

# Great Time To Be In This Business

Posted on



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Taj Samudra is the first five star property in Colombo to renovate and present its new look to the market. With a renewed sense of energy and vibrance the hotel has become a destination to enjoy novel experiences. Rohit Khosla, Area Director (Sri Lanka) and General Manager — Taj Samudra Colombo spoke about the many initiatives taken by the hotel to strengthen its brand and positioning as well as why it is a great time to be in this business.

By Udeshi Amarasinghe

Photography Mahesh Bandara and Indika De Silva

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**Can you elaborate on the renovations that have been completed at the Taj Samudra?**

We looked at the market and the projections for the tourism industry four and a half years ago. We did an in-depth study through an international hospitality consultant to determine the potential of the industry in Sri Lanka. Based on the findings, it was evident that we needed to strengthen our brand as well as our positioning. Many international brands were coming into the country and we wanted to make sure that we remained relevant in the market. We were presented with many options on expansion, addition, and upgrading of our existing asset. We then deliberated internally with due diligence, before drawing out a two-phase renovation plan.

The first phase of the renovation cost us 15 million US dollars and the second phase cost us five million US dollars. We started by hiring an interior design company-James Park Associates from Singapore. We decided to make the product future-proof because we knew that there are worthy competitors from across the world setting foot in Colombo and we wanted to ensure that we are on par with them in this market as our products compete very well with these international chains in different markets. We want to make sure that we regain our number one position in Colombo, and Sri Lanka, and keep the competition at bay with our superior offerings of product and service. We have completed the planned renovation in eight months, in record time. We have completely changed the face of the hotel.

We launched the Taj Club, which is a superior product in terms of accommodation. Each room is spacious with a 50sqm area and is of a luxury standard. The interiors are very plush with marble, wood and leather furnishings. Additional services include the club reception, club lounge, business lounge and meeting rooms. We offer breakfast, cocktails in the evening, tea/coffee throughout the day, and the use of the boardroom. This is all part of the Taj Club product.

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We also launched Presidential services that include the finest and largest presidential suite

in Sri Lanka. It has state-of-the-art facilities and sweeping views of the Indian Ocean, which we are very blessed to have because of our unique location facing the Galle Face Green and the Ocean. The Presidential suite, which is named the Tata suite has its own meeting room, spa, fitness area, pantry and a grand piano amongst many other facilities and has been designed by keeping in mind the needs of visiting Heads of State and other VIP guests.

We introduced two new concepts in the food and beverage segment. One is Yumi, which is our restobar. This concept has been doing reasonably well in developed markets such as New York, London and Hong Kong. We opened the first restobar in Sri Lanka. Yumi serves great Japanese cuisine, an excellent selection of cocktails and spirits, has a vibrant environment and a very chic interior. Yumi with its high ceilings and clean lines gives that feeling of space and luxury. We have been open for a year now and we are doing very well.

These were all completed during our first phase. In the second phase we have focused on the third floor, which has our luxury rooms and we have reintroduced Golden Dragon in the food and beverage segment. Golden Dragon has been around for a long time, but we renewed its menu and introduced two specialties. One is Dim Sum, we have chefs from Guangdong and Shishong regions in China and they specialise in Dim Sum. The second speciality is that we offer an authentic Peking Duck experience. We have the oven that we imported specially from China, chip controlled with the right amount of humidity and heat, so that the ducks get roasted in the best possible manner-crispy on the outside and soft and succulent on the inside.

We have a small amount of refurbishment remaining. We will freshen up the Navratna Restaurant. As it is the finest Indian restaurant in the country, there is no real need for us to fix it, we will only freshen it up a bit.

Lattice, the lobby lounge has been completely redone offering a range of new products. We have introduced the English afternoon tea. Many hotels in Colombo offer high tea as a buffet, but this is not the traditional afternoon tea. The food and the tea must come to you not vice versa. We offer the traditional English afternoon tea where the food and tea is brought to the guest's table. We are in the process of introducing afternoon tea with an Asian twist. It will be different; instead of scones and sandwiches we will have samosas, chinese rolls, patties and other such Asian food. We will serve different types of tea such as masala, cardamom and ginger tea as well.

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One of the new innovations that we have launched in our existing product is the Sunday indulgence afternoon brunch, which we have positioned as a gourmet brunch in terms of the variety we offer. Let's take for example the cold section, this includes a selection of hams and salami. When you come to our brunch you do not get just one or two types of ham or salami you will get six types, which we have sourced from Spain, Italy, Germany, England and Mexico. We also have a great selection of Sri Lankan, Japanese, Thai, Italian and Spanish cuisines as well. In each course it is the experience we provide. Cheese is something that many people are very enthusiastic about and the cheese we offer cannot be found anywhere in Sri Lanka. You have to travel outside Sri Lanka to experience these types of food. We are offering all these experiences under one roof. Nothing reflects this better than the sweet endings-desserts. We have great hand-crafted chocolates, which are single origin; we have chocolates from Venezuela, Ghana, Switzerland and various parts of the world.

