

When less is not enough

Riaz Khimani, director of Rikan General Trading, explains how a lack of specialised hospitality suppliers is leading to inconsistencies in supply in the market

The investment in the Middle East hotel industry of an estimated US \$15 billion in around 220 new hotel projects over the next few years will lead to a surge in the demand for hotel products and services. Hotel development is set to continue across the Middle East and there's no doubt about the region's future as a major tourism destination. "Suppliers of products and services to the hotel industry are well aware of lucrative nature of the Middle East market," explains Riaz Khimani of Rikan Trading, suppliers of quality leather, leatherette, fabric and metal accessories and amenities for hotels.

"As a result, companies are mushrooming all over the region trying to supply to the hospitality industry. Even elementary retail traders keen to make a quick buck are jumping on the supplier bandwagon. They see this [hospitality] sector growing and they want to jump into it. This is a common trend here and leads to inconsistencies in products supplied. A retailer selling leather wallets cannot be competent enough to supply leather folders and blotter to hotels — the requirements of the two segments are totally different and leads to problems in products supplied."

According to Khimani, this is why hoteliers lament about the lack of variety and inconsistencies in products supplied. He knows his leather from leatherette — he has been supplying specialised leather accessories and amenities for hotels for 25 years. Rikan Trading has been servicing hotels in the Middle East out of its Dubai office for the past eight years and Khimani claims its products grace hotels like the Burj Al Arab, Emirates Towers, Ritz Carlton in Dubai, The Grange group of hotels in Europe, The Lowndes hotel in London and The Parker Co in Amsterdam besides properties in the US. The company supplies products like room folders, F & B, banquet and amenities trays, fruit trays, platters etc. By restricting themselves to amenities and leather products, Khimani claims the company can design and custom make products to suit individual requirements.

"Like what we did for the Madinat Jumeirah project," says Khimani. "Jumeirah International wanted a very different look and feel for their amenities. They wanted an antique, rustic and Arabesque feel to fit in with the theme and décor of the property, so we got the leather dyed accordingly. We don't restrict ourselves to a fixed palette in terms of colours or compositions; we can create any look or feel depending on client requirements. Creating that Arabesque look in leather was time consuming and took us two months."

All Rikan's products are hand crafted in India; Khimani says this gives his products an edge over mass-produced factory creations coming out of China or the Far East. "We don't think of China as a competitor as we don't mass produce anything," he says.

"If someone says he wants 50 pieces, China can't do it, I can. That's the reason that our cost is marginally higher. But who is going to buy a full container of the product? Hotels don't want their products to be replicated elsewhere. By handcrafting products, I make sure no one else gets the same design."

But Khimani argues handcrafting products does not make them more expensive nor does the logistics of moving products from India to the rest of the world. There are artisans in Syria, Morocco and Egypt who can manufacture these products, but India scores on account of the quality of the finished item and the low cost of labour. He says it took a long time to convince buyers that he was offering a quality Indian product 30% cheaper than European brands. Price does matter in hotel procurement but procurement managers



Khimani says everyone is jumping on the hotel supply bandwagon.

need to take quality into consideration and compare products. Suppliers also need to make buyers aware of the correlation between price and quality and give them options to choose from.

For instance, if it is not good quality leather it may not be dyed well and colour will begin to crack after a while. A hotel needs its amenities and accessories to have a minimum shelf life, so seemingly low cost alternatives may not always be viable in the long run.

Khimani urges hoteliers to ensure leather is genuine and of good quality. "Leather can be either genuine, constituted or bonded leather. There are several gradations of genuine leather and it is important hotels buy from a reliable supplier. Initially, it [the different grades of leather] all looks the same but the differences show up with use."

Similarly, an accessory or amenity has to be user friendly. Interior designers and creative agencies design products to suit the theme of a property, but it may not be always practical for day-to-day use. This is another area where the expertise of a supplier is tested. If they have the manufacturing experience, a supplier can immediately spot these design flaws and can advise clients accordingly. "He [a supplier] should be able to give suggestions to alter the product, of course in consultation with design agencies as we don't want to move away from their basic design. A product should look good but at the same time it should be practical," says Khimani.

He says hotels in the Middle East are very aesthetically conscious and invest more time and money in accessories than in other markets. They are keen on breaking new ground to produce something different and stick to guidelines. Every single detail is pored over so that every item matches the concept of the property, even if it is just a leather bill folder.

"Even if it is a fruit tray that is left in a room with fruits on it, hotels here are keen that the tray by itself is attractive. It no longer is just a basket that fruits can be placed on. We are constantly asked to create something new. This is where specialisation again becomes important," concludes Khimani. ◻◻◻