycling bins**

their recycling process, there are business platforms that capture cost reduction, track it and generate reports for recycling productivity. Remember, most waste management companies offer nice upfront savings when beginning a program. You should partner, however, with a provider that offers continuous improvement on an ongoing basis and the reporting to support it.

3. Use a customized recycling service

Hoteliers take pride in offering a special experience for their guests. In return, there are recycling providers specialized for low-volume or hotel amenity needs. For example, some companies offer on-demand solutions that allow recycling to take place at locations that wouldn't normally be able to divert their materials cost-

effectively. For a set fee, they'll ship a box to you. Once it's full, you'll ship it back and it will be recycled.

In addition, others provide programs specific to amenities. They'll usually accept empty hotel shampoo, conditioner, body wash and lotion bottles. Once collected, the bottles are separated before they're moulded into new recycled plastic products. Make sure your bottles are clean; dirty bottles cannot be recycled.

4. Make sure you consolidate

Consolidating recycling efforts helps lower the number of invoices to verify, process and pay. Many hotel owners and operators may have multiple properties and a variety of recycling needs (depending on the amenities they offer), but partnering with a broker or a provider will streamline

your processes and ultimately reduce costs. (And headaches!)

A broker provides a centralized source, tailoring solutions that manage quality of service, reduction of costs, data and reporting analytics, and consolidated billing. By working with a broker, you can manage your waste system much easier (and cleaner).

5. Consider donating extra supplies

Donating is always an option and offers hotel operators a philanthropic recycling option. There are nonprofits around the world looking to reuse amenities for a worthy cause. For example, Clean the World offers a hotel recycling program that uses discarded soap bars and plastic bottles to save lives by giving people in need access to soap and hygiene education. Plus, it helps you reduce waste, protect the environment, preserve natural resources and reduce costs.

Remember, items beyond amenities can be donated, as well. Think conference goods, used furniture, food and more.

6. Make small changes

Remember, don't try to make big changes all at once. To see stronger results, plan your implementation incrementally. Start with the audit, then measurement, and then select customized programs. And after you're satisfied with your amenities recycling, move on to bigger goals, such as zero landfill (or nearly 100% diversion). If you start with one department at a time, you'll be more likely to be able to implement new programs and ideas. Plus, getting leadership involved and spreading out costs, trainings and changes is a huge plus when spending is a concern.

7. Identify zero-landfill opportunities

Zero landfill is becoming available to more markets than ever before. In



► **Consider placing recycling bins in rooms and develop signage encouraging amenities recycling for guests**

combination with donating and customized recycling, partnering with Waste-to-Energy providers allows you to achieve "zero landfill" opportunities. Achieving a landfill waste diversion rate of 100%, especially with amenities recycling, used to be an unachievable goal, but is now well within reach.

If you're interested in diverting 100% of your waste beyond amenities from the landfill, consider starting small. For example, you could make the goal of hosting a zero-landfill conference or a zero-landfill weekend. Require that no paper materials be given out, guests recycle their amenities and no disposables (bottled water, plastic cups, etc.) are used. This will give your staff a chance to identify possible opportunities and pain points, and allows you to move beyond amenities recycling.

8. Encourage guests to get involved

Guests like to see hotels "going green." If you haven't already, consider placing recycling bins in rooms and develop signage encouraging amenities recycling. (If you decide to donate, make sure to mention where you donate to.) True cost reduction and diversion moves beyond simply placing bins where guests can see them, but it's a start. Even providing recycling suggestions could make the difference for a guest. In addition, if you decide to go big with your recycling (and reducing) program, consider programs such as composting paper towels and toilet paper or eliminating disposables from the dining area.

9. Get staff involved

Action starts with hotel staff. Consider in-room sorting by housekeeping, especially if you do not have separate

recycling bins. Housekeeping can capture recyclable amenities bottles and can help with your bigger recycling and diversion goals.

In addition, encouraging staff investment can make a program a success. Try establishing a green team for your efforts, or even a weekly staff meeting to educate and evaluate successes. Your staff, like your guests, should know the benefits of recycling and may want to encourage sustainability and environmental practices at your hotel.

10. Have a great partner in your recycling needs

You don't have to go it alone when it comes to amenities recycling. Recycling partnerships provide more options and better programs for companies looking to up their game while decreasing their costs.

Additionally, community members are looking for the hospitality industry to be a good corporate citizen. There may be needs for your amenities, or other materials, right in your own backyard. Get involved with local recycling initiatives, and understand the giving landscape of your region so you can make the best decisions when donating.

Finally, looking to other hotels in the area could also be beneficial to you. Partnering on low-volume amenities recycling, or other initiatives, can lower your overall cost.

Reducing waste related to amenities should be a high priority for hotels. Instead of ending up in the landfill, costing you time and money, amenities (and other hotel waste) can be recycled or donated to see a second life. Above all else, making incremental changes will lead you to success, no matter your route.

Acknowledgement: Waste Harmonics, a Rochester, New York-based company that provides customized waste and recycling management solutions for businesses across North America

SELLING CLEAN AIR

More and more luxury hotels are getting equipped with state-of-the-art clean air technology which promises air quality on par with global standards



TRAVELLING to Delhi/NCR, Kolkata and even Bangalore is not considered safe for most visitors from abroad with the worsening air quality and smog, especially in the winter months. The capital city's suspended particulate material (SPM) count often breaches the prescribed global standards of 2.5. Naturally, clean air has become a coveted amenity offered at many luxury hotels in the country. Sophisticated air cleaning system is gradually becoming essential in leading hotel chains such as ITC, Taj and Hyatt, which often welcome heads of states and some of the world's most renowned dignitaries, as they are adopting new measures and initiatives to make sure that the air their guests breathe is of top quality.

Luxury chain ITC Hotels, which runs hotels like the ITC Maurya in

New Delhi, said that while it has worked continuously on improving indoor air quality in its hotels, its new technology under implementation, will set new benchmarks, not just in India, but in the global hospitality industry with third party validation and endorsements.

The IAQ (indoor air quality) enhancement technology that will meet WHO standards is first being implemented in New Delhi at the ITC Maurya, but the chain plans to roll out this initiative across all its hotels in a phased manner.

As part of their responsible luxury ethos, luxury experiences are delivered through responsible initiatives aimed at guests, associates, community and the environment. This is in keeping with their objectives of providing the guests with better air quality, minimising air pollutants and

creating an environment of cleaner, healthier air. A dynamic plaque will display real time air quality, both inside and outside the hotel.

The alarming levels of smog and pollution in Delhi/NCR (reaching 30 times the WHO's safe limits) earlier this month had dented travel plans of several domestic and overseas travellers in the busiest tourist season for the Indian capital where winter has just set in. Environmental authorities had imposed severe plus category restrictions earlier this month while the doctors had declared it a public health emergency.

Taj Hotels Palaces Resorts Safaris, which runs hotels like the Taj Mahal Hotel and Taj Diplomatic Enclave in New Delhi, said it is also putting in additional efforts to monitor and enhance the air quality in its guest rooms.

At the Taj Mahal Hotel, New Delhi, outdoor air intake is being controlled mechanically. The air is filtered through high efficiency filters before being distributed around the building. In addition, carbon dioxide (CO₂) levels are being monitored and maintained at less than 1,000 ppm (parts per million), while adequate air changes per hour (ACH) 6-15 are also maintained throughout the hotel as per ASHRAE guidelines, a ventilation benchmark for acceptable indoor air quality.

"To ensure that guests are comfortable at all points of time, the hotel has also placed de-humidifiers on guest floor corridors to ensure humidity



► Hotels now deal with a wide range of potential Indoor Air Quality problems

levels are maintained and an in-house microbiologist conducts random air sample tests within the hotel,” said a Taj spokesperson.

