



Feeding Profits

Food and beverage is driving revenues in hospitality in novel ways as hotels innovate with new-age experiences.

BY BINDU GOPAL RAO

An intrinsic aspect of hospitality is food and beverage (F&B) and hotels are reinventing the kind of experiences they offer guests that are not just resulting in customer satisfaction but are also bolstering the bottom line.

THE OFFERINGS

Hotels generate F&B revenue through a variety of innovative strategies. Key methods include offering unique in-house restaurants and bars, 24/7 room service, and hosting banquets and corporate events. They also provide off-site catering, pop-up events, and special promotions. Loyalty programs and memberships offer exclusive benefits, while collaborations with celebrity chefs and local suppliers add appeal.

Glen Dsouza, General Manager, Hyatt Centric Ballygunge Kolkata, says, "Hotels are embracing new trends and innovative methods to boost their F&B revenue. Key trends include sustainability with farm-to-table and zero-waste practices, health-focused menus featuring plant-based and functional foods, and integrating technology for contactless ordering and personalized experiences. Experiential dining, like interactive and themed meals, as



Glen Dsouza, GM, Hyatt Centric Ballygunge Kolkata

well as chef's table events are gaining popularity. Seasonal pop-ups, rotating kitchens, and collaborations with celebrity chefs and local artisans keep offerings fresh. Enhanced beverage programs, digital marketing with influencer collaborations, and customizable menus attract a diverse clientele."

DIFFERENTIATED EXPERIENCES

Hoteliers are in the driving seat as they remain at the forefront of evolving consumer preferences by adopting innovative trends and strategies in F&B revenue generation. Going beyond the dining table, hotels today look to host a range of special events, from liquor and liqueur tasting eve-

nings to themed grill dinners, that bring guests and locals together in celebration of good food and innovative concepts.

Avinash Handoo, Director Culinary, Espire Hospitality Group (ZANA Luxury Resorts & Country Inn Hotels & Resorts), says, "We are particularly focused on meeting the rising demand for upscale single-serve beverages and functional hot drinks like coffees, teas, and broths, all infused with natural ingredients for a heightened experience. Additionally, we are seizing the opportunity presented by the growing interest in plant-based cuisine, diversifying our menu to cater to health-conscious consumers and broadening our market reach."

Prasanna Venkatesh, Director of Food and Beverage, Pullman and Novotel New Delhi Aerocity, adds, "Establishing ghost kitchens within hotel properties allows for the creation of multiple virtual restaurant brands, offering diverse cuisines for delivery without the need for additional physical space. Transforming traditional dining areas into multi-purpose spaces that can be



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Arjun Kaggallu, General Manager, Novotel Kolkata - Hotel & Residences.



Sid Mathur, Founder & Director, Secret Ingredient, Hospitality & Food Consultants

used for co-working during the day and social dining in the evening maximizes usage and revenue."

CUSTOM CUES

Gourmet picnics, where guests can choose from a curated selection of local and international delicacies, and enjoy a meal in scenic spots, designed for those who appreciate the finer things in life, are also on offer.

"Hoteliers and restaurant managers are continually seeking innovative strategies to attract guests, enhance their dining experiences, and increase sales. By implementing diverse and dynamic strategies, hotel restaurants and hoteliers can significantly enhance their F&B revenue. Focusing on menu innovation, exceptional customer experiences, technological integration, effective marketing, sustainability, operational efficiency, and increased visibility ensures that hotel restaurants not only meet but exceed guest expectations. These efforts not only drive revenue but also build a loyal customer base, ensuring long-term success in the competitive hospitality industry," says Arjun Kaggallu, General Manager, Novotel Kolkata - Hotel & Residences.

RESTAURANT PUSH

More hotels have woken up to the

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Celebrations at ZANA - A Luxury Escape, Dhikuli, Jim Corbett



Sterling Ooty Elk Hill The Nilgiris LR

reality of F&B revenue being a significant source of revenue.

“Hotels are pushing the envelope, whether it’s keeping up with the food and cuisine trends, or even clever collaborations and pop-ups (many of them with international chefs). Creating an outstanding specialty restaurant is quite critical for the overall F&B image of a hotel nowadays. And in fact, many are reworking their all-day dining (coffee shops), so that they are not only used for breakfast, but also as a place that can be visited throughout the day. Many hotels are also leasing parts of their space to restaurants or bars with a revenue share model,” says Sid Mathur, Founder & Director, Secret Ingredient, Hospitality & Food Consultants.

TREND CHECK

With renewed interest in understanding the source of the food as well as an emphasis on local food and its associated carbon footprint, hotels now employ distinctive tactics to enhance their F&B revenues, emphasizing freshness and locality. Arindam Basu, Director of Operations, Conrad Bengaluru, says, “There is an increasing demand for sustainability and locally sourced ingredients, prompting hotels to partner with local farms and suppliers. Health and wellness menus that cater to dietary preferences such as vegan, gluten-free, and keto diets are gaining popularity. Virtual restaurants and cloud kitchens are being explored to reach a broader audience through delivery services. Subscription meal plans offer convenience and value to guests.”

F&B revenue contributes significantly to the overall hotel revenue, typically accounting for 30%-40% of the total revenue. “Sterling has launched specialty restaurants that utilize local products to highlight the native cuisines - Amo Odisha in Puri, Casa Varca in Goa, Nilgiri Express in Ooty, Malabar Pavilion in Wayanad and



Arindam Basu, Director of Operations, Conrad Bengaluru

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Wedding Lawns at Sterling Balicha Lawns LR

Ocean’s Kitchen in Alleppey. Sterling also launched ‘On The Go’, a takeaway service to enable guests to enjoy hygienic and freshly packed food when they go out of the resort to explore the destination or when they check-out and drive back home. We also sell room packages that include F&B for value-conscious guests. We have introduced Sterling Circle, a product that provides eight nights of holidays to customers that they can enjoy over a one-year period. This product is bundled with vouchers that the customer



Harinath M, Sr Vice President Marketing, Sterling Holidays



Hyatt Centric Ballygunge Kolkata



Arindam C Bahel, General Manager, The Fern Brentwood Resort, Mussoorie

can use for F&B while staying at the resort,” says Harinath M, Sr Vice President Marketing, Sterling Holidays.

TECH TALK

With the growing prevalence of technology in F&B services, understanding its role in enhancing guest experiences and optimising revenue generation is crucial. “Technology is transforming F&B operations in hotels by enhancing efficiency, improving guest experiences, and driving revenue growth. Mobile ordering and payment systems, digital menus, the use of robotics in the kitchen and ease of ordering through virtual kitchens are some of the upcoming technologies that are contributing to enhancing guest experience in today’s operations,” says Arindam C Bahel, General Manager, The Fern Brentwood Resort, Mussoorie.

“In today’s unpredictable landscape of the ever-changing demands in the consumer industry, F&B must effectively use tools to strategically manage and grow optimally, utilizing the given resources,” he adds. “Optimizing feedback through various channels and enhancing response time on various platforms is important. Accessing competitive feedback and tracking and monitoring how customers engage with your competitor’s brand and company posts can present precise insights into customer preferences, and present ideas for innovation in your product and marketing strategy.”

Hotels are also harnessing the power of data through F&B benchmarking to continuously refine operational strategies. F&B benchmarking involves analysing key performance metrics against industry standards, allowing hoteliers to identify areas for improvement and maintain a competitive edge in the market. By closely monitoring factors such as revenue per available seat, food and beverage cost percentages, and customer satisfaction scores, hoteliers can make informed decisions to enhance efficiency, drive profitability, and ultimately exceed guest expectations. 📊