

INDUSTRY FOCUS

Giving guests the Royal treatment

Royal Hotel Investments focuses on people first, then profit



Royal Hotel Investments
14460 Paras Drive NE
Covington, Georgia 30014
www.RoyalHotelinvestments.com
info@RoyalHotelinvestments.com

Number of hotels: Two Hampton Inn properties owned and operated, with a Holiday Inn Express & Suites under construction (opening scheduled for November 2016)

Number of rooms: 204 currently in operation, with an additional 110 rooms under construction

Number of employees: 62

Key Executives



Navin Shah is chairman of Royal Hotel Investments.

Navin Shah,

chairman:

Shah guides the overall direction of the company. He keeps one eye on the day-to-day and another eye on long-term

strategic growth. Assisting him are two senior level managers, one to supervise operations and one to enhance revenue.

In addition to being an hotelier, Shah is vice chairman of the board of directors for Embassy National Bank, a community bank in suburban Atlanta that he helped establish in 2007 and that today is among the largest SBA lenders in the southeast.

Company History

Born in Ahmedabad and educated as a civil engineer in India, Navin Shah immigrated to Chicago in 1971 and renewed his engineering education at Purdue University, earning a Master's of Science degree in civil engineering in 1978.

Few immigrants at the time had a post-graduate degree from an American university, so Shah was eagerly sought by employers. He accepted a job with the Metropolitan Atlanta Rapid Transit Authority (MARTA), but he was an



Royal Hotel Investments owns and operates this Hampton Inn in Covington, Georgia.

entrepreneur at heart.

"I love to build things, so while continuing my day job, I built several shopping centers as a way to generate additional income for our family," Shah said.

When Atlanta was chosen to host the 1996 Olympic Games, Shah saw a new revenue opportunity. He bought his first hotel, an independent property with 122 rooms, in 1995.

"I'm a people-person and enjoy dealing with the public, so I really liked the hotel business immediately," he says.

He bought his first branded hotel – a Hampton Inn – in 2002, then followed that with a second Hampton Inn in 2009. The company still owns and operates both properties.

Business Model & Mission Statement

"Hotel guests are different than a doctor's patients or a store's customers or a lawyer's clients," Shah said. "Our hotel is a home-on-the-road for travelers, so guests become a part of our family and we must treat them accordingly.

"Travelers are typically in an unfamiliar city and in a new hotel, so our job as hoteliers is to reduce their anxiety and make them feel more comfortable. They may have difficulties

or complaints, but they are still in our house.

"I emphasize this mindset to all our employees. Our goal is to think of what guests will want before they even know what they want. For example, if it's a rainy day, we have loaner umbrellas in the lobby for them. It's these small things that make a big impression.

"The hotel business is equal parts

"Hospitality is a repeat business, but guests don't come back because we have gold-plated faucets – they return because we make them feel comfortable."

'stuff' and 'staff' – to be successful, you must give attention to both. Guests want certain amenities so they can be comfortable, but guests come back because the staff makes them feel special.

"The attitude of our employees is ultimately more important to our success than any single skill an employee has or any specific amenity at our hotels. If we provide exceptional service, people will want to do business with us over the competition. This is the underlying model and mission that drives our business."

Q&A with Navin Shah

What is your outlook for the hotel industry for 2015 and 2016?

During the past few years, demand has been growing but supply has remained almost the same. There is now a need for new hotels – and banks are easier to deal with. They are listening and they are lending.

There is also a need to renovate and upgrade existing properties that may have been neglected during the recent hard economic times. People like anything “new” – that’s why new hotels and renovated hotels do better than older or neglected ones.

We recently put all new bathrooms into one of our hotels, without a PIP or a brand directive. With my construction background, I know that renovation is not a cost -- it’s an investment. After all, we maintain our cars to keep them from breaking down, and we have to do the same with our hotels. We have to project a certain image to attract guests.

What are your goals for the



The Shah family, front, Navin Shah and his wife, Taru; and their children, back row, from left, Ravi Shah and his wife Komal Patel; Shefali Shah; and Pali Shah.

next five years, and how are you positioning the company to achieve these goals?

We want to keep building and growing in the Atlanta and northern Georgia area, so we will continue to focus on opportunities to purchase appropriate properties or to build new ones. I

don’t have any specific financial goals, because my definition of “success” is not money – it is satisfied guests and employees. So we will also continue our programs of solid employee development and obsessive customer care.

My wife, Taru, is a pediatrician, while my daughters are also doctors – Shefali is an oncologist and Pali is an ear, nose, and throat surgeon. They are not actively involved in the business.

In contrast, my son Ravi graduated in 2012 with both a medical degree and an MBA from the University of Pennsylvania. He will complete his residency in psychiatry at Columbia University Medical Center in 2016. His fiancée, Komal Patel, graduates with an MBA from Columbia Business School in 2016, so I expect the two of them to increasingly provide advice and counsel to the business.

What is the most important lesson you have learned since starting the company?

Don’t let the good times make you arrogant. When things are going well, it’s easy to believe that you can’t do anything wrong – that you can’t overspend or over-expand. I pray to God every day to stay humble. ■