At Taj Diplomatic Enclave, all the treated fresh air and the air handling units, which condition the air in all guest rooms and public areas, are installed with dust-free filters, which weed out the suspended particle PM 2.5 and PM 10 with the efficiency of up to 70%, the spokesperson said. Aseem Kapoor, general manager at Hyatt Regency Delhi, said to address the current needs, the frequency of the filter cleaning has been increased in the past two weeks to almost daily/weekly at the hotel.

The otherwise regular filter cleaning schedule for Hyatt Regency Delhi is monthly for room AC filters, and

7-10 days and 15 days for restaurants and fitness centres, respectively. “Four additional air purifiers have been installed in the fitness centre to avoid dust, the landscaped grounds are being watered twice a day and fresh air intake to the building is being kept down to the minimum.”

Indoor Air Quality

Hospitality facility managers and other industry professionals know that even seemingly insignificant moments can mar someone’s entire stay at a hotel. Yet one of the most important elements of health and comfort is often overlooked by executives and managers: indoor air quality (IAQ).

Hotels, in particular, deal with a wide range of potential IAQ problems. Odours are one of the most common

complaints and can quickly have a negative effect on overall customer satisfaction. However, the volatile organic compounds (VOCs) found in cleaning supplies and the perfumes designed to make bathrooms smell more pleasing can cause uncomfortable symptoms such as nausea, dizziness, fatigue, and eye irritation.

Airborne germs are another major risk in high-traffic areas, as research shows that one sneeze or cough can expel pathogens into the air for extended periods of time. For example, the flu is most commonly spread through the air rather than by surfaces or touch. Other pollutants such as dust, mold spores, pollen, and other allergens can also remain airborne for long durations, triggering allergies and asthma when inhaled. Together,



► **Targeted air purification is the most efficient way to clean the air on a room-to-room level**

these contaminants can make a room unsuitable for those with chronic respiratory conditions.

Indoor air quality plays a significant role in customer satisfaction. In fact, a 2012 survey by Expedia found that more than 60 percent of consumers will give better ratings to hotels with high indoor air quality and robust sustainability efforts. Furthermore, four in 10 of those surveyed listed indoor air quality as highly important.

Since hotel rooms are consistently inhabited by new occupants, every area must be viewed as common space. While all hotel staff understand the importance of changing the sheets and towels, they probably don't think as much about changing out the air. However, with only a couple of hours between new and old lodgers, airborne contaminants are often left behind by previous guests. Particles from harsh cleaning products also can linger in the air due to the fast turnaround.

Several things can be done to im-

prove indoor air quality in individual rooms, as well as in other common areas throughout an entire hotel facility.

For starters, switching to green cleaning products and trying to avoid using any materials with volatile organic compounds can help. The more a hotelier is able to limit these sources, the less concern there will be about irritating guests.

Targeted air purification is the most efficient way to clean the air on a room-to-room level. Air purifiers can be installed in each room to remove up to 99.9 percent of airborne contaminants. That way, hoteliers can rest assured that guests and staff are exposed to fewer pollutants and germs overall. For example, the Grand Hyatt Hotel in Tokyo uses targeted air purifiers to ensure clean air in its guestrooms, and is considering installing units directly in its banquet halls and restaurant.

Removing germs from the air also helps reduce employee absenteeism from sick days. Imagine if a hotel's

cleaning staff walks into a room in which one or several guests have the flu. It's likely the air will be contaminated, and the airborne virus can be inhaled by other employees, causing infection. HVAC, while helpful for circulating fresh air, unfortunately can also accelerate the spread of germs from room to room. Furthermore, due to the size and complexity of HVAC systems, ventilation cannot always address IAQ problems efficiently or directly.

Chronic respiratory conditions are another cause for concern. Many premier hotels have dedicated entire halls to hypo-allergenic rooms, which not only contain air purifiers, but also are equipped with special linens, soaps and other products designed to limit irritants and triggers within each room. These accommodations assure guests with allergies and asthma that their accommodations will be significantly less likely to trigger their condition.

Source control and ventilation are



► HVAC, while helpful for circulating fresh air, can spread of germs right from the lobby

important components of a robust IAQ plan in hotels, but the high traffic of these facilities demands a powerful and efficient localized solution as well. On a room-to-room level, air purifiers directly address a wide range of air quality complaints and proactively contribute to room health and cleanliness.

More importantly, when guests walk into a room with an air purifier, they can immediately recognize your commitment to their well-being. Providing this type of next-level accommodation separates your lodgings from competitors, contributes to reducing employee absenteeism and demonstrates a genuine commitment to customer satisfaction.

What is meant by indoor air quality?

Many factors affect indoor air quality (IAQ) in hotels and office buildings including:

- Levels of outdoor pollution, caused for example by smog, traffic or aircraft emissions and pesticides
- Sources of indoor pollution including the materials used in the fabric of buildings, carpets and soft furnishings, smoking, cleaning chemicals and the use of perfumes and salon products
- The rate of exchange between indoor and outdoor air, i.e. ventilation rates and distribution
- The amount of moisture in the indoor environment, which is considerably increased in hot humid climates, near kitchen areas and if the hotel has a gym, spa or indoor swimming pool. In serious cases this can lead to the growth of mould and mildew which has health implications.

Why is IAQ important?

IAQ is of great importance in the hotel environment for the following reasons – many of them with potentially significant financial implications:

It is your legal responsibility to ensure the safety of staff, guests and customers at all times. This includes, for example, the safe functioning, adequate ventilation and proper maintenance of boilers and heating systems to avoid creating toxic fumes such as carbon monoxide. In October 2006 two children died from carbon monoxide poisoning due to fumes from a defective gas appliance at their hotel bungalow in Corfu Island.

You are also obliged to ensure you do not create a risk to public health through certain respiratory illnesses exacerbated in polluted indoors (such as rare forms of pneumonia, such as Legionnaires disease)

COVER STORY

SLEEPING PODS

Mumbai-based company brings the capsule or pod hotel concept to India catering to a large segment of travellers looking for a short stay on a budget



► Capsule hotels debuted in 1979 in Osaka in the city's bustling Umeda district

POD hotels have been a rage in Japan and Singapore for quite some time, and it looks like they're about to catch up in India too! Keeping in mind new traveller trends, and of course, the forever-soaring real estate prices, Mumbai

has become the very first city in India to come up with a 'pod hotel'.

For those unaware, pod hotels can be best described as 'comfort in a capsule'. The rooms are just large enough for one or two human beings to fit in, but there is no compromise whatsoever on quality and amenities.

You still get to have a Plasma TV, free WiFi, air conditioning, reading lights, charging points, a personal safety locker and a dresser. Urbanpod recently kick-started its operations in Opus Park in Andheri's SEEPZ area, with 140 pod units. These include pods for single and double occupancy,

as well as pod suites with queen-sized beds. The smallest of these is just 3.02 square meter in area! The hotel also has exclusive women-only pods for solo women travellers.

The rooms at Urbanpod are designed by a Singapore-based company, and are futuristic, minimalistic and very chic. Luggage is deposited in a secure locker room upon check-in and the bathrooms are unattached. There's a 60-seater café downstairs serving complimentary breakfast and mini-meals – a great place to network with fellow travellers. The prices range between INR 1800 to INR 3200, which is unbelievably economical for a place like Mumbai.

An excellent option for solo and budget travellers looking for a clean, comfortable and safe place to shack up, the concept of pod hotels might just take the Indian travelling scene by a storm. Urbanpod is certainly something worth trying out on your next trip to Mumbai – if not for the sake of budget, then just for the experience!

Japanese style

Capsule hotels are one of Japan's best known and unique types of lodging. They are usually found around major train stations in large cities and target individuals looking for a low budget, single night's stay. Capsule hotels provide their guests with private, enclosed beds and basic amenities for less money than regular or business hotels. They usually charge between 3000 and 4000 yen per night. Recently a few premium and themed capsule hotels have been opening around Tokyo, Kyoto and Osaka with slightly higher prices.

