

F&B drives higher Revpar

Deepak Ohri, CEO of Thailand-headquartered luxury hospitality chain, lebua Hotels & Resorts, with properties in Bangkok and New Zealand chats about the brand's India plans

By **Simona Terron**

■ For an investor, do resort locations or city locations come first? What is your big idea?

We are looking at Mumbai and Delhi right now. There's no such thing as a big idea, because they always fail. It's actually the small ideas, you work on them, you move forward and that becomes your strength. Google is an example of how an idea that evolved from a simple library function to a great search engine. We did lebua in Bangkok when all the luxury brands were already there, we never expected that we will be number one in Bangkok city in Revpar, which we are today.

This was confirmed when Nicholas Clayton during a panel discussion moderated by Vir Sanghvi, said that F&B drives higher Revpar. We saw that our idea of great food and beverage in an urban location, driving occupancy and food as a carrier for the occupancy has worked very well.

That is what is lacking in Mumbai and Delhi, which are both food and business cities. Delhi is a powerhouse and Mumbai is a financial hub. This is where a lot of corporate dinners and lunches take place. Once people get attached to our food and beverage offerings they will also make their guests stay at our hotel.

The leisure market will be a little bit challenging for us, because of the infrastructure. We come from Thailand which has got 40million tourists, while India is still struggling with 5.5 million. The outdoor activities are not in the control of the hotels, not packaged to the style and



Deepak Ohri says F&B can drive occupancy as people get attached to it.

“In F&B, the number one trend to come is communal tables. Number two is fun dining, rather than fine dining”

the kind of average room rate the guest is paying. This packaging is sorely needed. So we plan to come to the urban areas and work with people who have the contracts to do outdoor activities. We want to train them, get the packaging right and then get into the resort business.

■ What part of the city are your properties going to be located in? How are shifting CBDs affecting your location choices?

In Mumbai we are looking at being near the airport and another location in a central area. In Delhi we are talking about Gurgaon.

■ Several international hotel brands are aggressively expanding in India. How do you plan to position the lebua brand in this rapidly congested market?

We have one brand that we talk about and we have not even registered that brand and we excel in that – it's called experience, the emotional connect.

■ What profile of owners are you eyeing?

Anybody who has land and willing to invest the money and come up to our standard, is what we are looking for. We have a company in Singapore who will do its due diligence, we believe the developer will also do the same for us.

■ How heavily does India contribute to your properties overseas? Which locations get the strongest demand?

I think two years ago India was hardly contributing but then we

