

# Hospitality's Global Impact

## Delivering on a Promise

An Interview with Efrem Harkham,  
Chairman, Luxe Worldwide Hotels



**EDITORS' NOTE** Former women's apparel manufacturer Efrem Harkham bought a struggling hotel in Los Angeles' Bel Air neighborhood 10 years ago and launched Luxe Worldwide Hotels. Among the properties are two that he owns – the Luxe Sunset Boulevard Hotel, Bel Air, and the Luxe Rodeo Drive Hotel, Beverly Hills.



**COMPANY BRIEF** Luxe Worldwide Hotels ([www.luxe-hotels.com](http://www.luxe-hotels.com)) is a privately held, premier representation company of over 220 independently owned and operated hotels in prominent locations around the globe.

### How have the past 24 months affected the hospitality industry broadly and how was Luxe positioned during this time?

Our industry was the first to get hit. It has created a critical number of opportunities for people to come into the industry. This year, 40 percent of the hotel deals were a result of debt and hotels that were in bankruptcy or near bankruptcy.

We're very fortunate that we have survived it and have even grown during this period. We're looking to bring properties into the Luxe family that are independent hotels and offer them the umbrella of all of our resources. We feel like we understand what the client needs and we're out there offering our Luxe brand to hotels that fit as quality, high-end, non-cookie-cutter type properties.

### How do you define the key characteristics you look for in bringing those properties in?

Properties have to be in great locations, have character, be architecturally different, and offer a distinctive sense of place. Just like our tag line says, "Chic. Unique. Great Locations."

I've been an owner for the past 25 years and about 10 years ago, I decided to manage the two hotels I own in Bel Air and Beverly Hills on my own rather than just complaining about the management companies, whether they were franchises or representation-type companies. As a result of what I have learned in the process, Luxe Worldwide Hotels now offers services like sales support, and distribution and revenue management, which has been very helpful to other independent hoteliers.

### Are you happy with the way you've built the understanding of how Luxe has taken it to a different level?

Our attrition factor is so minimal. We take these hotels on as if they're our own and expose them to the world of travel agencies, meeting planners, corporate travel planners, and media beyond what an independent hotel could do on their own. Over the past 12 months, our goal has been to deepen our relationship, and to also brand hotels that meet our criteria.

### Will there be different tiers within the brand group?

No, it's one level. But we propose to honor the history of the individual hotels. We have a phenomenal training program that enables us to win the hearts of employees at every level and those people are the ones who make the hotel work.

I have 35 salespeople around the world, but it's the individuals onsite, like housekeepers, bellmen, and front desk staff that sell the brand: the way they appear and smile; the experience the guest has is based on those employees creating a lasting memory for the guest. That is what made the difference for me as a hotel owner for the past 25 years: realizing it's not going to work unless I go in as an owner and train them in the finer nuances of true hospitality.

### How challenging is it to balance the technology without losing that personal side that you're known for?

We are grateful every day for technology that allows us to operate on a level playing field with the big brands. It's very difficult for an individual owner to do that. There is so much going on out there, but we're able to sort through it all and come up with the necessary programs and packages they either need to add themselves or hook into through our systems.

So technology is important, and speed is important. But I'd like to be able to check the guest into the room – that is how personalized we like to make it.

### As you grow into other markets, how do you promote that local feel but maintain some consistency specific to the Luxe brand?

That is why we have three Luxe branded hotels right now, and we're very choosy. The hotels we take on have to meet our standards and quality is imperative. We're very selective; it's not about converting 15 per year. We don't have that kind of a budget, nor do we want that. That was the problem with the franchises I experienced in the past and why I decided to make a change and venture out on my own.

### Many talk about whether travel agents will survive as a result of the explosion of online bookings. Do you still see a role for the travel agent?

We work closely with top travel professionals around the globe and we communicate with them daily. They know and trust us, and if there is an issue with a property, we immediately offer our assistance.

They make it easy for us to spoil the guest, because they know their clients best, particularly what they like and don't like, and they tell us.

### How important has it been for you to maintain that hotelier mentality and how has your experience positioned you?

The one philosophy I have instilled in our team is that if

you make a promise, you must deliver on that promise. Words are weak in this industry and that's why it is critical to abide by this principle.

Independent hotels need a caring honest company to represent them on a worldwide level. And our offices are the first tier. We have two offices in India – one in New Delhi, one in Mumbai; we have an office in Tokyo; one in Hong Kong that covers China; three people in Sydney; two people in Madrid; and folks in London, Paris, Milan, Buenos Aires, Mexico City, and New York – these are real people, most of them ex-hotel managers who know what the business is about. And that makes all the difference. ●



Luxe Hotel City Center, Los Angeles Guest Room (top);  
Pool at Luxe Sunset Boulevard Hotel, Bel Air (center)