While capsule hotels traditionally cater mostly to business men, these days many places also accept female guests and offer gender segregated sleeping floors or separate buildings for men and women. Capsule hotels are also popular with foreign travelers

and are increasingly offering English websites and booking systems.

The typical capsule includes a TV and wifi internet inside, and a privacy curtain or door to cover the entrance

The standard capsule is a fibre-glass unit built around a single size futon mattress, measuring roughly 1.2 me-



The standard capsule is a fibre-glass unit built around a single size futon mattress, measuring roughly 1.2 meters wide, two meters long and one meter high. They are usually stacked two units high and lined up side by side along the corridor



ters wide, two meters long and one meter high. They are usually stacked two units high and lined up side by side along the corridor. Sheets, blankets and pillows are provided, and each capsule also comes outfitted with a light, alarm clock, TV and radio unit built in. A curtain or door can be closed in front of the entrance for privacy. In addition, most places provide power outlets and free wifi internet inside the capsules.

All of the other facilities at the capsule hotel, such as washrooms, toilets and showers, are shared among the guests. Many capsule hotels also commonly provide large communal baths where you can enjoy a soak before bed. In addition, they may also have restaurants, vending machines, laundry facilities, internet kiosks, lounges, entertainment rooms, game rooms or manga libraries within the facilities.

Capsule hotels debuted in 1979 in Osaka with the "Capsule Hotel In Osaka" in the city's bustling Umeda district. Architect Kisho Kurokawa designed the hotel, which seemed like a logical extension of the Tokyo residential and office tower, Nakagin Capsule Tower. That structure, built in 1972, offered tiny, capsule-like apartments.

During the 1960s, the word "capsule" started appearing in Japanese. Sometimes English words change meaning when absorbed into Japanese, but the word "capsule" carried a similar meaning to what it does in English: very futuristic and compact. This is probably why when a new start up in Osaka needed a name to describe its compact gaming experiences, it chose a moniker based off of "capsule computer". Today, you know that company as Capcom. This is also why "capsule" was used to describe these small, compact hotels.

When visiting a capsule hotel, there are some things to be aware of. One is that many capsule hotels are men only. They are traditionally geared to-

BUDGET STAY



► Inside of some pod hotels look very futuristic and compact, like a space ship

wards businessmen. However, there are capsule hotels with women only floors. Some of the newest (and nicest) capsule hotels are aimed at both male and female guests.

The going rate for capsule hotels is usually between US\$30 to \$50 a night, depending on the hotel. But that often includes high-speed internet access and, also depending on the hotel, basic amenities, like toiletries.

The procedure to stay at a capsule hotel may seem intimidating at first, but it is essentially the same at most capsule hotels and only differs slightly from other types of accommodations in Japan. Some places even provide English check-in instructions at the

counter or may have English speaking staff.

Here are some interesting, and unique, capsule hotels from across Japan:

Capsule Hotel Inn Osaka: Yep, you can stay at the first capsule hotel. It's still open in Osaka. Sadly, it's men only. However, if you are in Osaka, there is a capsule hotel called Asahi Plaza in the city's Shinsaibashi district that offers lodging for male and female customers.

Green Plaza Shinjuku: Claiming to be Tokyo's first capsule hotel, Green Plaza Shinjuku does not, unfortunately, offer accommodation for females.

Capsule Hotel Shinjuku 510: This

capsule hotel, also located in Shinjuku, does have female lodgings as well as capsules for males.

Capsule Ryokan Kyoto: A capsule hotel with a decidedly traditional Kyoto spin: you sleep on tatami mats! The hotel also has high-speed internet, so it's the best of both worlds. [Pic and more info on A Trini Traveller]

9hours: This could be the swankiest capsule hotel Japan has to offer. 9hours is in Kyoto, and it offers accommodation for both male and female guests—with separate elevators for each. At 9hours, the capsules are called "pods" and even feature a "Sleep Ambient Control System" and specially designed pillows to help you

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► Capsule hotels can include single and double occupancy as well as pod suites with queen-sized beds

sleep. This capsule hotel is anything but typical.

Expansion mode: India

A year after launch, India's first capsule hotel firm Urbanpod Ltd is gearing up to expand its presence across the country.

The Mumbai-based firm is looking to introduce capsule hotels at railway stations and pilgrimage centres across the country. They are also called pod hotels, a term derived from their pod-sized rooms fitted with a bed.

Urbanpod—which launched its first 140-pod property in Mumbai's Andheri in March last year—is planning to introduce the concept in eight more locations including the National Capital Region centred on New Delhi, Bengaluru and Chennai, taking it to around 800 pods in the next two years.

To finance expansion, Urbanpod is seeking investments around Rs20

Urbanpod launched its first 140 pod property in Mumbai's Andheri last year. Now it is planning to introduce the concept in eight more locations with 800 more pods in the next two years

crore from venture capitalists.

Urbanpod co-founder Hiren Gandhi said in an interview that Mumbai-based merchant bank Ashika Group has been hired for its fund-raising plan.

"Going forward, we see a huge potential with the rising real estate prices. Not only in metros, we are looking at pilgrimages, where are there different sorts of travellers. We are also trying to work something with the city railways," Gandhi said, adding that the capsule hotel company is also looking for franchisee partners.

Gandhi said the company has participated in the bidding process run by the Indian Railways to privatize retiring rooms at various railway stations.

Besides, it is also in discussions for a potential partnership with individual and private companies which have already won the bidding for some of



► **Basic pods are just meant for a good night's sleep at a low rate**

the railway locations, he added.

“So far, we have considered 3-4 different railway locations mainly in business districts where there will be a lot of business travellers. We will be participating in the bidding as and when the Indian Railways comes up for privatisation of the retiring rooms at the stations. We are looking at around 35 railway stations in the next five years,” Gandhi said.

While pods at its Andheri property are available for between Rs1,000 and Rs3,000 per night, the company is also contemplating whether it should rent them out on an hourly basis, particularly at transit places like railway stations.

A concept which took birth in Japan, pod hotels have become popular in other Asian countries including China, Taiwan and Singapore.

Citing WiseGuy Research Consultants, Forbes in a September 2017 re-

port estimated that the global capsule hotels market stood at \$159 million in 2016 and expected it to reach \$226 million by the end of 2022, growing at an annual average growth rate of 6.03% over the course of the six-year period.

“Such products are likely to be successful in high concentration and high population markets,” said Achin Khanna, managing partner (strategic adviser), Hotelivate, a hotel consultancy firm.

“In India, places like Delhi, Bengaluru and Mumbai, may find some demand of such pod hotels, particularly in the very heart of the cities. So, the audience which would probably see value would be people who go to high concentration cities and who do not want to pay so much for a hotel,” Khanna added.

Source: Live Mint

POD RULES

Instructions in a typical pod hotel are as following:

- Remove your shoes and place them into a locker. Take the key to the check-in counter.

#When checking into a pod hotel, you are assigned a capsule number and given a key to a corresponding locker where you can store your belongings. The lockers are not usually very large, so most places have an additional luggage room or coin lockers to store suitcases and other large items. Do not store valuables inside of your capsule unattended as they usually cannot be locked.

- Most people start with a bath and then change into a fresh set of clothes. Shampoo, soap, towels and other toiletries are usually provided. Sometimes nightwear is also provided.

