

Uniquely Taj

An Interview with Raymond N. Bickson,
Managing Director, Taj Hotels Resorts and Palaces



EDITORS' NOTE Raymond Bickson began his career at the Hilton Berlin in 1973. Following worldwide managerial postings, predominantly with Regent International Hotels of Hong Kong and Monaco's Rafael Group, he joined The Mark in New York in 1988, where he served as Vice President and General Manager until assuming his current post in 2003. Bickson studied in Berlin, Paris, Lausanne (Switzerland), and at Cornell and Harvard Universities.



Raymond N. Bickson

COMPANY BRIEF Mumbai-based Taj Hotels Resorts and Palaces (www.tajhotels.com), recognized as India's largest and finest hospitality chain, was founded in 1903. Owned by the Tata Group, it consists of more than 60 properties located throughout the subcontinent, as well as in southern Asia, the Middle East, Africa, New York, Boston, and London. In addition to its luxury hotels in India (several of which are members of The Leading Hotels of the World), the group operates business hotels, palace hotels, beachfront resorts, and garden retreats.

How has the global economic crisis impacted travel and tourism in India and how is Taj positioned for growth?

Globally, international tourist arrivals were up by almost 7 percent to 935 million in 2010, following the 4 percent decline in 2009.

The Foreign Tourist Arrivals in India for 2010 were 5.58 million, which is a 9.4 percent increase over the 5.1 million tourists of 2009 and a 5.7 percent increase over the peak year of 2008 when the FTAs were 5.2 million. This is also reflected in the demand statistics shared by STR where India has seen a 5 percent increase in demand in 2010.

Hotels in the Asia-Pacific region experienced increases in all three key performance metrics for year-end 2010 when reported in U.S. dollars.

In year-over-year measurements, the Asia-Pacific region's occupancy rose 8.9 percent to 66.0 percent, average daily rate increased 11.4 percent to \$132.80, and revenue per available room jumped 21.3 percent to \$87.69.

In other regions across the world and especially in Asia, 2010 has been the year of recovery for the Indian markets as well. Both Occupancy and ADRs have been on the upswing compared to 2009, but ARRAs still remain under pressure

in most cities. RevPAR in India has improved by 6.4 percent Nov YTD 2010 compared to last year.

Economic growth, improving business travel, increased tourism numbers, and visa relaxation are all positives for India as we look into 2011.

The organized hospitality sector in India currently has around 110,000 rooms. The additional supply coming would take it to just a notch under 150,000 operational rooms by 2013.

Taj Hotels Resorts and Palaces has conducted an extensive brand architecture

exercise that will help reach our guests in a more targeted manner. We have a total of 108 hotels currently across four brands: luxury brand Taj, upper upscale brand Vivanta by Taj Hotels & Resorts, upscale brand The Gateway Hotels & Resorts, and the economy brand Ginger, each with a unique and differentiated proposition addressing all customer groups.

We have 20 new hotels in the pipeline scheduled to open by 2013, which will add another 3000-plus rooms to our inventory. Our planned inventory is also in line with industry trends with the majority of upcoming hotels in Vivanta by Taj Hotels & Resorts and The Gateway Hotels & Resorts brands.

Our international growth strategy is to have hotels in 25 key gateway cities across the globe with one-third of revenue coming from international holdings within the next five years.

In addition, we are leveraging on our robust CIS (Customer Information System) and CRM (Customer Relationship Management) programs to build a strong connection with our customers with an emphasis on personalized service, as well as through our acclaimed loyalty program, Taj InnerCircle.

Would you highlight the service standards at Taj and describe how you are able to deliver a consistent guest experience throughout your properties?

The service philosophy of Taj has evolved over the past 108 years, yet the essence remains rooted in the ancient Indian tradition of "Athiti Deva Bhava" or "Guest is God."

At Taj Hotels, we have endeavored to interpret this age-old Indian tradition in a contemporary manner, where our associates anticipate and deliver on the unexpressed expectations of our guests with panache, warmth, and graciousness.

At the Taj, we have looked at going beyond the acknowledged norms of service standards

and created the "Taj Luxury Experience," "Vivanta Moments," and the "Gateway Guest Experience standards" featuring a unique Taj signature attribute.

The performance appraisals and annual incentives of our Chief Operating Officers, General Managers, and all executives at the hotel level place emphasis on the guest satisfaction scores and mystery audit scores, which are a function of the guest experience and as a direct corollary, the adherence to the service standards.

How much of a focus has the spa experience been for Taj and are you partnered with an industry leader in this area?

India is a very rich and blessed country as we have a vast knowledge system of wellness that incorporates healing through various aspects of our daily activities. We have encapsulated several of these sciences and created the only Indian spa brand in the world, Jiva.

Our therapies and products are signature to us and available only in a Jiva spa. It's also one of the first brands in the world that launched an all-natural spa experience.

In the past seven years, we have created, designed, and developed 22 Jiva Spas in India and abroad. We are currently working on 23 new spas in various locations, both in India and internationally; nine of these are scheduled to open in 2011.

We are one of the fastest growing spa brands in Asia and the largest in India.

Taj is a brand that has been heavily engaged in its communities. How critical is this to the culture of the brand?

Corporate citizenship to us means responsible and transparent stakeholder engagements as in how we create mutual value in our interactions with suppliers, shareholders, contractors, employees, communities, and the environment. This culture is critical in shaping our brand fabric, famous for its hallmark interpersonal warmth and culture of trust.

Our community engagement and development initiatives are structured around our CSR strategy of "Building Sustainable Livelihoods" for identified sections of society, including the economically deprived, differently abled, scheduled castes and scheduled tribes, small-scale local vendors, women self-help groups' income generation initiatives, indigenous artisans, culture groups, and malnourished women and children in partnership with governmental and nongovernmental organizations. ●

The iconic dome of The Taj Mahal Palace Mumbai