

1589 Hotels banks on B2B

With nine operational hotels, 1589 Hotels is looking at becoming handlers of small agents located in Tier-II and - III cities in India and start-up agents all over the world.

- TravTalk - India
- 15 Apr 2014
- TT BUREAU



(L-R): Anant Kumar and Udit Kumar

The third generation of the Clarks Group of Hotels and a member of the Clarks Collection, 1589 Hotels is venturing to make its mark in the hospitality industry. Currently operating nine hotels in Udaipur, Vadodara, Bhavnagar, Jaipur, Kishangarh, Hyderabad, Haldwani, Rudhrapur and Pokhra (Nepal), the company has also signed five upcoming hotels in Manipal, Naukuchiatal, Varanasi, HiTech City, Hyderabad and Jodhpur. The upcoming hotels are in different stages of their completion, half of which should be operational before the end of this calendar year. The company aims to have at least 27 hotels before 2016.

Talking about the evolution of the company, Udit Kumar, Joint Managing Director, 1589 Hotels, says, “The company was established in 2007 just to reserve the promoters who were interested in the hospitality industry. The actual operations of the organisation began in 2011 with the management of two hotels (with an inventory of approximately 35 keys each). We slowly grew and developed our model during the first two seeding years and finalised a launching concept post. This we expanded across the nation in staggered, but fast-paced acquisitions.”

Anant Kumar, Joint Managing Director, 1589 Hotels, reveals, “We are engaging our customers over social media networks by offering various promotions and deals. We have created a communication platform that gives everyone access to everybody else. This has acted as an enormous catalyst in increasing sales, maintaining customer relations, clearing bottlenecks, organisational growth, etc., in a prompt manner.”

The company prefers getting into management contracts. However, the company will not neglect ownership as a model. “While considering ownership, our organisation prefers pursuing green-field projects as it allows us to integrate our service with the architecture and interiors of the hotel. Since we have developed a viable asset (i.e. our brand and its SOPs), we want to promote the franchise model. It will allow us to hand

over our brand along with our management standards to various hotel-owners, and allow for exponential growth. This model has been under our lens for over one and a half years. Plus, this is being refined because we need to ensure that the franchisee does not compromise on our management standards,” they add.

“We are also working on concierge service to show our appreciation of our most favoured customers through which we will facilitate any requirement of theirs within our means in any part of the world at actual cost. These services will be made available even if our guests are not currently occupying any rooms in any of our locations,” Udit points out.

Elaborating on the importance of travel agents, Anant opines, “Travel agencies are the nodal point for us. We get approximately 83 per cent of our bookings from the trade as opposed to our own website. The credit for this goes to trade agents. We are planning a few roadshows and FAM tours in the country to increase our base of trade agents. We are planning to become handlers of small agents located in Tier- II and Tier- III cities in India, and other start- up agents located in various parts of the world.”