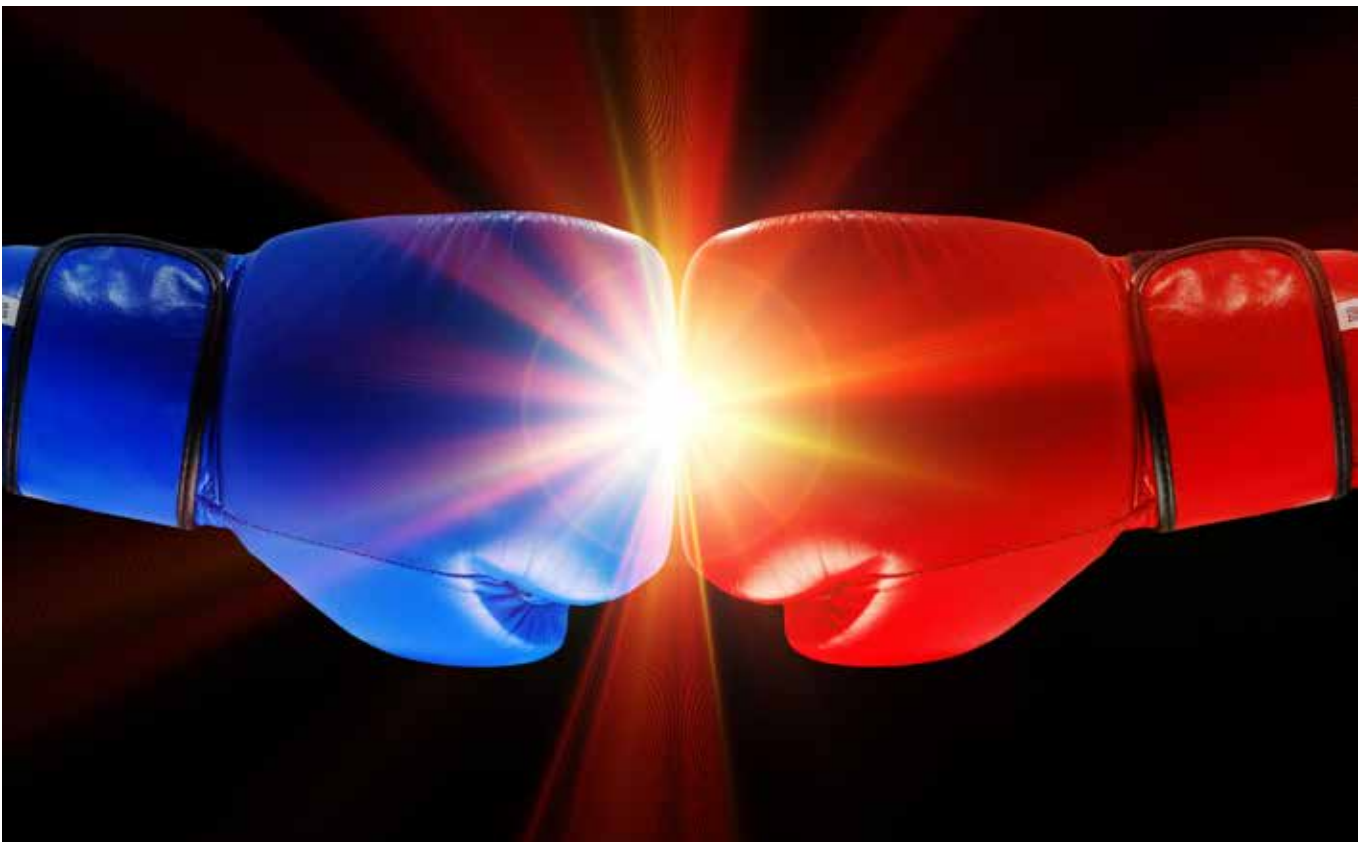
- Many capsule hotels offer lounges, restaurants or other entertainment areas where you can relax by yourself or spend time with friends. Eating and smoking are generally not allowed inside of the capsules.

- Once you retire to your capsule, close the curtain or door for privacy.

- Check out in the morning. While it is possible to stay for consecutive nights, most capsule hotels require you to check out and remove all of your belongings from the hotel during the day.

Fighting Bad Press

Hospitality players would be well served to plan in advance for any instance of bad press. Here is a basic primer for responding to bad press



► **Developing a plan for countering bad press in time is most important**

A FEW months ago, when the carcass meat scandal spread like wildfire, many of our members had the taste of bad press, multiplied several times by the new media. In most cases, it was based on sheer rumour-mongering aimed at damaging

the reputation of places that has been serving them public meticulously for decades. But, we were able to react positively to negative publicity initiating a direct interaction with print and electronic media. We organised press conferences and got in touch with media representatives to tell our side of

the story. Our effort helped to counter the bad publicity and after some initial hitches the business was back to normal. The incident offered us a new learning opportunity on how to handle a negative situation and showcase the truth.

Developing a plan for responding



► **Fighting rumour mongering in the social media is a big challenge these days**

to bad press before bad press arises is one of the most important steps. The plan should include such elements as knowing who is in the response team, developing relationships with designated points of information that might counter bad press, and understanding legal ramifications of certain bad press. Developing dedicated communication lines before bad press strikes may expedite a response to any bad press.

When a hospitality player develops their response plan, the hospitality player should consider reviewing existing policies and determining what, if any, policies it additionally requires. As part of this process, the hospitality player should determine what poli-

cies apply to which of its contractors or employees. For example, given the prevalence of electronic document systems, it may be crucial to have the person with knowledge of those systems take a lead role in developing a policy to preserve documents in accordance with the applicable law. It is important that all contactors or employees with information that may need to be preserved pursuant to law be aware of those policies.

Hospitality players should consider putting together the appropriate response team. The exact composition of a response team will depend upon the hospitality player. A hospitality player may want to include a Chief Technology Officer or other in-

dividual who has sufficient knowledge of the electronic systems used by the hospitality player. This person may work to provide access to important systems, to ensure that systems are maintained, that the hospitality player can comply with any preservation requirements, and more. A hospitality player should include a person with knowledge of the internal dynamics of the hospitality player or who knows which team member has the requisite knowledge needed to respond to the bad press. A hospitality player may also want to consider adding legal counsel to its response team.

In some cases, bad press may be actionable. Legal counsel may allow a hospitality player to assess its options

for seeking relief in response to bad press. Legal counsel may also assist in seeking immediate injunctive relief, if necessary. Not acting promptly in response to an event could prevent any injunctive relief.

In some cases, bad press may give rise to a lawsuit. The exact claims that are available to a hospitality player related to the bad press will depend upon the specific facts that relate to the bad press. Such claims may include, but are not limited to defamation, trade libel, or business disparagement. Vetting of the bad press is essential to determine the possible merits of such an action. In many cases, this will involve a strong understanding of the available facts. When bad press features facts that are disputed, it is essential that an investigation be conducted into the allegations in the bad press and that the hospitality player know which facts are true and which appear to be false. Knowing which facts are true and which appear to be false will allow a hospitality player to determine the feasibility of maintaining a cause of action related to that bad press.

If a hospitality player is made aware of impending bad press, the hospitality player may want to consider a demand letter or cease and desist letter before filing a lawsuit to seek damages or injunctive relief. A demand letter would essentially request that the other party voluntarily cease from publishing the offending press or change its course of behavior so that it no longer damages the hospitality player. In many cases, the demand letter may alleviate the need for a lawsuit. However, a hospitality player must always ensure that a demand letter is appropriate in the particular circumstances. In some cases, the danger of the bad press may be so immediate that a demand letter may not be appropriate under the circumstances.

In conjunction with any demand

If a hospitality player is made aware of impending bad press, the hospitality player may want to consider a demand letter or cease and desist letter before filing a lawsuit to seek damages or injunctive relief

letter or response to bad press, it is important that the hospitality player's response be credible. By countering the impending or actual bad press with facts, the hospitality player may be able to demonstrate its falsity to the point that the bad press loses traction. Conversely, a hastily made, false excuse may cause bad press to gain momentum as its falsity is exposed. When responding to bad press, the hospitality player should consider giving detailed access to the underlying facts such that the maker of the bad press can evaluate the falsity of the bad press for itself. In some cases, this strategy may not be appropriate, however, as any response depends on the applicable circumstances. There may be circumstances where providing access to the source

of the bad press may lead to further bad press and other consequences for the hospitality player. A hospitality player must evaluate each instance of bad press with its crisis management response team and determine the best course of action in responding to it.