It is very important in our business to innovate and keep on improving our product so that our guests are excited to come and find something different. But not different and new all the time, we also have consistency so that they know what to expect. It is not only about doing it right once, but all the time.

**There is a renewed life and energy in the hotel, what are the reasons behind this?**

Colombo has needed a change for a very long time, because many properties had not been refurbished for more than seven years and nothing really new had come in except for some of the new shopping precincts that were launched-the Dutch Hospital Precinct, ColomboRace Course and Independence Arcade Square. In the five-star hotel space nothing had really happened.

We wanted to make sure that we developed novel concepts in food and beverages, which were not necessarily trendy-because trends do not stay for long-but something that is unique, has staying power and helps in uplifting the position of the property. And that is exactly what we did.

In the hospitality industry the impact of the physical product is very small. What really makes the difference is the competence of the staff; therefore training is essential as job knowledge is very important. Then in service, we concentrate not only on consistency in terms of brand standards, but also on consistency in behavioural standards and emotional engagement with the guests. We have many training interventions, workshops and sessions with all staff across the hotel to teach them the simple philosophy that we treat each and every guest with love and care.

We believe that guests are God, because they are the only reason we exist. Everything we do starts with the guest and that is something we wanted to make sure our staff understood, related to and then worked towards making a reality. What you sense today is that very energy. The energy of our renovated, refurbished, new product backed by an equally renovated, upgraded service standard and experience for our guests.

### **How has the market responded?**

The response from the market and from the guests has been fantastic. We have been growing in all the outlets since we opened. We did not want to do a big splash and be absolutely packed in the first three weeks, and then be empty after two months. We started slow, made sure that we gave quality and that our staff were comfortable in dealing with the guests, so that everyone was getting the right experience. Today all our food and beverage outlets are doing much better than last year. We are growing and doing better than our projections. We are very encouraged by that response, and happy that our guests are appreciating this change- the new avatar of the Taj Samudra.

### **In your interview with Business Today in April 2014, you mentioned that the TAJ is already ahead of the competition, can you elaborate on this?**

We are ahead of the competition because, the physical product is far superior to any product that exists in the market today and that is a fact. Even though our worthy competitors may try to say it is not, it is a fact. We are the newest renovated luxury product, and I'm not talking about a three star property or a four star property, I am talking about the luxury five star properties. We are ahead of the competition in terms of service experience and market performance.

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**Known primarily as a city business hotel will Taj Samudra look at realigning its focus with the growing demand in other sectors?**

Tourism has always been a very important part of our business. But yes, Taj Samudra is a business hotel as it has a very central location. Our focus is more on the business travellers, on the MICE segment, events, conferences and meetings. About 15 percent of our business comes from leisure, which is tourism.

We have been aggressively pursuing new markets that are not part of the mass market, because we believe that the Taj and Sri Lanka need to project themselves not only as a value destination, but also as a destination that is providing an experience that attracts the high paying segment. I am not saying necessarily that backpackers are not important, but I feel that more value is added when luxury travellers come to the country. The length of their stay is longer, and in a short period of time they spend more than any other segment.

We are happy with the product that we have and we are attracting the upper end of the luxury market-the luxury traveller. We are definitely focusing on our niche market.

**What are your thoughts on the current Sri Lankan market?**

We are all very excited. As you know there is a feeling of change. There are many countries showing interest in doing business in Sri Lanka. It is a very exciting time, Sri Lanka is getting a lot of headline space, and that helps us in our industry, because if you are in the news for the right reasons, that always works. The hospitality industry is very fragile and the smallest negative incident can impact the tourism business. Right now there is a positive atmosphere, as such marketing and tourism promoters are working very hard.

Sri Lanka Tourism has been working very hard and exploring new markets. Recently they won an award in India for the best stall. It is good to see that the government is partnering with the private sector in promoting tourism and I feel that this is only the beginning. Infrastructure is falling into place, which includes roads, highways, new hotels, rooms, not only in Colombo but outside of Colombo as well. I am very confident that Sri Lanka will exceed the target of 2.5 million tourists.

**What more needs to be done for Colombo to become a vibrant tourist city?**

We have been expressing our views on the need to really look at tourism as an industry. The

focus has to be there and we are very happy that under the current President, Prime Minister and government that for the first time we have a dedicated tourism minister and tourism ministry. That is very encouraging because the honourable minister is going to be responsible for looking after the needs of the industry.

Tourism is an industry where you need focused effort, because it interacts with many other sectors such as aviation, security, immigration, infrastructure, roads, highways, trains and many more. You need one person to coordinate with all the agencies. It is important that the honourable minister impresses upon other agencies to take steps to encourage tourism.

Let's take local transportation. Tuk tuks are very famous in Colombo and many tourists travel around Colombo in these vehicles, the city tour bus or those who can afford will go in taxis. We currently have only one bus, taxis are generally radio cabs, or taxis operated by private companies. An individual traveller who comes here on business and wants to go somewhere will not necessarily have the contacts of a travel agency who can organise a short tour. I feel that this is important that the ministry should look at training taxi and tuk tuk drivers and encouraging them to talk about tourism, encouraging them to talk about the places of interest that we have in Colombo.

