

Cognoscenti

the RIGGS report

EXCLUSIVE INTERVIEW

Atef Mankarios
CEO, The St. Regis Hotels

On Luxury Hospitality

Riggs: Atef Mankarios, the St. Regis Hotels & Resorts name is renowned in the world of hospitality. Can you tell us a little bit more about the St. Regis group?

Mankarios: St. Regis was established to create and compete with top-end luxury hotels worldwide. We now have 12 hotels worldwide, in China, the U.S. and Europe. We are expanding in Asia and looking at other opportunities as well. Each hotel must display its own personality and reflect a sense of where it is.

Riggs: As you know, there are a number of hotel groups and associations out there, even in the rarefied universe of luxury hotels. How do you differentiate St. Regis from the rest of the field?

Mankarios: Hotels that will succeed are those that will create a unique personal experience. We don't standardize our offerings. There's no such thing as a "customer base" because that term does not describe the luxury customer. Each customer has his or her own likes and dislikes, needs and



*Atef Mankarios, CEO
St. Regis Hotels*

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Riggs: I've heard repeatedly from both hotel managers and guests that the staff, and in particular the quality of the guest-staff interaction, is critical to an enjoyable hotel experience. How do you go about finding, training and retaining the best possible staff?

Mankarios: Staff management starts with the selection process. You must spend time and energy to select the core team. And the creation of a culture is important—not just a company culture, but a hotel culture—that wraps around the staff. We spend time explaining not only *what* is expected of them, but largely *why* it is expected of them. I emphasize that hotels

must succeed locally, and that means the hotel staff must have a critical part in the creation of this culture. The standards of culture are created by the staff themselves, and they carry them out.

Riggs: One of the hot issues being debated in the hospitality world today is whether to keep the different aspects of a hotel (such as a restaurant or spa) in-house, or whether to outsource them. I understand you are a believer in doing everything in-house. How did you arrive at this belief, and why?

Mankarios: At the luxury level, people need to be served by people, not by gadgets. There's no compensation to the human touch in a hotel. It's important for a manager to act as "master of the house," if you will: welcoming the guests, and saying goodbye to them. The hotel is an elegant refuge.

Mankarios:

This is my 33rd year in the business. I am a hotel purist. I believe that the new wave of economically driven development of disjointed, unrelated sets of departments within a hotel is unfortunate. That means becoming purveyors of rooms, not hoteliers. Our job as hoteliers is to give complete luxury to the client.

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This interview is part of a series of talks with industry executives about luxury hospitality, and was conducted by journalist and industry insider Nicole Medvecky-Riggs.

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Secondly, if the outsourcers can do it for a profit, why can't we as hoteliers do it ourselves? Where have we failed?

And thirdly, this sets up an inherent conflict of interest. As a hotelier, our obligation is to provide all services to a customer who expects them to be seamless. The customer doesn't want to hear, "Sorry, it's run separately." That leads to guest relations problems.

I believe outsourcing has its place in mid-market hotels, and mid-market chains. But as a luxury hotelier, I consider it a betrayal of our duty to provide a seamless experience.

Riggs: Today's luxury hotel guests are increasingly sophisticated. How do you keep pace with changing guest expectations, and in what ways have these expectations changed recently?

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