Prior to sending any demand letter, or commencing a lawsuit, a hospitality player would do well to determine whether bad press is actionable. In determining whether bad press is actionable, the context will matter. In a landmark case from California, *Monterey Plaza Hotel v. Hotel Employees Local 483*, the court recited allegations that, in a newscast about a labor dispute, one of the defendants allegedly said that certain firings were illegal. The plaintiff filed a complaint alleging a single cause of action for defamation against certain defendants alleging that the statement on the newscast "that the federal government had found that the firings were illegal was false and exposed plaintiff to 'hatred, contempt, and ridicule.'"

The court stated that "considering the broadcast as a whole, a viewer could not have reasonably understood [the defendant's] statement to mean that there had been a final determination that plaintiff had illegally fired the two employees." It is important that a hospitality player fully examine the facts and circumstances prior to instituting an action in response to bad press. While there are no guarantees in the law, a careful examination of the applicable facts may allow the hospitality player to understand their probability for success.

Litigating bad press may not bring the desired solution. Even if a hospitality player wins a lawsuit against the party that initiated the bad press, the damage may already have been done. Accordingly a hospitality player must be open to creative solutions to dealing with bad press. In an era where so many parties deny everything and seek to litigate, there are alternative



► **Keep an eye on social media channels and hire experts in online reputation management, if required**

solutions. Furthermore, litigation can be expensive and can drain a hospitality player's resources. Depending on the situation, the best response to bad press may be to confess its accuracy. That confession can be accompanied with an apology or a statement of how the hospitality player plans to correct the situation. Admitting that a hospitality player got it wrong may work to defuse the situation before the situation escalates to a point where it obtains even greater notoriety.

For example, bad press may come in the form of a ranking or review of a hotel on the internet. In the case *Seaton v. TripAdvisor LLC*, a federal appellate court considered whether a hotel owner stated a claim because a hotel was allegedly placed on a "Dirtiest Hotels" list. In this case, it would be interesting to analyze the litigation benefits and costs. The list in question may not have received much attention when it was published. However, by filing a lawsuit, the party risks being named in a published decision that brings it even greater attention and the list in question greater attention.

Bad press and good press may serve the hospitality player's interest by getting them noticed in an increasingly crowded field where everyone is shouting for attention. However, in some circumstances, bad press can cause damage to a hospitality player's brand and in some cases that damage can be irreversible. It is important that when bad press strikes, that a hospitality player be ready to respond to that bad press. As set forth above, a hospitality player should consider developing a response team, reviewing existing policies, consider legal action when appropriate, be credible, and conduct a cost benefit analysis before attempting to litigate any bad press. There are other steps that may be appropriate as well. A hospitality player's response to any bad press will necessarily depend upon the situation.

BUSINESS ETHICS

WASTE NOT, WANT NOT

Today, hotels are presented with a new opportunity for efficiency – food efficiency – with the potential for financial, social, and environmental benefits that far outweigh implementation costs.





ACCORDING to an estimate by the Food and Agriculture Organisation (FAO) of the United Nations one-third of food grown globally is thrown away. Beyond financial losses, this is a waste of 66 trillion gallons of water, 5.4 million square miles of land, and 4.4 billion tons of greenhouse gas emissions. The impact of these wasted resources is compounded by staggering rates of global hunger and food insecurity.

Reducing food waste depends on shifting the way people value food. Creating this sustainable change in a hotel requires staff of varied functions to come together and think critically about the tasks they undertake every day.

Hotels have a unique opportunity to influence both public perception and a large portion of food service professionals, gaining significant business value in the process. This value is added in the form of: increased staff morale, progress against a brand or property's environmental or social goals, improved service to guests and clients, an enriched relationship with community groups, better understanding of property operations and reductions in operational costs.

A recent study of 42 hotel properties in 15 countries found that a food waste reduction program including separation, measurement and staff training yielded an average seven-fold return on investment in addition to several other strategic benefits. This study was conducted by the Waste and Resources Action Programme (WRAP) and the World Resources Institute (WRI) and published on behalf of Champions 12.3, a multilateral group striving to achieve UN Sustainable Development Goal 12 Target 3. While geography and service style varied, 95% of participating properties achieved net positive financial returns within two years of implement-

ing a food waste reduction program.

The average 600% return on investment was surprising to several participants in the study who had overestimated the cost of implementing the program and underestimated the value of wasted food, often excluding associated costs buried in operational budgets or accepted as the cost of doing business.

Ninety percent of participating properties kept their food waste prevention investment under \$20,000 in the three-year study period. Investments included determining where and how much food was being wasted, identifying actionable next steps, and implementing those actions. These costs were mostly directed at conducting food waste inventories, training staff on food waste management strategies, and redesigning menus for efficiency.

Properties earned financial gains in the form of lower costs and additional revenue. By maximizing use of each ingredient and determining additional uses for often discarded food scraps, potential waste was transformed into valued products

Some properties opted to contract a food waste tracking software company to assist in quantifying and categorizing their food waste. Despite requiring a larger investment upfront and over time, this method can uncover key drivers of food waste on the item or outlet level. These tools also present standardized data in an actionable way and automates a task that would otherwise be conducted manually by staff.

After an investment of resources and staff time in the first year, followed by smaller recurring costs to maintain the program and monitor program implementation, properties experienced steady financial benefits. Within the first 12 months, 70% of properties recouped their investment and up to 95% after 24 months. Participating hotels achieved an average food waste reduction of 21% by weight while only investing 0.9% of their annual food spend.

Properties earned financial gains in the form of lower costs and additional revenue. By maximizing use of each ingredient and determining additional uses for often discarded food scraps, potential waste was transformed into valued products. Waste hauling costs were reduced due to fewer dumpster pulls per month and reduced waste weight. Additionally, the staff costs associated with procuring, storing, preparing, serving and disposing of wasted food were also reduced while often increasing staff morale and innovation on-the-job.

By reducing food waste, the average site saved over four cents on every dollar of cost of goods sold (COGS). These benefits were seen across all market segments, from economy to luxury properties, and in all tested locations. Properties with the highest return on investment (ROI) ratios often had one or more of the following features:

a) Relied on common hotspots that consistently produced high volumes



► **Reducing food waste depends on shifting the way people value food**

of waste (like a buffet) and prioritized effort on these hotspots.

b) Only needed low capital investment since they already had equipment in place to monitor or reduce food waste (scales, bins, refrigeration space, etc.).

c) Had high levels of staff engagement with the food waste-reduction program, especially among kitchen staff, facilitated by buy-in of property management.

d) Food waste-reduction programs build value in several areas of the business, including freeing budget for innovative or sustainable food investments and making progress toward

an environmental or socially sustainable goal.

While a property may be less interested in reducing the overall budget for their culinary program, there is opportunity to reinvest the savings from a food waste reduction program into food sustainability. For example, these savings may be used to expand the food waste-reduction program, possibly yielding further returns, by contracting a food waste tracking software, installing an on-site digester that separates usable natural gas, water, and fiber from waste or a composter that turns waste into fertilizer, establishing a food donation pro-

gram, or investing in waste-reducing menus. Alternately, the returns could be used to procure higher-quality or sustainable ingredients, such as Marine Stewardship Council-certified seafood.

The efficacy of food redistribution programs in a hotel's community may impact the food security of the very staff members who work in the hotel. Establishing a food donation program can help a property earn tax benefits and maximize the use of procured ingredients, while also building staff morale, creating invaluable relationships to alleviate hunger in local communities, and supporting social



► **Food waste can be measured through manual tracking or by using food waste tracking software**

stewardship.

