

Published Date:	16 Jun 2023	Publication:	The Economic Times [New Delhi]
Journalist:	Anumeha Chaturvedi	Page No:	1
Circulation:	126,805		



Published Date:	16 Jun 2023	Publication:	The Economic Times [New Delhi]
Journalist:	Anumeha Chaturvedi	Page No:	9
Circulation:	126,805		

Hotel Brands Book Into Small Towns with Big Potential

PROMISING UPTICK Hoteliers explore business & leisure opportunities as economy expands

Anumeha.Chaturvedi
@timesgroup.com

New Delhi: Be it Khajjiar in Himachal Pradesh, Kevadia and Vithalapur in Gujarat, or Hoshiarpur in Punjab — many lesser-known locations in India are beginning to get branded star category accommodation options as hoteliers double down on expansion in the country.

1 “Hotel companies are making a deeper foray into tier-2, tier-3 and even tier-4 cities, as they recognise the increasing potential of these markets for both business and leisure travel and as the impact of a rapidly growing economy reaches smaller cities and towns,” said Mandeep S Lamba, president for South Asia at hospitality consultancy HVS Anarock.

“Tier-2, tier-3 and tier-4 cities accounted for a whopping 86% of all brand signings by properties in 2022, of which 47% were in tier-3 and tier-4 cities,” he added.

Samir MC, managing director of Fortune Hotels, which announced the opening of a new hotel in Khajjiar this week, said the chain will launch new hotels in Tiruppur, Aligarh and Hoshiarpur in the second quarter of this fiscal year, and is in talks to sign new hotels in Kevadia and Hosur.

Nikhil Sharma, market managing director for Eurasia at Wyndham Hotels & Resorts, said there is a strategic focus on tier-3 and tier-4 locations such as Ambala, Bhiwadi, Dhanbad, Gorakhpur, Khopoli, Panipat, and Virangam in Wyndham’s pipeline of hotels. “Recognising the immense potential and growing demand in these areas, we have strategically expanded our presence in recent years,” he said.

Buoyed by a promising uptick in business in recent months, many hoteliers are looking for first-mover advantage in smaller towns that are attracting an ever-increasing number of visitors.

Lemon Tree’s upcoming pipeli-

Checking In

LEMON TREE
Pipeline includes hotels in Chirang, Erode, Jabalpur and Banswara

HYATT
First international brand to foray into Bharuch

IHG HOTELS & RESORTS
Hotels coming up in Ramnagar, Jalandhar

WYNDHAM HOTELS & RESORTS
Planned: Ambala, Bhiwadi, Dhanbad, Gorakhpur, Khopoli, Panipat and Virangam

FERN HOTELS & RESORTS
Launched new hotels in Ichalkaranji and Jambughoda



ne includes hotels in Chirang, Erode, Jabalpur, Banswara, Chandausi, Tezpur, Bharuch, Kharar, and Sri Ganganagar. “We are aggressively looking at tier-2, tier-3 and tier-4 locations for two reasons: most of these locations have no branded supply, so we get the first-mover’s advantage; (and) we also benefit from the network effect as the residents of these cities stay at our hotels in multiple locations,” said Vikramjit Singh, president of Lemon Tree Hotels.

Deepak Jain, founder of MayFair Consultants, said he is in advanced stages of negotiations with international brands for new hotels in Vithalapur, Siliguri and Bathinda.

Ajay K Bakaya, managing director of Sarovar Hotels & Resorts, said Sarovar will be the first branded chain to open hotels in Ayodhya and Saharanpur. The hotels are scheduled to open in the third and fourth quarters of this year, he said. The chain’s upcoming openings for this year also include hotels in Sonapat, and Jalandhar.