

Indians sceptical of visiting hotels: Boston Analytics

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A recent study conducted by Boston Analytics reflects that consumer visits and spending at hotels and restaurants has reduced drastically post terror attacks, followed by security strengthening at such establishments. The study concerns security's impact on commercial behaviour in the Indian market. Analysing customer spending patterns in India, the survey was conducted with a sample size of 8338 Indians where institutions like hotels, retail establishments, recreational places, banks, corporate offices and residential complexes were taken into consideration. The research reflected that 54 per cent of the sample size was either visiting hotels less often or completely avoiding them.

The pan India research collected data from 15 towns and cities in the country, including Ahmedabad, Bengaluru, Bhubaneshwar, Chandigarh, Chennai, Delhi, Hyderabad, Jaipur, Kochi, Kolkata, Lucknow, Mumbai, Nagpur, Patna and Visakhapatnam. Sharing exclusive insights on the research with **Hospitality Biz**, Kimberlee Luce, Vice President, Research and Analysis at Boston Analytics, states, "The sample is skewed towards people who spend the most. The research reflected that 59 per cent of the total sample size feels that their personal security is threatened and this feeling has heightened in the past few months. Some interesting insights derived from the research showed that Indians felt most threatened in hotels and restaurants, followed by retail establishments."

The research also highlights the impact seen on hotels located in Tier II locations, like Ahmedabad, Jaipur, Lucknow and Nagpur, much more than in hotels located in Tier I (Bengaluru, Chennai, Delhi, Hyderabad, Kolkata and Mumbai) or Tier III cities (Patna, Visakhapatnam, Kochi, Chandigarh and Bhubaneshwar). Despite the Mumbai terror attacks, people resist waiting for security checks, while people in cities like Jaipur, Lucknow and Chandigarh were more willing to go through security systems and give more time to security checks. On the other hand, people are less willing to submit to security checks in hotels as compared to transport links like airports.

Luce says, "While establishments like banks and corporate offices are non-discretionary choices, hotels and restaurants remain among the discretionary choices, resulting in the evident cutbacks and reduction in visits." She states that the research highlights the importance of different security systems in India and the opportunity it provides to the equipment manufacturers and providers. It states that commercial establishments like hotels, which want to ensure that Indians continue to patronise their establishments even in times of threatened security, need to analyse the consumer's tolerance level to (the extent of) security systems implemented before installing the same on their properties.