Reducing food waste and understanding your waste stream can also help your property comply with existing or future environmental regulations on waste management, avoiding fines while contributing toward goals of environmental sustainability.

In addition to supporting a property or brand's social and environmental sustainability goals, these efforts will also contribute to the similar goals of corporate clients.

The primary goal of a hotel food waste initiative is to prevent food waste. Prevention, not donation or diversion, is the key to significant fi-



nancial returns and environmental benefits. Preventing food waste necessitates a culture shift in the way a property values food. To achieve this culture shift, WRAP suggests the method: Target, Measure, Act.

A supportive management team is the crucial factor to achieving staff buy-in and a property culture shift. At one hotel sampled in the Champions 12.3 study, program adoption was only seen in staff once the property management began reinforcing the training with positive feedback. Reducing food waste is an interdepartmental effort and should include representatives in each relevant func-



► **Preventing food waste necessitates a culture shift in the way a property values food achieved food reductions of 17 per waste alone cent**

tion from early stages of planning and development. Bring together key members from Culinary, Food and Beverage, Event Sales, Property Management and Engineering, PR & Marketing, Human Resources, Procurement, Stewarding and any other relevant functions to serve as the property Food Waste Task Force. Together, staff should set an ambitious and quantifiable target for food waste reduction. For example, they can strive to reduce food waste by 50% by 2030, maintain a consistent food donation program and ensure no food is sent to landfill.

Once a numeric and time-based

In a food waste demonstration conducted by WWF, separation and measurement behaviour

target is set, the next step is to determine a reliable baseline against which the property can measure success. Baseline measurements require the separation of food waste from all other waste streams. Then, measurement can be taken in any consistent way through manual tracking or by using food waste tracking software. Separation and measurement alone can achieve significant reductions simply by quantifying the problem. In a food waste demonstration conducted by World Wildlife Fund, separation and measurement behavior alone achieved food waste reductions of 17%.



► Engaging in food waste reduction will generate business value in several areas

With a target and baseline set, and with a reliable separation and measurement program in place, strategic prevention tactics can be determined. The Food Waste Task Force should monitor separation and measurement behaviors, communicate expectations and suggestions for reduction to staff, and share experiences with other members of the Task Force.

Line-level or operational staff can have the most impactful suggestions for reduction. For example, at a WWF demonstration property, a line-cook responsible for peeling and prepping noticed that much of the potato salad was returned and disposed

after events. Motivated by the property's food waste initiative, he suggested reducing potato salad portions for the next event. This measure prevented significant waste and is a practice that continues at this property to date. Encouraging innovative ideas and creating a comfortable environment to share them is integral to collecting this feedback and garnering buy-in from staff.

A comprehensive toolkit of property interventions was published by World Wildlife Fund in November 2017 and can be found at HotelKitchen.org.

Engaging in food waste reduction will generate business value in sever-

al areas. Institutionalizing food-efficiency places a higher value on food throughout a hotel's value chain, including farmers that produce ingredients, workers along the packing and distribution chain, hotel operational and line-level staff, community partners and clients.

Hotels benefiting from waste-reducing strategies are not limited to the 42 approaches inventoried in the Champions 12.3 study. Public commitments toward food waste reduction have been undertaken by many major hotel brands including Hilton Worldwide, Marriott International and AccorHotels Group as well as other



► A line cook can suggest ideas to prevent food waste

hospitality brands like Costa Cruises. International organizations like World Wildlife Fund, World Resources Institute, WRAP, FAO, the United Nations and more have undertaken significant project work to achieve globally-scaled reductions in food loss and waste and the group of contributors, or Champions, is only growing.

Preventing food waste is more than a public relations campaign or environmental strategy – it's just good business. With all this momentum, the question is: Who will be the last to work on food efficiency? Don't let it be your property.

Acknowledgement: Mr. Pete Pearson, Director of Food Waste at the World Wildlife Fund (WWF), the world's leading conservation organization.

Indian initiatives to tackle food wastage

In a bid to tackle food wastage, last year the Indian government announced plans to fix food portion sizes served in star hotels and restaurants.

The proposal came after PM Modi labelled food wastage as 'injustice to the poor' in Mann Ki Baat, his weekly radio talk. Ram Vilas Paswan, minister of consumer affairs, food and public distribution, followed the PM's concerns with comments: "If a person can eat only two prawns, why should he or she be served six? If a person eats two idlis, why serve four! It's wastage of food and also money people pay for something that they don't eat."

According to the UN's Food and Agricultural Organisation (FAO) even if just one-fourth of the food currently lost or wasted globally could be saved, it would be enough to feed 870 million hungry people in the world.

Food wastage is a global problem. In the more developed countries of the Western world, consumers contribute heavily to the high amount of wasted food, whereas in lesser developed countries, it's the

retailers that waste the most. For example, statistics reported by FAO note that in Europe and North America, waste by consumers per capita is between 95-115 kg a year whilst in sub-Saharan Africa, south and south-eastern Asia, for the same, the figure is only 6-11 kg a year.

Food wastage is everyone's problem. It's not something that is just for big companies to provide a solution for, the responsibility belongs to everyone.

The Indian government's proposed cap of food portions is not the only attempt by India to curb the problem. The Robin Hood Army, a volunteer based organisation that works to get surplus food from restaurants to the less fortunate sections of society, began in 2014 when a group of six friends from Delhi took to the streets with one simple aim: to feed the homeless. In one night they had driven to restaurants, collected unsold food, re-packaged it and distributed it to around 100 homeless people.

With the aid of a social media campaign, the movement gained huge momentum

and now boasts a 500-strong volunteer base spread out across 13 cities in India and last year saw it spread to neighboring Pakistan.

Elsewhere in South India, Minu Pauline, owner of popular food joint Pappadavada in Kochi, installed a 420-litre fridge outside her restaurant to be used exclusively to store food for the hungry. Passersby are free to donate food, so that homeless and hungry people have access to food whenever they need it.

Similarly in Bengaluru in 2016, a 'fridge of kindness' was opened by Lebanese restaurant Byblos which stored leftovers of food from the day and any extra food and can be accessed by the city's homeless and hungry.

Individuals and organisations in countries around the world are stepping up and devising innovative methods and campaigns, such as these examples from India, in an attempt to tackle the issue of food wastage, and they are having some great impacts. cooking the food that is eventually wasted
Courtesy: Better India



▶ A one-size-fits all approach definitely doesn't work at all for millennials

ENGAGEMENT

F&B FOR GEN X

They are tech savvy. They are hooked to smartphones. But the millennials haven't lost the need for the human touch. Hospitality brands can't expect to flourish only with technology and without superb customer service.

MILLENNIALS have become the fastest growing consumer segment in the hospitality industry.

According to Hospitality.net and a survey by Oracle, millennials' use of mobile devices in hotels and restaurants is massive; more than 39 percent of millennials order F&B services through their mobile devices, one-fifth have used their smartphones to check into a hotel and 52 percent of millennials want to use their mobile devices to capitalize on loyalty programs. Now, with more hoteliers catering to this growing and influential demographic, hospitality brands big and small are



catering to this demanding group by putting a greater emphasis on technology and creating more immersive-oriented experiences.

Interestingly enough, however, despite millennials' connection to technology, they haven't lost the need for the human touch. Hospitality brands can't expect to flourish only with technology and without superb customer service. Millennials very much desire the experience they are paying for coupled with the convenience of technology. According to a J. Walter Thompson Intelligence Study, 56 percent of millennials define themselves by their experiences more than other qualities, and 78 percent of them choose to spend money on a desirable experience over buying something tangible. Another 72 percent desire experiences that stimulate their senses as emotional memories are triggered by their senses. Despite what seems to be a disconnectivity from the physical world

while scrolling through their social media feeds, millennials' desire for engaging in meaningful experiences off their phones and connected with their friends is their end game.