It's not just about creating the places of interest; it is also about creating awareness. Ape Gama is a beautiful location, but usually it is not on tourists' itinerary, we are not promoting it. It is not that we do not have enough places; we do, though we can always have more. But the problem is we are not promoting these places. The only places that have really become popular are the Dutch Hospital Precinct, Colombo Race Course and Independence Arcade, which are beautiful and of world class standard. That is what tourists want.

Nightlife is something that we really need to look at. We are not just talking about bars and discos; we are also talking about nighttime experiences. Singapore offers experiences such as safaris, cruises on the river and food markets in the night. This is what people want. They do not want to return to the hotel at 8.30 in the night and have dinner and go to sleep, they want to experience the city. They want to have a good time. They want to go to a place that is buzzing in the night, with a lot of activities and is safe for families.

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A good example of this is not in Colombo it is actually in Negombo. Lewis Street in Negombo has beautiful restaurants, bars, activity, people walking around and shops are open. That is what tourists want. That place is buzzing! We need to create something like that in Colombo-one place that has all of this together. Currently we have the Dutch Hospital Precinct, Independence Arcade Square, and Colombo Racecourse, which are all spread out. How does one person go from one place to the other? These are not at walking distance you have to use transport. If we develop a central location, which during the day is busy with business activity, but in the evening is converted into a tourism zone with bars, restaurants, shops, artefacts, antiques, people bargaining, local street food and a lot of activity that would be ideal. If you look at Bangkok, Singapore and Kuala Lumpur, they are great places to be in the evening. You do not necessarily return to your hotel at 8.30 in the evening, and it is safe. We have peace in this country after three decades of war. We should reap the benefit of this hard won peace. Safety and security is now a given. Why cannot the Galle Face Green be developed as a tourism zone? When a tourist arrives in Colombo it has to be an activity-“visit the night market at Galle Face Green”. And the market should be set up only in the night. Then, there is something for people to do.

We have a beautiful zoo but there is a vast difference between the Singapore Zoo and Dehiwala Zoo. We are not marketing this establishment properly. There are no brochures even in taxis. In Singapore you sit in the back of a taxi and there will be brochures about a jumbo park, night safari and the taxi driver is promoting tourism, which is not happening in Sri Lanka. Here tuk tuk drivers are promoting only one thing and that is “a jewellery exhibition”. Unfortunately this is not a good experience for the tourists. The industry and the honourable tourism minister need to work together, and work with all the industries, create tourism zones, and have interactions with all the people to promote tourism.

**It Is A Great Time To Be In The Hospitality Business... There Will Be Some Challenges With The Periodic Dips In The Market, But Overall It Is A Very Exciting Time For The Tourism Industry.**

**Do you feel in Sri Lanka the tourism industry is developing too slowly?**

Infrastructure cannot be developed overnight. You have to identify the place, funding, design, build it and employ staff. One of the challenges that we face in terms of infrastructure is that the hardware is slowly catching up but the challenge is software. Skilled staff is a problem, we do not have enough resources coming in and I feel there is going to be a huge crunch as far as people are concerned. I do not think the time is far away where we will have to start thinking about providing employment opportunities for people



from other nationalities. We will not have the bandwidth to sustain the operations of such large hotels with the miniscule number of people who are entering the industry. Ultimately you need to have a talent pipeline. That pipeline is so thin and our demand is very big. There is always a short supply, that is the greatest challenge we have.

### **Future plans for TAJ?**

The Taj Group has spent close to 40 million dollars in the last two years on its Sri Lankan properties. Besides the Taj Samudra, we have spent funds on Vivanta by Taj in Bentota. We have spent 14.5 million US dollars and our partner spent another 11 million US dollars. At Gateway Hotel we added hundred rooms. Taj has been concentrating in the last couple of years on consolidating its position and injecting investment into our existing properties. That is to uplift the properties and establish the brand. We have done this successfully.

Now what is important for us is to grow our brand to other parts of Sri Lanka, and we have been exploring opportunities to do that through management contracts. At this point in time, we have spent large sums of money on our existing properties, as such we are not looking at developing new properties, but exploring opportunities such as partnerships, joint ventures and management contracts. We hope that we will have a good presence in the East and in the South soon.

### **Final thoughts**

It is a great time to be in the hospitality business. I meet many people who are concerned about the explosion of hotel rooms in the city of Colombo. There will be some challenges with the periodic dips in the market, but overall it is a very exciting time for the tourism industry. It is a chicken and egg situation. Do you grow the market and then build the infrastructure, or do you build the infrastructure and then grow the market? What comes first? In my opinion what we are doing is correct. We have grown the market and we are also developing the infrastructure. It's not chicken or egg, it's chicken and egg. We all need to reap the dividends of peace. We all need to reap the dividends of change and the positive mood that is surrounding the country and the region. And we need to benefit from the improved political and diplomatic ties, look at exploring new markets and improving our connectivity.







