ON THE ROLL!
The Aspiring, Young GMs Share Their Recipe for Success

RIDING THE BOOMWAGON
New Paradigms in Hospitality market

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A Sight to Behold
Riding the boomwagon
Hospitality industry forging ahead with the new paradigms

The last decade has changed the dynamics of the hospitality industry, majorly because of the cohesive technologies, changing consumer patterns, social media dominance, active investments from the midmarket brands and acquisitions. As the hotel developments continue at a relentless pace, it is, therefore, essential to keep an eye on the ongoing and upcoming trends.

To spark the right conversation and navigate across the top future trends, we asked the industry luminaries to come up with their predictions on how the hotel industry will look like over the next decade and what are the implementations to stay ahead of the game.

By Gagandeet Kaur & Sayanti Halder
The Indian hospitality industry has emerged as one of the key drivers of growth among the services sector in India. Foreign tourist arrivals have witnessed a steady growth over the years. Domestic business and leisure traveller has contributed significantly to the growth in volume for hotels in India. Consequently, realising the potential of Indian hospitality landscape, international chains have increased their footprints not only in metro locations but also in tier I and II cities.

Marrying with traditional Indian ethos and the technology brought in by the international chains, hospitality sector has seen a healthy mix of tradition with process automation in delivering product and services matching international standards. Indian Government’s efforts in promoting new destinations are opening up new tourism circuits which are attracting a new generation of tourists who are more keen on exploring India besides culture and heritage.

The hotel industry has witnessed a major transformation over the past ten years. In my opinion, the biggest shift has been in the behaviour change in customer’s mind. Earlier, a fraction of the customers was exposed to the parameters of the word hospitality but now, more and more people know what they should expect if they are walking into a brand. Not only that, they are also aware of what kind of experience the same brand is offering in other countries. This keeps the hotellers on the toes all the time. Due to this, the service standards have gone up a notch. The hoteller knows that he has to be on the top of his game because of the competition, which is getting tougher with newer and better brands coming to India. Also, people have become very particular about price points and they shift their loyalties in a jiffy if they find that another brand is offering same services at a much lower price.

In a nutshell, it has become harder to be a hoteller now, as compared to a decade back. The hotelier has to constantly innovate its offering and give a lot of value add-ons.

- More unconventional tourism segments to drive the growth story
- Domestic consumers will lead growth in the short/medium term
- Hotels will witness rising levels of revenue from leisure segment
- Artificial Intelligence and new technologies will change guest experiences
- Midmarket hotels will see several new players making investment

The hotel competition will get even stiffer
- The brands already penetrated in tier II and III cities to make their presence stronger
- Growingly, business will come from the e-commerce sites
- The guests will be willing to pay more if offered good services
- The clientele are becoming more concerned about the environment

- Luxury will shift the focus from amenities to a sense of personalisation
- More projects will focus on sustainability and local community involvement
- Travellers will choose accommodation in a more transparent manner
- Pricing, inventory, reservation decisions will use AI
- More private players will enter as the PPP model

Traveller’s Talk