So, what does all this mean to those in the hospitality industry who are trying to serve the needs of this demographic, and how will it change the industry moving forward? A one-size-fits all approach definitely doesn't work and millennials will sniff out a brand's inauthenticity in a second – including making that brand culpable on social media. Brands simply don't have the time or money to get it wrong with this generation.

What are millennials seeking in their hospitality experience and what is the best way for hospitality brands to wine and dine the millennial demographic?

Make it Quick and Engaging

Millennials don't and frankly won't

spend hours trying to find the best restaurant, cocktail or store. A recent study conducted by Microsoft found that the average human attention span is down to eight seconds from 12 when it was measured in 2000. The study's researchers also note that the human attention span is now less than that of a goldfish at nine seconds. Millennials have access to the best apps and information and since we know they are doing a majority of their bookings through their smartphone, brands have an incredibly short window to engage with them before they are soon forgotten.

Bardot Brasserie is a good example of this quick engagement. Bardot was built as a French fine-dining establishment with a modern twist located in ARIA Resort & Casino. The mix of low lighting and dramatic shadows was inspired by early film noir and helps set the mood for guests immediately upon arrival. Bardot also features a striking bar with polished brass shelving and up-lighting that pulls you in immediately.

Take Responsibility in Your Business Practices and Your Menu

More than ever before, millennials are more attuned to if a brand is practicing what they are preaching. It's no longer just about how good their food or experience is, millennials now also want to know where the fish on their plate was being caught and if/what the company's corporate sustainability practice is. According to the Millennial Impact Report, 87 percent of Americans will purchase a product because a company advocated for an issue they cared about, and millennials are more likely than other generations to research the issues a company supports and the extent to which the company contributes.

Be Authentic and Make it Fun

Millennials desire authentic experiences that are fun. They will know if you're trying to fake it and will call



► **Millennials desire authentic experiences that are fun**

you out on it. Millennials are loyal to the core – once it's been earned. They have an authentic love for whatever you're representing in your property which must be felt or they won't come back. If you say you have the best beer on tap or the best new food trends incorporated in your menu, you better be able to deliver this and back up your claims.

Gordon Ramsay's Hell's Kitchen has become a hot spot amongst the many competing restaurants on the Las Vegas strip because it has brought television to the real world. Hell's Kitchen which exists as a popular television reality competition now gives everyday diners the chance to experience the world of Hell's Kitchen outside of their TV set. Gordon Ramsay's Hell's Kitchen is built on the dramatic flair that you see on the show.

But truly one of the main reasons Gordon Ramsay's Hell's Kitchen is

doing so well isn't all the dramatic details. It's actually the simplicity of its authenticity being true to the reality show.

Create Community-Oriented Experiences

Millennials crave connection. Because they are online so much of their day, they actually want to be able to unplug and share with their friends – whether that means making new ones or entertaining current ones. That's why it's important for brands to create community-oriented experiences where millennials can achieve this type of connection.

Pay Attention and Make the Necessary Changes

Brands may think they have the right model and perhaps they haven't recently evaluated that model. Even the biggest hospitality brands have had to

make the necessary changes in order to stay competitive in the marketplace with millennials.

Starwood, Hilton and Marriott have all taken notice and gotten in on the action. Hilton@PLAY has partnered with Live Nation to create a series of live music events that appeal to the younger generations. Starwood's Aloft brands break the traditional hotel mould by creating social interaction from the communal pool tables to "Spins & Sips" DJ sets at the W XYZ Bar or encourage guests to tag their photos of the property on social before they even leave the grounds. Marriott's Moxy Hotels has now brought in top social influencers to entertain guests.

Hospitality brands must now look at the entirety of their mix of products from the design aspects of their properties to how they are creating guest engagement and entertainment in or-



► **Just piling up a lot of mouth-watering food items may not work**

der to attract new customers and keep current ones loyal.

"You Gotta Have Heart"

"Damn Yankees" sang about it – "You Gotta Have Heart." Whatever you're representing must be felt by millennials or they won't come back. Match the experience you're creating by being different and creating immersive, experiential concepts that leave them wanting to come back for more. From the design perspective, we look at the materials and scale of the venues to assess what will work. There is a growing demand for both unique and well-constructed F&B venues that appeal to guests at various touch points, whether they enter the lobby or arrive at their room.

Think about whatever your brand stands for and then deliver that from the heart – which should be felt by every employee and every guest. This could include simple, personal touches like

a glass of champagne waiting for them upon arrival (and not just a "VIP"), or even a simple, personalized welcome card left on a guest's bed with the WiFi code which tells them how to connect with your brand on social. You could even encourage them with incentives like complimentary food or drink cred-

It's no longer just about how good their food or experience is, millennials now also want to know where the fish on their plate was being caught

its that encourage tagging of your brand in guests' social shares. If it's authentically felt and delivered from the heart, you can be sure that will translate to your bottom line as well.

Simply put, don't do too much with your brand; but instead, say what you do and do what you say. Engage millennials by living out your brand authentically in every aspect of how it's delivered to your guests. Create a sense of community so that millennials can always feel connected. Pay attention and have the willingness to change things if you're seeing they're not working, even if it may cost you more upfront for a longer-term impact. And finally, have heart. Deliver that in even the simplest touches to your guests and in turn, they may just become loyal to your brand for life.

Acknowledgement: Forte Specialty Contractors, Las Vegas



STATE SURVEY: MEGHALAYA

Abode of CLOUDS

Development of tourist infrastructure and other amenities can make Meghalaya the top tourist destination of India



► The state boasts of one of the most beautiful high altitude lakes at Umiam

AMONG the smallest States in the country, Meghalaya is blessed with picturesque landscape, conducive geo-ecological settings, sparkling waterfalls, legendary mythological sites, rich traditional culture and warm and hospitable people. It has a rich cultural heritage and is blessed with a salubrious climate, which is naturally attractive for short sojourn by tourists from the plain areas. It has special attractions like the Shillong Golf Course, the wettest place in the world, Cherrapunjee (Sohra), Caves which could rival any

Meghalaya offers many adventure tourism opportunities in the form of mountaineering, rock climbing, trekking routes, water sports etc.

of the world's best, wildlife sanctuaries and Biosphere reserves.

It also boasts of one of the most beautiful high altitude lakes at Umiam. So far, many tourists have been coming to the State but in a disorganized manner and are not lured by specific packages and products. In other parts of the State, like West Khasi Hills, South Garo Hills, Jaintia Hills etc, tourist spots are amply endowed by nature.

Though a lot has been said about the tourist potentials in the NER in general and the State in particular,



► **The state is endowed with rich tribal culture**

due to shortage of funds, adequate investment could not be made in the past in the context of creation of infrastructure assets, rural connectivity, air connectivity etc.

Meghalaya offers many adventure tourism opportunities in the form of mountaineering, rock climbing, trekking routes, water sports etc. The State also offers numerous trekking routes some of which offer an opportunity to encounter rare animals and plant species distinctive to this region of the country.

The thrust areas for tapping the

tourism potential available in the state are:

Health Tourism: Khasi and Garo tribes are known for their traditional healing practices. The State has a strong base of traditional medicine, utilizing different types of locally available medicinal plants and herbs. With proper investment and management, the potential of traditional medicine can be fully exploited.

Adventure/Sports Tourism: Adventure Tourism is an untapped resource for the Tourism Industry in Meghalaya. It has vast potential to

be applied and operated from almost any part of the State's rich geographical arena. At this stage, Adventure Tourism in Meghalaya as well as in India as a whole is still in its infancy. It has tremendous potential not only in economic terms for the State but also has a high employability factor. Training and Capacity building in this field will yield youths of the State with skills that are highly valued not only for Entrepreneurship and Employment in the State but almost anywhere in the country. A major thrust is required to enable entrepreneurs to acquire equipment and other material to undertake and promote Adventure Tourism activities in the State. Meghalaya has the potential to be the top ranking Adventure destination in India, provided it gets the adequate attention from the private sector.

