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Thank God, holidays haven't gone digital, though membership has: Ramesh Ramanathan

The CMD of Sterling Holiday Resorts speaks on their new vantage membership program and what the resort business is looking like at present.

Bikramjit Ray • ETHospitalityWorld • Updated: September 11, 2020, 08:36 IST





















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Sterling Holiday Resorts Limited, with over 1,00,000 members, recently launched their Sterling Vantage membership program and ETHospitalityWorld took this opportunity to speak with Ramesh Ramanathan, Chairman and Managing Director, Sterling Holiday Resorts Ltd about the new program and his view on the industry.

"First, you can see me smiling more often. We actually expected things to turn around in July — we are very wrong because July really got locked down. Each state was reacting differently — not that I blame them — because I think the situation was such. Today, I think we have a slightly better understanding than what we were — from being scared, to reaching a stage where we say, let it come and we'll see how it goes," said Ramanathan, who had spoken with us last in May.



"So July was, contrary to expectations, a washout. We did see some green shoots in August, and in September, things are getting better though it's nowhere back to normal. I think I see two things as very positive. One of course is the government slowly relaxing and opening up — most have opened up in spite of issues. I think they have the faith that people will handle themselves, the resort companies will handle themselves, they will have strong processes and so on. The second one is the customers there are a lot of them, who are willing to travel, of course, it is all restricted still to driving. Nobody's travelling far away," he added.

Sterling has got some great feedback already on TripAdvisor, where people have commended them for the new hygiene and sanitation programme — like a group of doctors from Mumbai who visited their Goa resort, he said.

"I'm happy about people's spirit of wanting to go out and therefore I'm sure they will go and tell the other saying hey it is okay, because you will have people at different levels there are the risk takers and then there are others who will need a little bit more of confidence. I think that is what is happening now. Travel will go up, but I believe in the next three months people will still resort to going to places in drivable distance," Ramanathan said.

Consumer spending is restricted to some areas, but Ramanathan said that people are also a little tired, and they are spending on other things. "I think holidays are something they will spend because there is no alternative to it. Thank God holidays have not gone digital!" he said.

While they are not expecting numbers of bookings to reach pre-Covid levels in a hurry, what they were optimistic about was to reach a 40 or 50% occupancy, he added.



Speaking about memberships, Ramanathan said, "One of the first things to revive was memberships, of course in an entirely different avatar. Earlier all our memberships used to be finalised face to face. During the lockdown we went digital and we noticed we started a small sales uptick in June itself. We also found that the number of people who are open to video meetings have gone up substantially."

During the lockdown period, the company was doing a lot of ideating and they "realised that our memberships were not appealing to the millennials, because they don't look at the long term. They are essentially looking at the short term, maybe around 10 years. They want everything to be digital, flexible and their way and also a great deal."

This spurred the company on to develop the vantage membership which was launched on September 4, 2020.



"It is a membership product which is digital and very flexible, which is also easy on the pocket. At any point of time if the member wants more, they can always top up for that year, for instance. The whole idea is, you can buy just points and you're getting holiday currency credited to you every year, which you can use to go on a holiday at short notice. Everything is done entirely digitally," Ramanathan said.



It puts the customer in a vantage position. The product is versatile, because it can be used differently. It is very vibrant, in keeping with the customer himself that they are you know millennials. It is value for money because it is priced well, he added.

"I think it is a product belonging to this time and mostly focused on driving to holidays. We have also given members' an option if they want to go abroad, they can pay a small additional charge for an RCA membership so they can go abroad," he added.

"While we have launched this membership product, we have done the same in terms of our non-member guests, for whom we have launched multiple products. We are going ahead with smaller brands, great value for money offerings," he said.

These products include: Joys Are In package, the Workation package, the F&B and Fun activities and the Reserve Now and Stay Later option.

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