



HIRAN COORAY

CHAIRMAN OF JETWING ON HIS OUTLOOK OF THE TOURISM INDUSTRY



With half a century in the industry and over 25 villas and hotels collectively, Jetwing Hotels is well known worldwide. Hiran Cooray, the Chairman of Jetwing Symphony PLC, is continuing his father's work, abiding by the pillars of honesty, integrity, passion and tenacity. Our topic of discussion focussed on the hospitality sector amid COVID-19, the future that awaits the industry and how we can embrace the forthcoming changes.

The Easter Sunday attacks and the prevailing COVID-19 pandemic have brought unprecedented impacts on the hospitality sector. How do you think these events have changed the industry and will these changes be permanent?

I believe that when the third wave of the COVID-19 pandemic is brought under control, tourism will commence to what it once was. Some people are itinerants and we have seen that in our Sri Lankans, where individuals optimised the opportunity to travel when possible. The world has experienced dreadful tragedies throughout the decades, from wars and the bombing of airlines, but nothing has permanently affected the need for people to travel and explore. For example, there have been other pandemics such as the Ebola virus in Africa and when compared to COVID-19 in terms of the death toll, it was much greater. However, travel enthusiasts did not halt their trips to Africa. Likewise, it is unthinkable to see a permanent change to travel in Sri Lanka. However, naturally, in the immediate future, there will be adjustments to service providers like us in terms of the flexibilities provided to encourage visitors. We want our guests to feel safe when they travel and I sincerely hope

the situation will subside in time to come.

Whilst the pandemic's negative impacts have been abundant, some companies have used this time to improve specific areas within their businesses. What role does technology play and how has it helped the tourism industry during these trying times?

The only positive repercussion of this pandemic is that we have learnt to adapt and survive amid this chaos. Technology has been used and advanced in the industry to facilitate bookings and maintain guest records such as dietary preferences. However, our industry is people orientated and it revolves around physically serving guests, hence there is only so much that can be done. I have been through many onerous periods in my life, but the past 13 months have been the worst that I have ever experienced in the industry.

Before the pandemic, a trend we observed growing in popularity are online platforms such as Airbnb and Homestays. Has either of these services impacted tourism market dynamics and Jetwing?

Airbnb and other booking agents such as booking.com have created an opportunity for the informal sector of hospitality to grow. This generated the possibility for people to market a vacant room/house and this is an outcome of positive growth. Many individuals in Sri Lanka have benefited from this and as they should since tourism is for all. Platforms such as these broke the barrier of booking engines and enabled anyone to advertise and earn money from tourism. However, an issue that is pertinent within this sector is that these entities do not pay taxes. There needs to be a level playing field, as no one is exempt from Sri Lankan law. Furthermore, another concern would be the hygiene, safety and security that is maintained at homestays and Airbnbs. There needs to be a form of surveillance and guidelines to ensure they are kept to a specific standard. "One bad apple can spoil the bunch" and there will be a ripple effect on the entire tourism industry if something goes awry. Therefore, these variables need to be monitored, regulated and individuals need to be held accountable to their relevant public treasuries.

Serviced apartments seem to be few and far between in Sri Lanka. However, there seems to be a demand. What are your thoughts on this and long-stay options in general?

Serviced apartments/villas are a great product to provide to those who work remotely, or for retirees. Especially, in Europe, a majority of the wealthy middle class live in small spaces which are not suitable for working from home. Moreover, during winter it is nearly impossible to stay motivated indoors and focus on work due to the gloomy weather. Fortunately, here on our Island, we are blessed with tropical weather and sunshine for the majority of the year. This is an aspect that needs to be marketed alongside our beaches and culturally rich heritage. We also have facilities such as cleaning services, service providers and supermarkets that deliver groceries if visitors opt for a self-catering option. We must take advantage of this great opportunity and market Sri Lanka as a long-stay destination for around 3 to 6 months of the year.

Are there any locations in Sri Lanka that are growing in popularity? Are some locations more popular in comparison to others? What were the occupancy rates before the pandemic?

Jetwing has hotels all over the Island excluding Trincomalee and travel location preferences depend on their interests, such as the beaches, mountains and national parks. However, when there were no travel restrictions, Yala was the hotel that performed extremely well due to leopard sightings. For Sri Lankans, it was a rare opportunity as there was less international tourist traffic and wildlife lovers were swarming around because of the opportunity to capture some unique sightings. When Sri Lankans were able to travel, Jetwing Lighthouse had an occupancy rate of 90%, similar to Negombo during the weekends. Before the pandemic and the unfortunate Easter Sunday attacks, we

observed 80-90% and 60-70% occupancy levels during the winter and summer months respectively, thereby averaging 50-70% occupancy all year round. However, given the prevailing situation, the only hotel that is operating at full occupancy is the intermediate COVID-19 quarantine centre.

Do you think the base rates at Jetwing will change over the next few years?

We will not modify the base rates, however, there will be discounts provided off these. Currently, for Sri Lankans, we offer a discounted rate of 50-60% and we always maintain our prices in the Sri Lankan rupee. When it comes to foreign travellers, we quote in foreign currency and this was the norm before the pandemic. We ensure to serve our number one client base, Sri Lankans and continue to encourage their visits.

Recognising tourism's impact on the economy, the Sri Lankan Government has tried to make strides towards the industry's revival. Any thoughts on the initiatives actioned so far and what do you propose for the future?

I believe the guidelines that have been in place thus far have worked efficiently. Precautions such as isolating, testing and even the travel bubble has ensured that there is no spread of the virus via travel groups. Therefore, I must say the authorities responsible for these guidelines have done a tremendous job in handling such travellers and ensuring the safety of all.

In regards to the future, improvements to the Jaffna airport is imperative to cater to those in Tamil Nadu where people can travel extremely easily in less than 30 minutes to the North of our country and this will aid in boosting tourism within that area. We should also better utilise the Mattala airport as it is the gateway to the entire East Coast of Sri Lanka inclusive of Arugambay, Ella, and Wel-lawa.

What is in the pipeline for Jetwing? Are there any new hotels that are currently in development?

At this point, we are not looking to embark on any new hospitality projects other than maintaining our existing properties to the highest standards. The cost per key is over LKR 25 million and with the current import restrictions, it is sure to be a lot more.

However, we are currently in the initial stages of a real estate project, which comprises 112 apartments and 4-8 penthouses in Thalahena, Negombo, near the beach. We have taken a lot of time and care to plan out the logistics, design and demographic we will be catering to. We are looking to cater to those looking for long-stay options. These groups can afford to invest USD 250,000 to 300,000 on an apartment and with our reputation, there is definite trust that their properties will be maintained in their absence.