Rural Tourism and Legend Tourism: Village /Rural Tourism is a new concept where Tourists are encouraged to visit the villages, stay there and spend time in the peaceful environment of the villages and familiarize themselves with the unique culture of the villages. Places like Mawlynnong, Laitkynsew etc are becoming popular places for the visitors. Majority of places in the rural areas of Meghalaya are associated with myths and legends. Training the local youth in the field of folklore for reciting legends, myths, folktales etc during important events would help in promoting this product.

Cultural Heritage: Meghalaya is rich in culture and this attracts a lot of domestic and foreign tourists. This age-old culture has been handed down to the present generation by our forefathers. Villagers in rural areas are still holding on to their ancient customs, usages and traditions. This can provide a tremendous opportunity for tourists to be exposed to the culture and tradition of the State. There are Fairs



► Boating in the crystal clear lake water is an exhilarating experience

and Festivals which are celebrated in the State throughout the year.

Golf Tourism: Meghalaya prides itself in having one of the oldest natural 18- holes golf course in the world. With some improvements in the surroundings and attitude of the people, it has the potential of attracting golfers from all over the world because the game could be played practically all the year round.

Eco Tourism: has a lot of potential as it provides the basic framework for ecologically sustainable tourism with livelihood opportunities for local communities. Tourism facilities shall be developed around the National parks and sanctuaries and shall be integrated as a Tourism product.

Cave Tourism: Meghalaya has been of interest to the caving fraternity for many years. About 520 caves have been explored and mapped (some partially) yielding a total cave passage mapped of above 280 kms ,

Eco-tourism has a lot of potential as it provides the basic framework for ecologically sustainable tourism with livelihood opportunities for local communities.

including most of the longest and the deepest caves in the sub continent. Krem liat prah (length of 22,203 Kms) is the longest cave and Synrang Pangiang (317 Kms) is the deepest cave, both located in

Jaintia Hills. Cavers from UK, Germany, Austria, Ireland and US have been visiting Meghalaya for exploring these caves. Not many of these caves have been developed or promoted adequately. The potential of discovering more caves in Meghalaya is enormous. The Department will work closely in collaboration with the Meghalaya Adventures' Association to organize more expeditions and involve cavers from different parts of the world to come and share the experience the glory that only nature can bestow

MICE Tourism: Shillong being a year round destination could be segmented as a perfect destination for Meetings, Incentives, Conventions and Entertainment with required infrastructure and proper road and air connectivity.

While it was a fact that communication network such as road and air connectivity to the State is not adequate, steps are being taken to improve the situation. Now there is a flight to Kolkata on every week day. The Airport at Umroi is being upgraded. Four laning of the GS Road, which is under way, will improve the connectivity with Guwahati and other NE States. Road to Cherrapunjee is quite good and the Shillong-Dawki-Tamabil Road also is being improved and widened. The Shillong-Nongstoin-Tura Road is also being constructed. NH 62 as well as the roads to Tura and Baghmara are being improved to enable the Tourists to visit the different areas of the State. Over all in the next few years the road conditions are expected to improve to a large extent.

The Mission

With a deep sense of commitment to



► **A resort that hangs literally on clouds**

increase the tourists inflow and encouraging people from all cultures to come, visit and enjoy the beauty and salubrious climate of the State, the Department of Tourism is endeavouring to project “Meghalaya as the most preferred Tourist Destination within the Country and abroad”. Hospitality and tourism include tourism activities for leisure, cultural, religious or business purposes and providing accommodation, food and beverage service to customers.

The Department will make efforts in facilitating the process of building up of infrastructure in terms of accommodation etc to meet the needs of various types of tourists visiting the State, ensuring safe and honorable tourism practices for security of the tourists visiting the places of interest in the State and enhancing the capacity and relationship between the various stakeholders, viz Hotel owners, Tour operators, the community, the

government departments etc. The Department will encourage sustainable growth in tourism so that it becomes a premier income generator by opening up employment opportunities for the people. We will also educate all stakeholders especially the community in the State of the economic value of tourism whilst still retaining the values of rural life in the State.

The core inspiration for this Tourism Mission is that the State has the potential to attract tourists of different interests and that our Stakeholders have the capacity to provide hospitality services comparable to the best in the region.

Training/capacity Building and Skill Development

The challenge is to build capabilities, especially that of the community, to generate meaningful livelihoods and treat tourism as an Industry, a means for employment and to enable them

to earn respectable earnings. The first step in the way forward would be to motivate the stakeholders to form their own associations to adhere to certain adopted principles in whatever form of services they are providing, for comfort, safety, cleanliness etc and ensuring the convenience of the tourists. They and their associations are provided sufficient capacities to manage the external environment, enable them to access finance, and to expand their skills and assets and convert them into meaningful livelihoods. The Mission believes that the programme can be scaled up in a time bound manner, only if it is driven by the various stakeholders and not by the Government alone.

The strategy will be on Training, Capacity Building and Skill Building. It is expected that around 10000 youths would be trained within the next five years of the Mission.

These individuals shall be provided with the requisite skills for managing their institutions, linking up with markets, managing their existing livelihoods, enhancing the capacity for providing the best hospitality services. A multi-pronged approach is envisaged, for continuous capacity building of the targeted groups in order to improve the quality of Tourism products. Particular focus would be on the following:

- Appropriate trainings under the Hunar se Rozgar scheme of the GOI, capacity building under State Plan, NEC etc.

- Institute of Hotel Management, Shillong; Food craft Institute, Tura, Polytechnics and ITI's at Shillong and Jowai, and the Martin Luther Christian University shall be urged to frame specialised courses in the Hospitality and

related sector which is relevant for the Tourism. The strategy will be on Training, Capacity Building and Skill Building. It is expected that around 10000 youths would be trained with-



► **Meghalaya is close to Kaziranga National Park, famous for its one-horned rhinos**

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- Set up standards expected for the various services related to the industry that is Tour Operators, Transport Operators, Guides, entrepreneur for hospitality services, service providers for adventure tourism and insistence of appropriate training for them
- The Mission would also make extensive use of Information Technology to make knowledge dissemination and capacity building more effective.

Hospitality sector offers job opportunities for which Training and Capacity building in Hospitality are essential.

Promotion of slow food cafes (local cuisine)

Slow food protects the environment, defends food bio diversity and promotes sustainable agriculture. Slow

Food International established special networks called Terra Madre (Mother Earth in Italian) to give voice and visibility to the sustainable approaches of indigenous communities, small – scale producers, pastoralists and fishermen. To promote good, clean and fair food by rediscovering our diverse local food systems, the programme would build the capacities of local entrepreneurs and support them in setting up small business enterprises. At the same time it will also be the endeavour of the Department to facilitate partnerships with select 5 – Star Hotels to promote local cuisines in their restaurants. The target is to support and encourage 10 such local entrepreneurs in setting up slow food cafes in the current year.

Infrastructure creation

To address the requirements of providing additional accommodation infrastructure in the State the following categories of tourist accommodation are planned to be accomplished through mini missions in the next five years.

Star Category Hotels

Tourism involves activities of persons traveling to and staying in places outside their usual environment for leisure, business and other purposes. Tourist arrival in the State has been increasing while we lack the infrastructure to cater to them. Tourism Infrastructure demands for goods and services, and the establishments which provide such services are considered as part of the tourism industry. The existing hotels and guest houses in the state are way too less to meet the demand and there is an urgent need to upgrade the tourism infrastructure by setting up 3 star, 4 star & 5 star category Hotels in the State. These can come up with private initiation through incentives under NEIPP or on a PPP mode.



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