

# Hospitality

## Constant Innovation

An Interview with Geoffrey Gelardi,  
Managing Director, The Lanesborough



**EDITORS' NOTE** *Geoffrey Gelardi, a fourth-generation hotelier, previously served as Managing Director of the Hotel Bel-Air in Los Angeles. In 1990, he assumed his post at The Lanesborough.*



Geoffrey Gelardi

**PROPERTY BRIEF** *The Lanesborough occupies an 1827 landmark building that was restored to its original grandeur. A St. Regis hotel, the five-star ultra-deluxe property is situated on London's Hyde Park Corner and offers guests 50 rooms and 43 suites to choose from, decorated in Regency style and evoking the ambience of a 19th-century town house. The property is located in elegant Knightsbridge, minutes from the exclusive shopping of Harrods and Sloane Street. Guests will enjoy dining at Apsleys, a Heinz Beck Restaurant, which received a Michelin star in January 2010. The Lanesborough also offers award-winning afternoon tea, cocktails at the Library Bar, and an extensive array of vintage cognacs. The property houses the most luxurious smoking venue in London. The hotel ([www.lanesborough.com](http://www.lanesborough.com)) boasts a Spa Studio, a Fitness Studio, a business center, and six venues for meetings and social events.*

### Is travel still strong in London and where does the industry stand?

It's clear that it's volatile at this stage of the game and it depends on what the financial markets are doing.

We see a feast or famine scenario – with the Olympics, we had every guest room filled for two weeks as well as the private dining rooms, but the week before the Olympics was not good and the week after was fairly slow.

So there continues to be a lot of ups and downs.

### Is it challenging when you have those fluctuations in occupancy based around times of year and events? How do you change staffing to accommodate that?

In a hotel like this, you don't have a lot of flexible staffing costs. To not have a maid for the day or send a waiter home doesn't make significant inroads when occupancy levels drop 10 to 15 percent.

So it makes managing more difficult and you have to flex so your payroll and expenses reflect the undulating revenue. But it's never going to be in proportion to decreases or increases in revenue; one just tries to minimize the damage.

As soon as you hit high occupancies, it is easy to control your payroll: it all slips to the bottom line quickly and you have a great month.

On the top line, when you're unable to meet your goals, it reflects on the bottom line in the same way.

So it's very much a top-line industry in the luxury market.

### Are you happy with the range of suites you offer?

The suite market is still fairly strong, especially the major suites. And every major hotel is increasing the size and quality of their ultra-deluxe suites, as we did last year.

There still is a major market for big suites but there is so much more inventory coming onto the market; we anticipate this market will be diluted in the not-too-distant future because everyone is after the same fairly small market.

But when they are occupied, it means a serious improvement to the average rate.

### How do you make it clear to a client that while he might be paying more, he can still be getting more value at a property like The Lanesborough?

It's tough, because the only way of getting your message across is to get guests to come and stay.

But when they stay in the hotel and see their bill when they check out, it all becomes clear: there are no charges for the Internet or for the water in the room, nor for the movies they watched or for many more amenities.

That's why we have such a high return guest ratio. I don't know many hotels that have a return guest ratio of over 60 percent as we do.

### How important has the food and beverage component been, especially in a city with so many great stand-alone restaurants?

Outside of New York, there are few cities that offer the range of restaurants you can find in London.

So here, we offer a speciality restaurant, Apsleys, which comes under Heinz Beck. It is Italian-based cuisine, and we chose Italian because it's probably the most popular cuisine in the world, certainly in Europe.

We also try to offer diversity in our bar with different cocktails and our liquid history of cognacs going back to the 18th and 19th centuries.

Also, our cigar bar is one of the finest in London and offers cigars that are very difficult and sometimes impossible to find anywhere else.

So we're always looking for new and different things that will interest our guests. We're constantly updating our cocktail list in the restaurants and private dining area; we have tried to keep it interesting. We look at what is popular; and we challenge the chefs all the time to put new items on the menu that are going to become well-liked as opposed to taking the current items off the menu because they want the guest to buy something else, which happens in many hotels.

So it's trying new things, staying on your toes, always looking for a slightly different angle to what you're doing, and keeping the guest happy.

### How do you retain a culture of innovation and avoid becoming complacent when you are so successful?

It's difficult, but as soon as you believe what you read about yourself, that is when you fall on your face. Innovation also makes the job fun and interesting over a long period of time. Plus, things change and one has to change with them or you get left behind.

### Does it take a different skill set to be a successful GM today?

You have to have a good business mind and skill set – Who wants to run a hotel that is not successful?

It's easy to manage a hotel where there is no bottom line to worry about. But to run a successful hotel that outperforms the market is much more difficult and the management team has to understand that they must always be on top of their game.

Today, there is a balance between the service side and the financial side – not to compromise service but to perform efficiently.

### What has kept you at this property for more than 20 years?

This is a very successful hotel in one of the most vibrant cities in the world and I have great owners that allow me to operate at a very high standard, as I give them a good reason and a return on investment. We are also constantly doing new things, which keeps life interesting.

We are planning two major investments: a major room renovation and we plan to connect to the building next door, which will allow us to put in a 20,000-square-foot spa.

All of these projects keep me interested, because we're putting in new technology and more interesting systems, and keeping the hotel infrastructure up to date. ●