

q&a Guy Parsons

Middle East a huge opportunity

Guy Parsons, the chief executive of easyHotel, tells The National about his company's expansion plans in the Middle East.

Q EasyHotel recently raised £38 million in London – what was the purpose of that?

A The £38m [Dh173.4m] is focused on our owned-hotel development, predominately in the UK, and then in selected European cities. Our focus in the Middle East is going to be on a franchise basis. And that's for a couple of reasons, but predominately around making sure that we work with partners who understand their markets, frankly, better than we do. We're not arrogant enough to think that we could manage a hotel in the Middle East better than a company actually based in the Middle East. So our focus in the Middle East will remain working with franchisees.

Tell us about the progress of your hotels being developed under last year's agreement with the UAE-based MAN Investments.

There's a lot going on behind the scenes. The site [of the first hotel] is identified; the construction pre-works have started. And we're still confident that the hotel will open by the end of next year. It's a 300-bedroom hotel, a new build in the Bur Dubai area. In terms of the second hotel ... I'm actually coming out to Dubai probably in the first quarter



Guy Parsons, the chief executive of easyHotel. Courtesy easyHotel

of next year, to look at some potential sites with MAN. And the second hotel is likely to be a conversion of an existing office building. Whereas a new-build could take 18 months to build, you can get a converted building open as a hotel in a six- to nine-month period. [If] we approve the site in the first quarter of next year, they should have that open by the end of the year.

Another target under the MAN deal was 1,600 rooms by the end of 2020. Is that still part of the plan?

They're still working to that plan. To be honest, until we've got the first two hotels open in Dubai, the rest is a medium-term project and target. But absolutely, the intention is to get

to the 1,600 rooms by the end of 2020. I haven't seen anything yet to suggest that they're not going to meet that.

What's your wider vision in the Middle East region, in say the next five years. Do you see easyHotel having a handful of properties, or a dozen or more?

We haven't set an absolute target in the Middle East. But I'd like to have as many hotels as we possibly can. I think the Middle East represents a huge market opportunity for us.

How important are events such as the Dubai Expo 2020 and the Qatar Fifa World Cup 2022 in your plans?

Of course events like the World Cup present opportunities. But the really important thing is, when you are building a hotel, you are building something that's going to be there for sort of 20 years. And while the World Cup, of course, will be really important to Qatar, and room rates in hotels are bound to go up during that period, it is for a short amount of time. Over a 20-year cycle for a hotel it's, what, a couple of months. And so [it's about] making sure that demand is going to be there over the medium- to long-term. And we're confident that there is going to be a market there over that period, and things like the World Cup are just icing on the cake.

★ Ben Flanagan

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Tourists check into their room at an easyHotel in London. Guy Parsons, the company's chief executive, says it does not have any competitors in the Middle East or Europe. Adrian Dennis / AFP