

Hospitality Industry Sees Uptick in Demand from Cos & Biz Travellers

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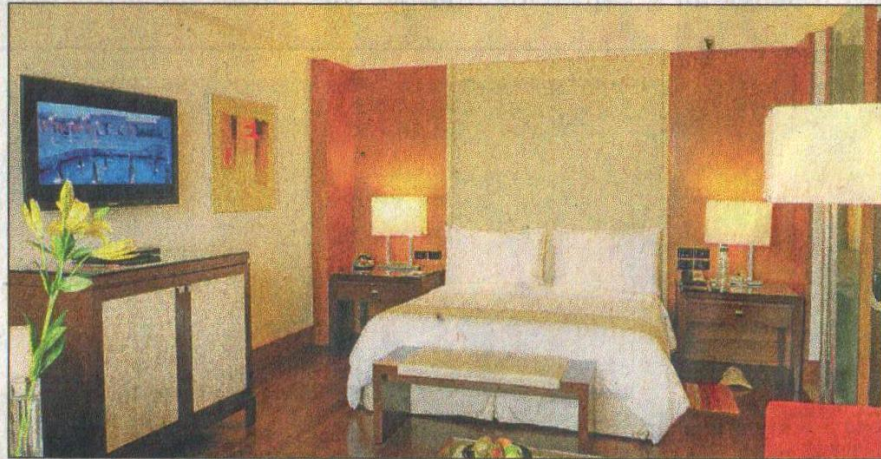
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NEW DELHI

The hospitality industry is witnessing an uptick in demand, especially from business travellers and companies seeking space for corporate events, amid expectations that the economy will pick up with the installation of a stable government at the Centre.

Bookings for both flights and hotels have risen for July and August after a lull in the two preceding months, signalling a recovery for the domestic industry that has seen an oversupply of branded hotel rooms.

"There has been a significant pick-up in both air travel and hotel bookings over the last one month," said Sharat Dhall, president of online travel agency Yatra.com. "Corporate bookings have gone up by 15-20% across sectors. Through our website, we have seen a rise of 30-35% in hotel bookings and a 50% rise of bookings in the hotel plus flight segment."

The year is turning out better than



Hotel industry saw a drop in occupancy levels and room rates dropped 30% in the past four years as the economy slowed down

expected, said Raj Rana, CEO, Carlson Rezidor - South Asia that operates the Radisson hotel chain in India. "We are getting enquiries and forward bookings across a number of our city hotels. Business meetings are usually planned in advance and companies are already requesting quotes and booking meeting space for future events."

According to mid-market chain Lemon Tree Hotels India's deputy

managing director Rattan Keswani, there has been a broad-based revival in business in most cities. Gurgaon for example, which was a poorly performing market earlier, is picking up. In Mumbai, both south and north regions are seeing an increase in business," he said.

Hotel chain Premier Inn India has seen a similar increase in demand, said the company's regional director for South Asia VV Gi-

ri. "We have witnessed a 10% growth in the business and MICE (meetings, incentives, conferencing, exhibitions) on a like-for-like basis in the month of June as compared to the last financial year," he said, adding that the chain was anticipating a slow but steady growth in the segment.

Expedia.com's Asia MD Vikram Malhi said the company had come up with special offers. "Business hotels are an important business for tour operators and we have recently introduced offers with up to 50% off on hotel rates on Indian business cities along with Colombo and Dhaka to cater to the demand," Malhi said.

The trend is small but palpable and likely to gather momentum, said budget hotel chain Sarovar's executive director Ajay Bakaya. The hotel chain gets a 70:30 mix of business and leisure customers.

Kempinski Ambience hotel in Delhi has seen bookings from the pharmaceutical sector while other clients have evinced interest in its convention space.