

THE FUTURE LIES IN SMALL TOWNS

BERGGRUEN HOTELS CEO FOR INDIA, ANSHU SARIN IS BUOYANT ABOUT THE HOSPITALITY INDUSTRY

BY: **VAISHALI DAR**



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THIS FREE-SPIRITED Chief Executive Officer of Berggruen Hotels doesn't believe in work-life balance. "It comes from within! It's not something which you consciously strike out. For those who enjoy work, the line is always blurry and you don't need to scout for this bliss," quips Anshu Sarin. "I am happy to binge on Netflix for 24 hours and get back to work with enough zeal and enthusiasm," says the dynamic and fearless India head of New York-headquartered Berggruen Holdings.

An industry veteran, Anshu Sarin is an IHM Pusa graduate and has worked for more than a decade in Taj Hotels and Kingfisher Airlines. Today, she plays a pivotal role in the strategic development and expansion of Keys Hotels in India, which has been internally funded by New York-headquartered Berggruen Holdings, the proprietary investment company of Nicolas Berggruen.

"With our recent funding of Rs 200 crore from the investors, it just goes to validate their belief in the business model and the sector," says Sarin who plans to expand Keys footprint in India by adopting an asset light strategy in Tier 2

market. "The future growth lies in smaller towns as there is a shift of trade and commerce in these cities. If we are able to get between 8-10 hotels in a year, we would be able to add good value to the brand," she claims.

Keys Hotels was formed in September 2006 to build and operate mid-segment business hotels. With 22 hotels in 19 cities and operating around 2000 rooms, the group has pan-India presence across three sub-brand categories – Keys Prima, Keys Hotels and Keys Lite. The expansion is in line with the brands commitment to grow its portfolio in India, and as a result, six new hotels – Port Blair, Ramgarh, Pune, Indore, Hyderabad and Gurgaon – are due to open by early 2018.

Known for her strategic planning and unmatched expertise in driving revenues, Sarin tells us how she has seen the change in consumption patterns and how she plans to direct some in her role. "There is affordability and fascination for leisure travel which is driving the growth in the sector. Over the last 18 months we are realigning our organisation and augmenting the team with capabilities and



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competencies,” she says.

In the past five years, the brand has gone through veritable changes that have helped bring about a cultural transformation of the brand due to competition faced from standalone hotels. “One needs to create an identity for yourself still within the framework of the business, if you deviate too much you may create a consumer experience but you may not be able to get profitable experience, so we started doing research in this space and we launched initiatives of brand distribution with three distinct identities where we offer a lot more value,” reveals Sarin.

Keys has worked on the softer aspect of business by creating an efficient eco-system and has rolled out simple employ initiatives which have become its core competencies. “Led by young and dynamic individuals, Keys delights its guests with concepts like ‘wow moments’ where each employee is empowered to do whatever he likes within the framework to create that special moment for the guest. We are efficient, dependable but we are also warm, fun and very personalized and that’s what sets us apart in

that space, within that framework we would like to offer you many experiences,” she smiles.

Talking about the pros and cons of the operational methods in the industry, Sarin sees a challenge in the franchise base where one needs to find like-minded partners to believe in the same philosophy and distribution. The management space relatively is much easier as there is transparency and alignment in the system and one can believe in the real scenario.

The current year saw aggressive growth patterns leading to high occupancy in many city hotels (80-85 percent on a weekdays) and lot more in peak markets. “Our distribution partners become better as you are able cater to revenue differently. In the midmarket space, there is a need to educate more people and pitch for right pricing,” she feels.

Highlighting some of the biggest hospitality trends to watch out for in 2018 and beyond, Sarin said that the hospitality sector will see mergers and acquisitions in the coming years. There will also be disruption in the use of technology especially in the distribution space. Consumers on the whole will relish local flavours and community building with experience, were some of the big trends.

Discussing about the new age technological advancements that Keys is adapting in data space, “We are working on a product where you can see the floor map and pick your room, ask for services that you want,” adds Sarin who believes in working with professionals from industries like FMCG, airlines, OTA with a different mindset as they bring diverse thought process to the table.

Brand referral plays a very important role today and a lot of marketing is referral for Keys brand. “We launched ‘Your Happy Stays’ with value added benefits and enhanced experience to the ever-evolving guests. It has worked for us with great deals and footfalls. For leisure, business and weddings segment, Keys Prima offers dining capacity for small meetings (50 -100), and casual-cum-business-center-like-space. Alongside, one of the most unexpected feature in a cookie-cutter segment is the breakfast-on-the-go. The local flavour and ‘ghar ka swad’ cuisine – Maggie noodles or parantha – served in a quirky traditional way along with speciality cuisine, functional and wholesome food are the biggest USPs of the brand,” she says.

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