

News monitored for: M&M - Holidays & Resorts

EXPRESS Hospitality

MONTHLY INSIGHT FOR THE HOSPITALITY TRADE

30 MINUTE INTERVIEW



'There is a need to create a bouquet of homes ensuring hygiene and security'

Exploring opportunities in the domestic tourism sector, Mahindra Holidays and Resorts India has come up with homestays providing sustainable services and accommodation. **Vimla Dorairaju**, business head, Mahindra Homestays speaks about the product and the strategy.

By Nupur Singh

How do you see the market for homestays evolving in India? What are the major challenges?

The homestays industry has evolved though in an unorganised way over the last five to ten years across the country. Initially there were a few good homes but later the government came up with a lot of schemes and today as a result there is a huge supply of homes. But the major challenge is that there is no management and the quality standard is not developed for homestays in India. There is a need to create a bouquet of homes ensuring hygiene and security.

How have you been involved in the development of this market?

Mahindra Homestays is an effort by Mahindra Holidays and Resorts India to organise the growing homestay industry in India and market it under a single brand. Mahindra Homestays has established a pan-India network of homes in cities and tourist destinations that deliver the real India through an enriching host-guest interaction. A homestay is accommodation provided in a private home, with no more than eight rooms available for guests, run by the homeowner. The major focus is on building a domestic product catering a wide range of travellers but the current target group is the young traveller between 30 to 35 years. The key markets for us are Chennai and Bengaluru. However, we look forward to other Indian cities as well.

What is the current strategy of the company to promote the business?

The current strategy is to promote the product online and with the support of the trade. The reason for choosing this medium of promotion is that 60 per cent of our total business comes from the online medium. Along with this the traditional way of promotion by communicating with the corporates and awareness building forms an important part of our strategy. In our international marketing efforts we are also marketing through a marketing and PR firm in the UK.

What is the current business from international and domestic market? How do you plan to promote the brand in the domestic market?

The current business from the international market is 30 per cent and from the domestic market it is 70 per cent. Being a major market for us we strive to promote the brand and expand our reach in the domestic market. We have signed MOUs with some of the state governments like Kerala, Uttarakhand and Rajasthan and are in the process of signing up with Punjab and Tamil Nadu which serves the dual purpose of promoting the brand along with domestic tourism in the country. Domestic tourism in India has immense potential and this further provides opportunities for the homestays to grow.

What is the future plan of the company?

Mahindra Homestays is still at a very nascent stage but we can foresee great growth prospects given the fact that it is growing three to four times every quarter. Mahindra Homestays has 260 homes in 15 states with a total of 650 to 700 rooms. We aim to expand our reach and provide more homes to travellers. There are plans to build 500 to 700 homes by the end of 2010. We are in the constant process of increasing our inventories and rooms are added at a rate of 20 to 30 per cent per month. In terms of expansion we look forward to spread across Uttarakhand, Himachal Pradesh and Maharashtra. ■