

Hospitality

Growth in the Downtown Market



Trump Soho Duplex Penthouse living and dining areas (center); Trump Soho Pool (right)

An Interview with Andreas Oberoi,
General Manager, Trump SoHo® New York

EDITORS' NOTE Appointed to his current post in late 2011, Andreas Oberoi spent the past 10 years managing iconic, luxury hotels for St. Regis and The Luxury Collection. In addition to the St. Regis Bangkok, which he opened, these include the Hotel Romazzino in Italy's Costa Smeralda and the opening of the St. Regis Mardavall Mallorca Resort in Spain. For 12 years prior, Oberoi held senior-level roles with Kempinski Hotels in Beijing and Munich. His career also includes management positions with The Waldorf Towers in New York and The El San Juan Hotel & Casino in Puerto Rico in the early 1990s. He launched his career in 1985 at Hotel Vier Jahreszeiten Kempinski Munich, where he rose from an apprenticeship to Front Office Manager on a task force team to open the Mansion Kempinski Bangkok in 1991. Oberoi holds an executive Master of Business Administration from Reims Management School in France.



Andreas Oberoi

PROPERTY BRIEF The first luxury hotel in downtown Manhattan, Trump SoHo® New York's (www.trumpsobohotel.com) 391 spacious guest rooms and suites feature floor-to-ceiling windows offering unparalleled views of the city's spectacular skyline and the Hudson River. Trump SoHo currently offers hotel condominiums for purchase. Owners and hotel guests will enjoy world-class dining at Koi SoHo, a signature cocktail lounge, the seasonal pool-side Bar d'Eau, and the utmost in personal service with signature Trump Attaché service. The Spa at Trump® with its two levels of pampering services provides New York its only authentic luxury Hammam. The property is a member of the Trump Hotel Collection portfolio.

How is the New York City market faring today and how has SoHo evolved?

The market is not where it was before, neither in terms of volume nor rate. However, compared to other markets in the world, New York is a major hub and has developed well and gotten back on track; occupancy levels in particular are way above the 80 percent line throughout the city in all segments of hotels.

The luxury travel rates are not back to where they were before 2008, but we are seeing a good rate growth supported by the demand

and the downtown market has developed very well.

I foresee continuous growth in the downtown market and for Trump SoHo.

How do you maintain rate integrity with the pressure for occupancy?

A luxury hotel stands for a luxury product. Our goal is not to capture 100 percent of the market because we could never do that. We are here to capture a certain group of high-end travelers that value our

proposition – the location, the building, the hardware and software, the experience, and the service – and are willing to pay a premium for that.

How challenging is it to be successful with the food and beverage component?

SoHo has a tremendous number of restaurants to offer, but we carefully studied the market in our neighborhood and it's why we subscribe to the concept that Koi offers, which is a fusion of contemporary Japanese cuisine that fulfills a niche that was not available in the neighborhood.

It's an innovative concept in terms of the art of food and how it's being created and prepared for the eye.

Koi has been open for a short time and we have seen a lot of interest from local residents and guests around the hotel area as well as people traveling specifically to Koi in SoHo.

How critical is the spa offering for the luxury traveler today?

It's of ultimate importance for a five-star hotel to have a spa today. The luxury traveler not only wants to enjoy a nice room but also a spa treatment that goes beyond basic massage and salon offerings.

The spa at Trump SoHo has nearly 12,000 square feet of space and nine treatment rooms.

It was designed and inspired by Ivanka Trump and she brought a lot of ideas in from her travels to Istanbul. We are also the only spa offering a luxury Hammam.

How has the property focused its environmental efforts?

The luxury traveler is more eco-sensitive in all parts of the world today.

So recycling our guest room soaps and bottled amenities as we do sets an innovative trend and is something we can do to help.

When I arrived here last year, I decided to change the policy of having newspapers delivered to each room every morning in order to cut back on unnecessary waste.

I offered *The New York Times* and *The Wall Street Journal* a partnership with us where we can offer our guests the choice of a hard copy or a soft copy on their mobile device. It works quite well and a lot of guests appreciate it.

There is also a big benefit for the publishers because they get closer to a new customer.

In offering the technology, do you worry about losing the human contact?

There is a difference between a leisure traveler and a corporate traveler, in terms of what he would like to experience.

The corporate traveler doesn't necessarily need such a close personal contact, but the leisure traveler does.

We offer pre-arrival communication, which is sent out about three days before the guest arrives. We ask for further information to make the arrival experience smoother: it covers issues like making spa reservations or meeting transportation requests.

We also offer check-out via a secure e-mailed invoice, for instance.

How important is it to invest in this property? Are you happy with the product you're offering?

Once you open a hotel, it goes through a development stage and it takes between three and five years to find its place in the market and stabilize, and you have to be open to accepting advice on what can be done better.

When I arrived, it was obvious to me that this property is an amazing place with spectacular views of the city. However, I felt there was ambience missing in some parts of the larger units, so we're adding that to the penthouses. We are also bringing in the latest technology from Bang & Olufsen, as well as a gallery concept where we will have a portfolio of artwork from emerging local artists that will be rolled out in the penthouses and that will change every three to four months.

How has the role of GM evolved?

GMs today tend to come more from a sales and marketing background.

However, the leadership is still number one, because in finance and sales and marketing, you can have good executives on the team, but leadership is key in terms of keeping the eye on the guest and the team. ●