

IN-STORE

Starwood setting up to dominate luxury travel in India

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By KAYLA HUTZLER

Starwood Hotels & Resorts is aiming to dominate the luxury travel market in India with plans to open 20 new properties in the country by 2016.

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The hotel chain will be opening two new Luxury Collection hotels in the country this year alone. The aggressive expansion may be fueled by the growth Starwood has seen from its Starwood Preferred Guest program in India.

“India is part of the BRIC [Brazil, Russia, India, China] countries – each of which currently possesses rapidly-growing economies and feel the effects of globalization particularly strongly,” said Melanie Brandman, founder/CEO of The Travel Curator, New York.

“These are the countries that are increasingly developing hospitality business, because they can afford to and there is a strong luxury audience for them,” she said. “India, in particular, is quite fascinating due to its history with British colonialism and, beyond that, the social extremes that can be felt when you visit the subcontinent today with poverty side-by-side the most overwhelming displays of luxury you could ever imagine.

“For luxury brands, it is important to build a presence in India due to the hospitality resources available, the job creation opportunities it offers to several Indian citizens and

the power of its economic market.”

Ms. Brandman is not affiliated with Starwood, but agreed to comment as a third-party travel expert.

Starwood did not respond by press deadline.

Emerging stars

Starwood is looking to establish itself as the No. 1 luxury travel provider in India.

The hotel chain will open two Luxury Collection properties in the country this year, in Chennai and Jaipur.

Indeed, by the end of 2012, the Luxury Collection brand is set to have nine hotels in India, making it the brand’s second-largest market behind the United States.

Additionally, Starwood currently has no St. Regis properties in the country, but has plans to open a St. Regis in the National Capital Region of Delhi in 2016.

The Le Méridien line, which already has eight properties in India, is also set to expand within the country.



Starwood has plans to open Le Méridien properties in Mahabalshwar and Chennai in January 2013 and July 2014, respectively.

Overall, Starwood currently boasts 33 properties in India, making it the No. 1 international hotel operator of four- and five-star hotels in India, per the company.

However, Starwood’s aggressive expansion isn’t limited to India.

The brand has increased its luxury room count by 73 percent in the last four years, based on numbers from its St. Regis, Luxury Collection and W hotels, per Starwood.

BRICs and mortar

Since beginnings its expansion in India, Starwood has seen a growth of more than 270 percent in its Starwood Preferred Guest program, according to the hotel chain.

In fact, the demand from Indian customers caused Starwood to open its first Customer

Contact Center in the city of Gurgaon at the beginning of the year.

By having a presence in the country, Starwood is also increasing brand awareness among Indian consumers who may be traveling abroad in the near future.

Competitor the Ritz-Carlton is also expanding in emerging markets this year.

Currently encompassing 77 properties worldwide, the Ritz-Carlton has plans to increase its offerings to 100 locations by 2016 with much effort being put into China and India ([see story](#)).

Starwood may have the right idea by focusing on India, but it needs to ensure it abides and considers cultural norms.

“India is remarkable and unlike any other country in the world,” Ms. Brandman said.

“It is very important for a hotel, especially a luxury property, to respect and not exploit, the country's cultural norms and traditions while still trying to make it comfortable for a guest who may be a first-time visitor and unfamiliar with this incredibly vast place,” she said.

“India has always been an enticing destination, but now more than ever because it will certainly change with the expanding global market.”

Final Take

Kayla Hutzler, editorial assistant on Luxury Daily, New York