

HOSDITALITY BUSINESS CONCLAVE



25th January, 2016 **Jeddah, Kingdom of Saudi Arabia**

Tell us more about Makarem, your range of spiritual hotels. Do you plan to extend this brand beyond KSA?

Makarem is a brand of hotels that Dur Hospitality relaunched, after totally reinventing it, during the 2015 edition of the Arabian Travel Market (ATM) in Dubai.



You can find Makarem hotels only in the holy cities of Makkah and Madinah.

To reinvent Makarem, a brand already well known, we carefully studied the Makkah and Madinah markets and found out that the holy cities are not exclusively a destination for pilgrims, but also for people who are traveling there for many reasons such as business or private.

What makes these cities so different is that they have an environment like no where else in the world, a spiritual environment.

This is the reason why we didn't want to make Makarem another 'dry brand'.

We wanted our hotels to acknowledge this unique environment and therefore we developed services – such as the Spiritual Concierge – that reflect the truly unique spiritual essence of Makkah and Madinah.

When you stay at a Makarem hotel, even for business or visit family, you genuinely participate to the spirituality of the holy cities.

This is a unique experience. That's the reason why we selected 'My journey' as the slogan of reinvented Makarem.

'My journey' says it all, don't you think?

The rebranding of Makarem hotels goes well beyond changing the logo or renovating our rooms, lobby, restaurants, etc. with our new brand identity — which we did of course! -; it is also and mainly to provide a service in par with our best international competitors to which we added never-experienced before innovative spiritual journey specific elements.

Because Makarem is designed exclusively for Makkah and Madinah, we are not planning to extend its development beyond the holy cities.

What according to you are the three main differentiators for hotels in the Kingdom today? How are you attracting the young and business traveler to your hotels?

Dur Hospitality manages and operates hotels all over the Kingdom:

As I just mentioned, in the holy cities of Makkah and Madinah we manage and operate hotels, for third party owners, under our own brand Makarem, while everywhere else (such as Jeddah, Riyadh, Tabuk,...) under franchise agreements with reputed international brands.

Therefore, we have quite a very good understanding of the hospitality market today in Saudi Arabia and how it is changing – fast.

First, I would say that travelers' expectations in the Kingdom are rising and that they do expect the same level of quality that they find anywhere else.

This is particularly spectacular in Makkah and Madinah where only few years ago expectations were a lot lower: now guests are expecting nothing less than the best!

Also, travelers of all ages are expecting their hotel to be connected – with free high-speed WiFi; in the past 24 months or so, we noticed that they became highly 'connected' and they expect to be able to use the Internet in the hotel as they do at home, with a similar level of quality.

It appears that quality Internet access is more important those days than a wide selection of TV

channels, as guests are streaming their favorite channels and shows directly to their smartphones, tablets and / or computers.

Finally, to list only three, guests want us to respect Kingdom's unique cultural values:



It is important that our colleagues are efficiently trained to address and deal with familie's properly or know how to organize their privacy at the restaurant for instance. 🦲 🦲

You will tell me that there is nothing new there, but as the level of quality of service expectations is rising, guests expect much more here than they used to, and we must be able to address those expectations in a more caring and professional way, when not exceeding them.

What role does technology play in implementing your vision for the new age hotels in the Kingdom?

Technology is key to the success of any hotel in the Kingdom.

As I mentioned before, guests are expecting, not to say demand, a quality high-speed free WiFi Internet access all over the hotel.

This is not a supplemental service anymore, it is a basic requirement.

Therefore new hotels must be designed around this requirement, while existing properties must adapt (most of the time at a very high cost) to this expectation.

This being said, hotels of tomorrow - not in a very distant future - will certainly be very different than today.

I believe that budget to lower mid-scale hotels will be very highly 'technologized' - even with robot receptionists, as we start to see appearing in Japan (which is not so new as Formule 1 hotels in Europe developed this type of technologyoriented service over 30 years ago; except that then the robot looked more like an ATM machine!) – in order to keep cost down:

You already see many new brands, in particular in the United Kingdom, which are currently exploring down that road.

Upscale to luxury hotels will keep the human contact but will be offering services that will make each stav unique:



I recently saw an experiment where the walls of your room are huge screens that can project your familiar picture, or show you today's weather or anything of your liking - of course with the sound system and aromatherapy that goes with it!

Ten to twenty years from now hotels will be totally different from what they are today, and technology will not be only used to open doors, allow online check-in, etc.

Hospitality technology is starting to be really exciting!

How is operating hotels different than your experiences in the west? Do you think there is a danger of oversupply?

I moved to the GCC in 2000, and I can say that I witnessed - and participated to! - a total transformation of the hospitality industry in the region; and for the best!

Everyone understood that guests are now expecting to have a similar experience wherever they go in the world, and we are all working towards that end - hence the dramatic rise in quality I was mentioning before in Makkah and Madinah.



Getting visas to bring experienced hoteliers is not always an easy task, and with the great number of hotels opening in the GCC, attracting the best talents is an everyday challenge.

On the other hand, there is Saudization that I see as an opportunity to eventually overcome those difficulties:



We developed and are implementing an aggressive Saudization plan aiming at developing the hoteliers of tomorrow; hoteliers that will be able to professionally occupy all positions from Front Desk Clerk to General Manager!

To answer the last part of your question, I would say the easy time when Rivadh, for instance, was undersupplied is over!

All over the GCC we see more quality hotels opening and competition is getting fiercer by the day:

Now you can say that it is getting like in most key cities of the world where everyone is competing against each other and the name of the game is not to fill up your hotel, but to yield your sales so to ensure your long-lasting success.

It is less easy but much more interesting!

How important do you think are buver seller meets **Business Conclave to** exchange best practices and latest trends in the industry?

