

How immense was the adversity following the Easter Sunday attacks and the COVID-19 pandemic?

The series of unforeseen events over the recent past was and still is undoubtedly challenging for myriad industries. The impairment on the tourism industry is comparatively a lot more appalling and has affected everyone ranging from suppliers to travel agents.

Since the onset of the Easter attacks, about 90% of our business revenue has been hit negatively, leading to the redundancy of some of our staff.

Yet one positive impact of the collapse was the coercion to restructure our system and adopt lean management techniques to enhance efficiency. It also led us to brainstorm cost reduction strategies in various aspects such as energy, purchases and many more.

Did you observe a change in the guest profile and occupancy rates after the Easter Sunday attacks?

Ramada predominantly attracts MICE (Meetings, Incentives, Conferences and Exhibitions) related or business travellers. However, with the unfortunate experiences, most foreigners avoided hotels in Colombo at the time and opted for hotels in the periphery. The occupancy rates dropped to about 2 to 3 rooms per day and would rarely go up to a maximum of 10 rooms. The lack of demand and the increase in supply severely affected the rates.

We did observe an upward trend with MICE travellers prior to the Easter attacks. Growth, however, was impeded because of the pandemic and recent events.

In your perspective, how do you think the Government has supported thus far and in what other ways can they lend a hand to revitalise the hospitality and tourism industry?

The Government has aided by providing concessionary and working capital loans and concessionary periods to pay them back. However, there is a severe delay in processing these as banks are overwhelmed with the immense number of persons/companies involved.

The Sri Lanka Tourism Promotion Bureau (SLTPB) has proposed a digital marketing campaign with eight international markets which would contribute to destination marketing. There are also efforts by the Convention Bureau to bring the MICE market into the country, primarily to help Colombo city as it is the hub of MICE tourism in Sri Lanka.

Although Sri Lanka is geographically located in an ideal spot enabling travel with ease, one issue we face as a nation is the scarcity of convention and exhibition centres compared to other countries. Other than for BMICH, there are no sizable facilities that can host a large crowd and the country has no purpose-built convention centres. Since we still foresee the potential for growth in the MICE market, the new convention centre in Port City will help boost the market. Addressing the current inadequacies and the shortfalls will certainly aid in the revival.

In terms of infrastructure, the highways are under construction, easing access to locations and enhancing optimism about future tourism growth.

I am aware that the Government is making conscious efforts with promotions. However, because of red tape, the decision-making process has been delayed in most areas. We need to be more dynamic and perhaps make more collaborative efforts to develop the industry to accommodate future generations.

What are the general trends in the hospitality industry and consumer preferences in the recent past?

We, as a company, study customer needs and preferences and cater accordingly. We believe that connecting directly with our patrons and understanding their needs is the best form of learning.

With customers focusing more on avoiding public and social settings, the trend of ordering in has become largely popular. All hotels, including five-star properties, have become heavily dependent on delivery revenue. Meanwhile, as most meetings are virtual, we are working on providing customers with video conferencing facilities with extended bandwidth.

Another key trend observed is the likeliness and switch towards the use of sustainable products. We have been able to minimise the use of single-use plastic, and we have reached 50% of our goal. We are currently discussing initiating our own sustainable bottling plant. We have also established a greenhouse in our hotel due to the shortage of vegetables in the city. We hope the greenhouse will help us in perhaps reducing costs. Thinking green has been a crucial focal point for us.

Before the pandemic, Airbnb and homestays were gaining tremendous popularity. In your opinion, what are the impacts of these on the hotels in Colombo?

The assortment of Airbnbs and homestays need to grow to enhance choices for customers. Presently, they acquire nearly 15% of the Colombo market share.

One major concern is that Airbnbs and homestays are not regulated or appropriately taxed, enabling competitive prices. This would not have been a concern if an adequate number of tourists were coming in.

Nonetheless, this makes the colossal investments by hotels to meet global standards futile. It can thus be said that the industry has suffered in that respect.

Finally, could you brief us about the future of Ramada in a post covid environment?

I believe the basics will remain the same; making sure our guests are happy and secure. We may have to adopt different ways with the current climate, which we are prepared and equipped to cater to. A salient lesson learnt from the pandemic is to yearn towards efficiency with more lean management practices.

As mentioned previously, we are focused on thinking green and have a few green projects in the

pipeline. One of which was the tree planting programme held last December with 600 trees planted around the country. Additionally, avoiding single-use plastic is a significant initiative we aim to promote.

We also believe in encouraging our human capital by scaling salary as the salary scales in the hospitality industry are very low. Due to the lack of exposure and the existing gap, social parity is not aligned. The true essence of hospitality is not shown despite Sri Lankans being

known for their hospitality. That is a challenge faced by most hotels, and we expect this change in the entire hospitality industry. We look forward to keeping employees comfortable in their workspace to utilise their passion for work to the fullest.

Understanding the traveller and trends post-covid and ensuring safety and

security is another aspect we are currently focusing on. What we have planned may not be what we need in a few months. Therefore, we need to be humble, accept change, be adaptive and fluid in our approach.

WASIM CADER'S TAKE ON THE HOSPITALITY INDUSTRY'S PLIGHTS

Wasim Cader, a proficient hotelier credited with vast experience and prowess in the hotel trade, is currently the General Manager of Ramada Hotel. He spoke of the continuous unrest endured by the hotel industry in Sri Lanka and the hotel's response strategy to survive the ambient socio-economic pressure.

