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by Lim Siew Mai

WITH 8 Conlay, KSK Group Bhd's mixed development scheduled for completion in the second half of 2020, there is growing anticipation how the country's first Kempinski-serviced hotel

will fare against other luxury offerings.

Slated to be the latest to grace the KL skyline, it will be interesting to see how Europe's oldest luxury hotel group will set itself apart and keep its promise of delivering a truly unique experience.

The development, which comprises branded serviced residences, a five-star luxury hotel, hotel residences, and a retail lifestyle component, has given the market high expectations.

KSK Group Bhd group CEO and KSK Land Sdn Bhd managing director Joanne Kua notes many luxury hotels in the Kuala Lumpur City Centre (KLCC) or Kuala Lumpur area have been stagnant for a long time, and that the country's hotels are yet to be on par with those of global cities.

"We cannot take things for granted. We can't say we are going to be one of the newest hotels in Kuala Lumpur in 2020, so we can charge a higher rate. We do not want people to stay just once at our hotel," she tells **FocusM**.

The ambition, says Kua, is to create a hotel that boasts such strong food and beverage (F&B) offerings that it attracts locals and not just tourists or foreign visitors.

"That's the hardest thing to do ... how do you get Malaysians to dine in the hotel, where the experience is entirely different? It's something we constantly think about and have to consider differently," she says.

Distinctive flavour

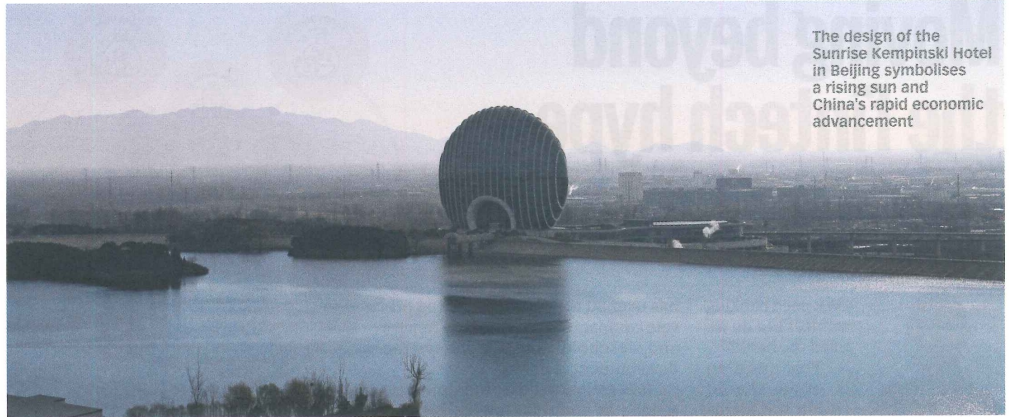
Judging from the two luxury hotels managed by Kempinski in China - NUO Hotel Beijing and Sunrise Kempinski Hotel Beijing - the Kempinski Hotel and Hotel Residences in Kuala Lumpur will have a distinct flavour.

NUO Hotel Beijing, for instance, has eye-catching art pieces, porcelain vases and sculptures that decorate the lobby.

The luxury hotel was inspired by the artistic and cultural influence of the Ming Dynasty to create a modern Ming ambience for its premise, proudly showcasing the rich Chinese heritage in the process.

James Koo, the director of sales and marketing for NUO Hotel Beijing, says half the hotel's clientele comprised Chinese nationals. The other 50% are made up of European, American, Korean and Japanese travellers.

"The hotel industry in Beijing has been slowing down for a few years.



The design of the Sunrise Kempinski Hotel in Beijing symbolises a rising sun and China's rapid economic advancement

Challenged to deliver

Kempinski-serviced hotel plans to set itself apart from other luxury offerings with strong F&B that attracts locals too



Porcelain vases displayed at the lobby of NUO Hotel Beijing



Kua and Henssler do not believe Airbnb can disrupt business for luxury hotels

Spending among government and state-owned companies has slowed, but we still have Chinese clients' who are spending, especially in Beijing and Shanghai," he says.

