

Five-star hotels first to hit, last to recover during any crisis

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Dhaka : During any national or global crisis, five-star hotels are the first to get hit, however, last to recover, said Shakawath Hossain, CEO of Unique Hotel and Resorts Ltd, while talking to The Bangladesh Monitor.

Since the mass uprising beginning mid-July 2024, which eventually led to the ousting of the former Awami League government on August 5, the hospitality industry of Dhaka has been the worst sufferer, mostly luxury hotels, informed Shakawath.

There are three hotels of Unique Hotel and Resorts Ltd in the capital- The Westin Dhaka, Sheraton Dhaka and Hansa Premium Residence. Of these, the former two are high-end luxury hotels while the latter is a boutique one.

Following the unrest, all the hotels of the group only witnessed an

occupancy of below 10 per cent in August 2024, mentioned Shakawath.

By the middle of July, all the foreign guests at their hotels, which usually amount to 98 per cent of the total mix, left the country over security concerns amid the student protests.

Usually, the group's hotels welcome plenty of business travellers from Japan, China, India, the USA and Australia, among others.

It may be mentioned here, many countries worldwide, including the US, UK, Japan, Australia and EU, have travel alerts in place against visiting Bangladesh at the moment.

Even though, it is "safe" to stay at their hotels, foreigners worry they might not be "secured" in Bangladesh, expressed Shakawath.

Only a handful of Chinese guests are remaining currently, due to the high number of projects they have in the country. However, the guest number is insignificant for a five-star hotel, claimed the Group CEO.

Even the F&B outlets or banquet venues of the hotels are performing poorly since the middle of July.

Shakawath argued, unlike mid-range dining outlets of the city, their luxury hotels have high-end clientele, who are neither available nor ready yet for recreational activities amid the current nationwide crisis situation.

All the bookings of August were cancelled prior, stressed Shakawath, adding, there is no demand for luxury recreation at the moment.

The group's total revenue across its hotels is down over 80 per cent. Currently, they are making even less than what their fixed, operating and manpower expenses amount to, sighed Shakawath.

In an effort to weather out the crisis, the hotels of the group are currently seeking long staying guests, offering special rates and facilities to corporates and cargo crews.

Shakawath urged the concerned representatives of the interim government to look after the ailing hospitality industry. Since there is no demand for luxury or recreation currently, the authorities are not prioritising the hotel sector at the moment, claimed Shakawath.

Hence, ensuring return to our investors has become a concern, stressed the Group CEO. Overall, the industry is currently in turmoil, lost in a maze, claimed Shakawath.

However, on a positive note, the Group CEO foresees recovery by the year end. From October, the hotels of the group are expecting to see an uptick in business and revenue.

Usually, October-December is the peak season for the market. Unique hopes not to miss it, concluded the Group CEO.