The Sunrise Kempinski Hotel is located 50km from Beijing. It is beside the Yanqi Lake, which means a place where wild geese rest.

Like NUO Hotel, the architecture of Sunrise Kempinski Hotel is distinctive. From the front, the round shape is meant to depict the rising sun and China's rapid economic development.

From the side, the scallop-shaped building symbolises fortune while the entrance is shaped like the mouth of a fish, a sign of prosperity.

The hotels' architecture and interior design are aesthetically pleasing. The same standard is expected for 8 Conlay.

Little things matter

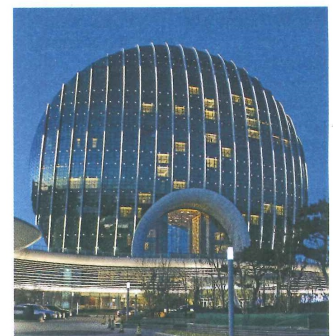
On how the Kempinski-serviced hotel in Kuala Lumpur would stand out from the rest, Kua says it is the little things that reflect the uniqueness of the hotel's individual location.

"A hotel is a hotel when you walk into it. But it's the little subtleties that make you realise you're in Kuala Lumpur.

"It's more like batik and its modern equivalent. You interpret it from a design perspective and put it on your carpets and walls," she says.

The best kind of luxury hotel, Kua says, is a combination of the concept and service it provides.

Michael Henssler, president of



Night view of the Sunrise Kempinski Hotel in Beijing

Kempinski China and managing director of Key International Hotels Ltd, believes international hotel standards should co-exist with local flair and service.

The hotelier remarked about how Malaysians "are genuinely so nice". Hence, Malaysian hospitality and service authenticity should be kept alive to create a seamless guest experience, he says.

On the rest of the project, Kua says her company is actively identifying tenants that will suit the retail component.

This is the portion that is yet to be formalised, but she will make it public once the details and agreements have been finalised at the end of next year.

Meantime, only designs for Tower A's branded residences have been firmed up. Hong Kong-based Steve Leung who is among the world's leading designers, and design company, Yoo, are in charge of the interior design. Tower B is still a work in progress.

"We haven't launched it yet, and it is not something we can show the world at the moment. It is going to be a different design to Tower A, but it will still be handled by Yoo and its creative designers," Kua says. **FocusM**

Luxury hotels unaffected by Airbnb

DESPITE a recent Morgan Stanley survey claiming that online homestay network Airbnb has become a threat to traditional hotels this year, it is unlikely the prospects of hoteliers will be negatively impacted anytime soon.

The survey encompassed the views of over 4,000 people in the US, UK, France and Germany.

KSK Group Bhd group CEO and KSK Land Sdn Bhd managing director Joanne Kua believes every customer knows what he wants and what to expect when he pays a certain price for a hotel room.

"If I were managing a two- or three-star boutique hotel, then I'd be afraid of competition from Airbnb, as there will be disruptions. But we are in a completely different segment," she says.

Michael Henssler, president of Kempinski China and managing director of Key International Hotels Ltd, concurs.

He says it offers one more arguments in favour of tailor-made experiences in the hospitality industry.

"Two- and three-star boutique hotels offer standard products that are not

recognisable," he says.

Airbnb, he says, is really going to drive home the importance of tailoring these experiences, which will convince people to pay a higher price.

Henssler sees Airbnb as a healthy development as it highlights market changes and consumer behaviour.

"It's reshaping the market and confirms that our operations are on the right track. It will hurt others but not us," he says.

Kua believes Airbnb will keep hoteliers and property developers on their toes.

"I think Airbnb makes a lot of us work harder. If you want to charge a certain price, how can you add value?"

"That's healthy for the market from a hospitality and property development

standpoint," she says.

Differentiation is becoming a more critical component with the emergence of discerning buyers.

Similarly, Kua notes that today's property developers can't get away with building the same product and expecting to charge a higher price.

"You can't tell people you're doing a luxury concept. People will ask, 'what's that luxury concept?', and you have to be ready with an answer that indicates you know what you're talking about.

"That's a healthy development. Those of us in hospitality or property development have to push ourselves. That's what the other cities around us are doing anyway," she says.